

STATEMENT OF THE HONORABLE ED WHITFIELD  
CHAIRMAN, SUBCOMMITTEE ON ENERGY AND POWER

American Energy Initiative

Day 5 (MACT Regulations)

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\*\*\* As Prepared for Delivery \*\*\*

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I would like to call this hearing to order. This is the fifth of our multi-day hearings on the American Energy Initiative. The American Energy Initiative is our comprehensive effort to address the nation's many energy challenges. Two days ago we addressed one of those challenges, rising gasoline prices. We focused on the Environmental Protection Agency's impediments to producing more domestic oil, especially in the waters surrounding Alaska. Today, we focus not on EPA regulations that restrict the supply of energy, but on regulations that make it more expensive to make energy and make it more expensive to make cement.

As everyone knows, EPA is issuing rules on Maximum Achievable Control Technology or MACT requirements for boilers, electric generating utilities, and cement facilities. Whether we are talking about the boilers used to produce steam for electricity at coal-fired power plants, or the boilers or process heaters found in virtually every manufacturing facility, they are the power source of a robust economy.

Thousands of power plants and facilities depend on affordable energy from boilers. That includes paper mills, refineries, and chemical plants, schools and hospitals. Literally millions of jobs rely on affordable energy from these facilities, and those jobs are put at risk if those boilers can no longer be installed and run in a cost effective manner.

And where manufacturing is concerned, we live in a global economy and need to be mindful that regulations that disproportionately raise the cost of building and operating boilers in the U.S. may chase manufacturing activity and jobs overseas. And as is so often the case with EPA regulations, few if any other nations have any desire to go down the same costly path as with these new boiler regulations.

That is why EPA's extremely stringent regulations are worrisome, especially given the state of the economy. And that is why easing compliance is so crucial to the economic recovery.

It is also important to recognize another aspect of these rules – they are but one of a multitude of major regulations with overlapping deadlines that have been placed in the pipeline by this Obama administration. Another of our American Energy Initiative proposals deals with this cumulative impact, and our discussion about boilers today is important in itself but also relevant to our discussion draft of the “Transparency in Regulatory Analysis of Impacts on the Nation Act” or TRAIN Act, which seeks to gather information on this cumulative burden of which these rules are a part.

I would like to close with one final concern of particular importance to me, and that is the Obama administration’s war on coal. We have seen an assault on coal mining itself, including the revocation of a permit for a mine that had already been approved, and the creation of new water quality standards for mines that may be impossible to meet. This war on coal is a war on the economy in many states. But blocking coal mining is only part of the anti-coal agenda. These rules, which most heavily impact coal-fired utilities and coal-fired boilers, discourage the use of coal in the U.S. and is another aspect of the war on coal.

So as we learn from regulated entities and others what these regulations entail, let us not forget the larger context as well as we seek ways to implement regulations in concert with a robust economy.

I would like at this point to provide a scheduling note for the benefit of my colleagues. Unfortunately, no one from EPA was able to testify at either Wednesday’s hearing or today’s hearing. We did, of course, invite the Agency to come, and we look forward to their testimony on a future day of the American Energy Initiative hearing. So I have directed my staff to work with the minority staff to schedule a time for Administrator Jackson or her designee to come before us in May, after our Easter recess.

With that, I now recognize Mr. Rush for five minutes for his opening statement.