



Industrial Energy Consumers of America
The Voice of the Industrial Energy Consumers

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November 9, 2011

The Honorable Harry Reid
Majority Leader
522 Hart Senate Office Bldg
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
317 Russell Senate Office Building
Washington, DC 20510

Re: S. J. RES. 27, disapproving a rule submitted by the Environmental Protection Agency relating to the mitigation by States of cross-border air pollution under the Clean Air Act

Dear Majority Leader Reid and Minority Leader McConnell:

On behalf of the Industrial Energy Consumers of America (IECA) we support passage of S.J. RES 27 that would disapprove of the Environmental Protection Agency (EPA) from implementing Cross State Air Pollution Rule under the Clean Air Act. As manufacturers whose competitiveness is dependent upon the cost of electricity, we are very concerned about the projected electricity cost increase due to EPA utility regulations. The entire cost of these regulations will be passed onto us, the consumer. Manufacturers have lost 5.7 million jobs or 33 percent since 2000 and shutdown 53,000 facilities - and our competitiveness is at risk.

The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$700 billion in annual sales and with more than 650,000 employees nationwide.

There are three reasons why IECA supports S.J. RES. 27:

- 1) IECA supports cost effective regulation to reduce emissions when regulation is needed. In this case, on August 11, 2010, the EPA reported that emissions of SO₂ in 2009 had declined 44 percent from 2005 levels. NO_x emissions declined by 45 percent compared to 2005. These are substantial emissions reductions that put in question the need for more stringent emission reductions at this time. Plus, emissions will continue to decline annually due to existing regulation. It is troubling that the EPA modeling in support of CSAPR does not include the ongoing reductions due to existing regulation.

- 2) The EPA rule is requiring compliance by January 1, 2012, giving utilities insufficient time to comply. On top of that, utilities will also have to deal with new mercury emissions standards that EPA is under a consent agreement to finalize by December 16, 2011. And, EPA is soon expected to propose new standards for particulate matter that will impact utilities as well. Combined, short-term irresponsible compliance deadlines drive up the costs of electricity.

- 3) It appears to us that EPA is skipping the State SIP process entirely and directly imposing federal requirements on utilities. CAA attorneys widely agree EPA's actions appear to be a violation of federal law. And, there is no justification as to why EPA has set the effective date of January 1, 2012.

We urge members of the Senate to support S.J. RES. 27.

Sincerely,

Paul Cicio
President

cc: U.S. Senate