Advocacy Files Comments on EPA's Proposed Greenhouse Gas Limits for Power Plants

U.S. SMALL BUSINESS ADMINISTRATION

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On May 23, 2023, the Environmental Protection Agency (EPA) published a proposed rule entitled "New Source Performance Standards for Greenhouse Gas Emissions from New, Modified, and Reconstructed Fossil Fuel-Fired Electric Generating Units; Emission Guidelines for Greenhouse Gas Emissions from Existing Fossil Fuel-Fired Electric Generating Units; and Repeal of the Affordable Clean Energy Rule." This rule would establish limits on the greenhouse gas emissions from new and existing fossil-fueled power plants. In many cases, these limits would require power plants to install carbon capture and sequestration (CCS) systems or co-fire natural gas with low-GHG hydrogen.

On August 8, 2023, Advocacy filed public comments, raising issues with EPA's cost estimates for this proposal and EPA's findings that the costs of these controls are reasonable under the Clean Air Act.

- EPA's approach to setting standards puts small businesses at a significant disadvantage by relying on industry averages and prospective statements by large businesses.
- EPA underestimates the costs of CCS and low-GHG hydrogen systems by minimizing the challenges of the availability and transportation.

Based on these issues, Advocacy believes EPA lacks the factual basis necessary to certify this proposed rule would not have a significant economic impact on a substantial number of small entities. Advocacy will be participating in a panel convened by EPA under the Regulatory Flexibility Act to consult with small entities on this and other issues.

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

