

October 31, 2013

The Honorable Gina McCarthy, Administrator
U.S. Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Administrator McCarthy:

The Greater North Dakota Chamber, along with the seven local chambers signing this letter, urges you to include North Dakota as part of EPA's listening session tour on forthcoming greenhouse gas (GHG) regulations on existing power plants.

As you know, on September 30, EPA announced a series of eleven public listening sessions on "the best Clean Air Act approaches to reducing carbon pollution from existing power plants."¹ In EPA's own words, the feedback from these listening sessions "will play an important role in helping EPA develop smart, cost-effective guidelines."

This rulemaking process follows a wave of EPA regulations on the coal industry that have been cited as a factor in the closure of nearly 300 coal units in 33 states.² Given the potential negative impacts on North Dakota's jobs and the economy, it is vital that EPA take the time to get the regulation right. This starts with a robust, inclusive process that works with key stakeholders to address serious concerns regarding the design and impacts of the rule.

Incredibly, however, EPA has chosen to locate most of these hearings in states and regions that use very little coal, while neglecting states such as North Dakota where the coal industry has a very strong economic impact. Below are a few statistics related to the coal industry in North Dakota:

- The North Dakota lignite industry's in-state expenditures totaled \$954 million in 2012 and are projected at \$1.1 billion for 2013.
- Expenditures from firms involved in lignite-related activities generated total business activity of nearly \$3 billion in 2012 with projected business activity of nearly \$3.3 billion for 2013.
- Business activity attributed to the lignite energy industry provided employment for nearly 11,000 indirect workers in 2012 and is projected to support over 12,000 in 2013.
- The average annual wage for coal mining in North Dakota is \$76,167 and have increased each year from 2008-2011.

This imbalance is inconsistent with EPA's own *Public Involvement Policy*, which states "when the subject of a public hearing, meeting or other information exchange process relates to conditions or facilities in a specific geographic area, *EPA should hold the public hearing or meeting in that general geographic area.*"³

¹ <http://www2.epa.gov/carbon-pollution-standards/public-listening-sessions>

² http://www.cleancoalusa.org/sites/all/files/Coal_Facts_July_2013.pdf

³ <http://www.epa.gov/publicinvolvement/pdf/policy2003.pdf>

This principle is particularly important when it comes to GHG regulations on existing plants, because States are ultimately responsible for development and implementation of EPA's regulations. In testimony to Congress last month, you suggested that State outreach would be a key element of EPA's outreach plans before crafting these regulations:

For existing plants, we are engaged in outreach to a broad group of stakeholders with expertise who can inform the development of proposed standards, regulations, or guidelines, which we expect to issue in June of 2014. These guidelines will provide guidance to States, which have the primary role in developing and implementing plans to address carbon pollution from existing plants. This framework will allow us to capitalize on state leadership and innovation while also accounting for regional diversity and providing the necessary flexibility.⁴

We applaud your recognition of the importance of working closely with state and local stakeholders, and respectfully request that you sustain this commitment throughout the regulatory development process, beginning with a public listening session where EPA can hear directly from businesses and individuals in North Dakota.

We thank you for your attention to this request and look forward to working with you to develop rules that preserve the critical role of coal in providing the people of North Dakota with affordable, abundant and secure supplies of energy.

Sincerely,



Andy Peterson, President & CEO
Greater North Dakota Chamber

Co-Signors:

Bismarck-Mandan Chamber of Commerce, Kelvin Hullet
Greater Bottineau Area Chamber of Commerce, Clint Reinoehl
Harvey Chamber of Commerce, Ann Adams
Hazen Chamber of Commerce, Val Albrecht
Minot Area Chamber of Commerce, L. John MacMartin
The Chamber Fargo-Moorhead-West Fargo, Craig Whitney
The Chamber Grand Forks-East Grand Forks, Barry Wilfahrt

cc: Governor Jack Dalrymple
Senator John Hoeven
Senator Heidi Heitkamp
Congressman Kevin Cramer

⁴ <http://docs.house.gov/meetings/IF/IF03/20130918/101308/HHRG-113-IF03-Wstate-McCarthyG-20130918.pdf>