

President Barack H. Obama The White House Washington, DC 20500

March 9, 2012











1600 Pennsylvania Avenue, N.W.

Dear Mr. President:

We are writing to express our support for the "all of the above" energy policy you are advancing, and to request that you expressly include advanced coal technologies as part of your emerging policy framework. We also are writing to convey our concerns about potential widespread job losses under U.S. EPA's final Mercury and Air Toxics Standards ("MATS") rule, and to request your support in ensuring that this rule provides for the construction of new, state-of-the-art coal generating capacity.

Preliminary results of surveys of electric generators subject to the MATS rule indicate plans to retire substantially more electric generating capacity than the 4,700 megawatt estimate in EPA's final rule. The PJM Interconnection, for example, reports planed retirements of 14,000 megawatts by 2015, and a total of 18,000 megawatts by 2018. PJM represents approximately one-guarter of U.S. coal generation in a region spanning from New Jersey to Illinois. When all of the regional transmission organizations and related entities have completed their compliance surveys, total coal unit retirements easily could be ten times greater than EPA's estimates.

Our unions have supported strong regulations for the control of air pollutants from the electric utility industry, and we have helped to construct and to install hundreds of scrubbers and other pollution control devices. We anticipate thousands of construction jobs resulting from utility compliance with MATS, but are concerned about a far larger loss of permanent jobs in the mining, utility and transport sectors due to plants that are retired in response to the rule and the inability to construct new advanced coal generation plants.

Ensuring a long-term future for the construction of new advanced coal generating facilities should be a cornerstone of national energy policy, helping to ease the transition due to the retirement of older units. Unfortunately, the MATS new source emission standards are so stringent that developers cannot be assured of meeting the limits for the sustained periods of time needed for regulatory compliance. For example, the new source mercury standard is set at a level 98.5 percent below the existing source limit. EPA determined the existing source mercury standard based on the performance of the "top-47" units in its database.

We are advised that equipment vendors are not willing to provide performance warranties to meet these new source limits. More than a half-dozen advanced coal units already permitted but not yet under construction are threatened by the inability to meet all of the new source MATS limits, potentially involving the loss of thousands of skilled construction jobs.

We are directing this letter to you specifically to request your support for the petitions for reconsideration of the new source MATS emission limits that will be filed with EPA. A more robust analysis of the performance of individual units in EPA's sample, including fuel and operating variability, would provide emission limits that are achievable across the nation with advanced emission control technologies. Realistic standards also would help to ensure the completion of many units permitted but not yet under construction.

We will welcome your concern and involvement to help mitigate job losses among our members and their communities, and to provide the foundation for a new generation of advanced domestic clean energy technologies.

Sincerely yours,

M.B. Fathey: p.

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cc: Honorable Lisa P. Jackson, U.S. EPA Honorable Regina A. McCarthy, U.S. EPA Honorable Steven Chu, Ph.D., U.S. DOE Richard L. Trumka, AFL-CIO