



June 12, 2012

Dear Senator:

Freight railroads carry goods America depends on, including coal that serves as the backbone of the nation's electricity supply. On behalf of the nation's freight railroads and their employees, we are writing to urge you to vote in favor of S. J. Res. 37, a Congressional Review Act resolution that would set aside and send back to the Environmental Protection Agency (EPA) the Utility Maximum Achievable Control Technology (UMACT) rule.

The UMACT is one of the most expensive power plant regulations in history and would have a devastating effect on the price and reliability of electricity. Multiple studies indicate that the rule could lead to the closure of scores of base load generating units representing a loss of 50-60 gigawatts of coal nameplate generating capacity.

The UMACT will substantially affect freight railroads, which carry 70 percent of America's coal. Coal represents over 43 percent of the rail tonnage originated last year. Many of the 175,000 high wage railroad jobs – as well as the 4.5 additional jobs supported by each railroad job – depend upon coal. Coal revenues also support the retirement benefits paid to approximately 580,000 railroad retirees.

A new assessment released recently by the Electric Power Research Institute found that a more balanced and flexible approach for EPA power plant regulations would save utilities and consumers \$100 billion, while achieving comparable emission reductions. S. J. Res. 37 provides an opportunity for pursuing a balanced approach that would protect thousands of high wage coal mining, railroad, power plant and manufacturing jobs.

Even EPA admits that few of the benefits of this rule will come from the reduction of mercury emissions. Virtually all of the benefits come from reductions in other emissions. **A vote in favor of S. J. Res. 37 is a vote in favor of telling EPA that it needs to regulate smarter so households and businesses do not have to pay substantially higher electricity rates and risk jobs for a rule that does not deliver meaningful benefits.**

We urge your support for S. J. Res. 37 to preserve affordable electricity and American jobs.

Sincerely,

Edward R. Hamberger
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Association of American
Railroads

M. B. Futhey, Jr.
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