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**Statement of Energy Subcommittee Chairman Cynthia Lummis (R-Wyo.)
Hearing on EPA's Carbon Plan: Failure by Design**

Chairman Lummis: Today, we examine one of the most sweeping regulatory proposals in America's history. The Environmental Protection Agency (EPA) is continuing its regulation rampage, attempting to take control of our nation's electric system without any legal or scientific justification.

The EPA's "Clean Power Plan" reaches well beyond just the regulation of power plants. The EPA wants to control the entire system, right down to the amount of electricity Americans use in their homes.

The implications of this overreach are staggering. The rule has the potential to shut down power plants across the nation, raise energy prices and threaten energy security. And for what? Even EPA admits that the rule will have little to no impact on global warming.

EPA's proposal would impose standards on states that turn their power systems on their heads. Each state's reduction mandate varies widely, based on what EPA claims can be done through a combination of costly efficiency technologies, drastic fuel switching, and unprecedented reliance on intermittent renewables and energy rationing.

States, companies, utility commissioners and local officials are left figuring out how to comply, which will necessarily involve higher prices and potentially threaten grid reliability. The EPA claims the rule is flexible, and that compliance is easy. But EPA's assurances are of little comfort when the standards are beyond what technology can deliver.

The ability of the EPA's "building blocks," which might as well be called mandates, to produce the required reductions is uncertain at best. The limited analysis in this rule is based on black box models and untested assumptions. This hides the hard fact that states will be left holding the bag on an expensive overhaul of our electric system to reach theoretical and unproven targets.

The confusion also hides a more fundamental concern: the EPA is operating outside the bounds of the law. The Clean Air Act does not give the EPA the authority to regulate the electric grid or tell Americans where to set their thermostat. Instead, EPA is limited to technology-based standards at the power plants themselves.

As our witnesses will explain, had EPA followed the law and been honest about what technology can accomplish, the rule might be manageable. But since the law doesn't match the President's partisan agenda, the EPA is now bypassing Congress to rewrite the statute. This comes as no surprise from this Administration.

The EPA also ignores technology and reliability concerns. The Administration hasn't fully considered the potential impacts of this proposal on the electric system, the economy and the American people.

A scientific look at the proposal reveals major problems. EPA's claims are backed by flawed technology assumptions. It relies on unrealistic scenarios about our nation's energy future. And EPA's conclusions are based on a secret model, hidden from public view.

Instead of providing useful tools for state and local policymakers, the analysis appears to be nothing more than window-dressing for a predetermined outcome.

We see this all too often at the EPA. It undermines the scientific review process and moves straight to regulation. The law requires a bottom-up review of what can be accomplished at a power plant. Instead, the EPA has proposed top-down regulation of the entire electric system.

This rule needs to be withdrawn. It fails to meet even the most basic standards of objectivity and transparency; and it lacks technical analysis on scientific and economic feasibility. The American people deserve to know exactly what the EPA is doing, and that is why we are having this hearing today.