

**Opening Statement of the Honorable Fred Upton**  
**Subcommittee on Energy and Power**  
**Hearing on “The American Energy Initiative: A Focus on H.R. 6172”**  
**September 20, 2012**  
*(As Prepared for Delivery)*

Today's legislative hearing on H.R. 6172 continues the committee's oversight of EPA's costly regulatory agenda and follows previous subcommittee hearings on EPA's myriad greenhouse gas regulations, including its most recently proposed rule that would establish new emissions standards for fossil fuel-fired power plants.

We are extremely concerned about the impacts this proposed rule would have on the future of affordable coal-fired power generation in America if it is finalized. As currently written, the rule requires any new coal-fired plants to install costly carbon capture and sequestration (CCS) technology. However, even President Obama's own Department of Energy has acknowledged that CCS technology is not yet commercially available and that large-scale commercialization remains several years, if not decades, away.

Leaders in CCS technology and industry stakeholders agree that significant technical, legal, and regulatory hurdles need to be overcome in order to successfully bring CCS to commercial scale. And because CCS technology remains in its nascent stages of development, not a single CCS developer in the world can currently guarantee that its technology will work at commercial scale. Without such a guarantee, power plant operators will not, and cannot, make investment in CCS technology.

In other words, unless and until CCS technology is proven to be commercially viable and cost effective, EPA's proposed rule will effectively prevent the construction of any new coal-fired power plants in America. But a ban on coal-fired generation is the end result this administration is hoping to achieve.

We shouldn't be surprised by the intended result of this rule. The Obama administration's position on coal has been crystal clear: President Obama himself said he wants to “bankrupt” coal companies and that “electricity prices will necessarily skyrocket.” Meanwhile, the Secretary of Energy has declared that “coal is his worst nightmare.”

This proposed rule would do exactly what the administration set out to do from the very beginning: prohibit the future use of coal in this country. Clearly, there is a “War on Coal” being waged by this administration. Just ask the 1,200 employees of Alpha Natural Resources that will be out of work soon due to recently announced mine closures forced in part by federal regulations aimed at restricting the use of coal. Or the hundreds of other miners across the coal belt who have recently received pink slips.

If finalized, this rule will have a detrimental impact on electricity generation in America and future electricity prices. This is why we will continue to scrutinize EPA's proposed rule and why I appreciate Mr. McKinley's leadership on this bill.

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