

**Opening Statement of Janet McCabe
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Hearing on EPA's Proposed Clean Power Plan

**Committee on Environment and Public Works
United States Senate
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Chairman Inhofe, Ranking Member Boxer, members of the Committee: Thank you for the opportunity to testify today.

Climate change is one of the greatest challenges of our time. It already threatens human health and welfare and economic well-being, and if left unchecked, it will have devastating impacts on the United States and the planet.

The science is clear. The risks are clear. And the high costs of climate inaction are clear. We must act. That's why President Obama laid out a Climate Action Plan and why this summer the EPA will be taking flexible, common-sense steps to cut carbon pollution from the power sector. These steps will help build a more resilient nation, and lead the world in our global climate fight.

To date, EPA has issued three proposals—the first, issued in January 2014, addresses CO₂ emissions from new power plants, and the second and third of these proposals, both issued in June 2014, address CO₂ emissions at existing power plants and at modified and reconstructed power plants, respectively.

As we announced in January, the EPA intends to issue the final Clean Power Plan for existing sources and final standards for new, modified and reconstructed sources by mid-summer 2015.

EPA's stakeholder outreach and public engagement in preparation for these rulemakings was unprecedented. This outreach has continued, and has included hosting public hearings on the proposals during the open comment periods. Now we are reviewing and considering both the roughly 2 million comments received on the Carbon Pollution Standards for New Power Plants, and also the more than 3.5 million comments we have received on the proposed Clean Power Plan and the proposed Carbon Pollution Standards for Modified and Reconstructed Sources.

As we work our way through the comments, what is completely apparent is not only the time and effort the states and our many stakeholders have put into developing their input, but the importance we, as a country, place on moving forward to address climate change. Thanks to the volume and quality of the comments, we are benefiting from a public comment process that is working in exactly the way it should.

We have received comment on a range of crucial issues, from the investments these rules might require to maintain reliability – a consideration we view with the utmost importance in implementing all clean air protections – to costs, the right levels of stringency, and establishing a workable glide path that will bring about success in achieving the required reductions while safeguarding a reliable and affordable supply of electricity for all communities, businesses and consumers. Many comments are supportive of the proposal; these comments often identified opportunities to drive investment in innovative clean technologies and energy efficiency, as well as reiterating the importance of the emissions reductions in addressing climate change and improving air quality and public health.

We are addressing and accounting for all of the information and ideas received on the three separate proposals and we are confident that the final rules will be improved as a result of the contributions made to the effort by stakeholders and commenters.

And while EPA is firmly focused on the work needed over the next few months to finalize rules that take into account all of the input we received, we remain deeply committed to continuing our engagement with states, tribes, utilities, stakeholders, other federal agencies, resource planning organizations and others. As part of this process, we know that states are beginning to think about the very real task of drafting and developing state plans that will be used to implement the final Clean Power Plan when it is issued. And we are preparing to provide states the assistance they will need as they begin to develop their state plans.

That is why we are also starting a rulemaking process to develop a rule that both would set forth a proposed federal plan and, by providing a model, could help states starting to think about their plans.

I want to be clear that EPA's strong preference, as is always the case, is that states will submit their own plans, tailored to their

specific needs and priorities. And we believe states will want to do that here. But we also know that setting out a federal plan is an important step to ensure that our Clean Air Act obligations are fulfilled. At the same time, we believe that many states will find it helpful to be able to examine a federal plan proposal as they begin to develop their own compliance plans. Indeed, they have told us so. That is why we are aiming to issue the federal plan proposal in mid-summer as well.

When fully implemented, the Clean Power Plan will lead to thousands of fewer heart attacks and tens of thousands fewer asthma attacks: important health benefits that will deliver tens of billions of dollars in public health and climate benefits. These climate and health benefits far outweigh the estimated annual costs of the plan. The soot and smog reductions that will be achieved along with reductions in carbon pollution alone will yield \$7 in health benefits for every dollar we invest in meeting the standards. And because energy efficiency is such a smart, cost-effective strategy, we predict that, in 2030, average electricity bills for American families will be 8 percent cheaper than they are projected to be without the Clean Power Plan.

When he unveiled his Climate Action Plan in June of 2013, President Obama made clear that among his goals was not only achieving meaningful reductions in domestic greenhouse gas emissions but also asserting leadership in the international effort to combat climate change. We believe that the Clean Power Plan will fulfill our obligations under the Clean Air Act to protect communities from dangerous air pollution. At the same time, it is a significant component of the Administration's broad-based set of actions that have achieved significant reductions in greenhouse gas emissions, and there is evidence that the Clean Power Plan has spurred progress and commitment from other countries and has advanced the international process as a whole. We are confident that these results can be accomplished in a way that strengthens the economy and creates new jobs.

I look forward to your questions. Thank you.