Advocacy Comments on EPA's Proposed Tightening of Effluent Limitation Guidelines for Coal-Fired Power Plants

U.S. SMALL BUSINESS ADMINISTRATION

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On March 29, 2023, the Environmental Protection Agency (EPA) published proposed Effluent Limitation Guidelines (ELG) for the Steam Electric Power Generating Point Source Category. This rule would require significant new wastewater treatment investments for coal-fired power plants that intend to continue operating past 2028. EPA proposed to require compliance "as soon as possible" after promulgation of a final rule, but no later than December 31, 2029.

Advocacy believes that the proposed rule would impose a disproportionate burden on small entities that want to continue providing their ratepayers and owners with electricity using the assets they currently own and operate, including coal-fired power plants. EPA should allow small entities to continue to operate for a more reasonable period of time the equipment in which they have invested or will soon invest to comply with the ELG rule issued in 2020 and for which compliance is required no later than December 31, 2025.

- EPA's methodology for setting ELGs favors large businesses because affordability is evaluated based on the entire power sector rather than the impact on small entities and because small entities cannot integrate unproven control technologies into their operations as easily as large businesses.
- By enforcing the ELG established in 2020 while this rulemaking progresses, EPA knows that small entities will be forced to invest in expensive technology that will be discarded in a few short years, wasting valuable economic resources when these same entities are being asked to make major investments in renewable energy.
- EPA's certification under the Regulatory Flexibility Act is not supported by the information presented because it includes in the analysis small entities that would not be affected by this proposed rule, facilities that have already announced their intent to cease operations by 2028.

Advocacy recommends EPA engage in consultation with the small entities that will continue in operation after 2028. Advocacy further recommends that EPA mitigate the harm to small entities from this rule by extending the compliance period to 2040.

A complete copy of <u>Advocacy's letter to EPA</u> is available. For more information, please contact Dave Rostker, Assistant Chief Counsel, <u>david.rostker@sba.gov</u>, 202-205-6966.

