

**Chair Bill Johnson**  
**Subcommittee on Environment, Manufacturing, and Critical  
Materials**  
**“Clean Power Plan 2.0: EPA’s Latest Attack on America’s Electric  
Reliability”**  
*As prepared for delivery*

Good morning and welcome to today’s hearing, titled “Clean Power Plan 2.0: EPA’s Latest Attack on America’s Electric Reliability.”

Since day one, President Biden has jeopardized America’s energy security by pushing a quote “whole-of-government” climate agenda that increases energy costs, degrades energy reliability, and harms our economic and national security.

At the forefront of this regulatory onslaught is the EPA’s recent announcement proposing expensive and unproven greenhouse gas emissions standards on electric generating units, particularly coal and natural gas-fired power generation...which alone make up 60% of America’s electric generation capacity.

Under the Biden Administration’s “Clean Power Plan 2.0,” existing coal-fired generation must either:

1. Limit its capacity-factor to 20%;
2. Co-fire with 40% natural gas; or
3. Capture 90% of its carbon dioxide with CCS.

Similarly, natural gas-fired power generation must either, by varying dates:

1. Co-fire with 30% “clean hydrogen,” or
2. Install CCS and co-fire with over 90% “clean” hydrogen.

Now this sounds great! Except the devil is in the details. These requirements on this timeline, experts tell us, are infeasible and technically unattainable if the grid is to remain operational. That’s a big problem...and I look forward to hearing more about this today.

I do wonder, is that by design?

We are starting down a path to severe grid reliability challenges throughout the country...in fact, a case could be made we're already there.

Just a few months ago, the nation's largest grid operator, the PJM Interconnection, whose service territory covers the entire state of Ohio, released a report noting it could face severe generation capacity shortfalls by 2030.

The report specifically noted that existing EPA regulations, including the Coal Combustion Residuals, the Good Neighbor Rule, and the Effluent Limitation Guidelines, are all reasons for this potential capacity shortfall.

Add all this new regulatory attack on baseload generation to that list, even though the proposal is not finalized...it sends signals to the market that investing in new gas-fired power generation or keeping existing units operating through their service life is not economically feasible.

In addition, the North American Electric Reliability Corporation, in its annual Summer Reliability Assessment, warned that the vast majority of the country is at elevated risk of insufficient operating reserves during above-normal demand **THIS** summer, not 2030, **THIS summer!**

This isn't happening by accident. These electric reliability challenges are a direct result of onerous climate regulations favored by many Congressional Democrats and the Biden Administration.

The Biden Administration has no plans to ensure more reliable generation capacity is connected to the grid. Due to the intermittent nature of renewable energy, a megawatt of wind or solar is fundamentally not the same as a megawatt of coal, nuclear, or natural gas-fired generation...that's science, and it's a fact.

Yet, the Biden EPA insists on regulating reliable sources of energy out of existence.

This proposed regulation is another attempt by the environmental left to fundamentally change our nation's electric generation portfolio. This blatantly contradicts a state's right to choose its own electric generation mix, which is a core component of the Federal Power Act.

We saw what happened last time they attempted to regulate natural gas and coal out of existence.

In a landmark decision, in *West Virginia v. EPA*, the Supreme Court found that such sweeping regulations by the federal government failed the "major questions" doctrine, which states that an action of major national importance must have explicit direction from Congress. EPA had no such authority **then** and it has no such authority **now** to transform our electric sector.

I am also concerned about the process by which this proposed regulation was developed. According to numerous reports, the EPA submitted an original proposal to the White House for review that did not include regulations on existing natural gas-fired generation.

But, after the White House had a chance to review, the EPA reportedly revised the rule to put existing natural gas-fired generation in their crosshairs.

They took this extreme action in spite of the fact that natural gas makes up roughly 40% of our electric generation portfolio and is the primary driver behind emissions reductions in the electric power sector.

This is further proof that this Administration is interested in nothing else but decarbonization. Consumer costs and energy reliability and resilience are afterthoughts in their pursuit of a “zero-carbon electric grid” and “net-zero economy.”

Thank you to our witnesses for being here today. Especially Mr. O’Loughlin and Mr. Snitchler, who hail from the Buckeye state.

I look forward to hearing from each of our witnesses on the harmful effects this proposed regulation will have on our energy security, reliability, residency, and affordability.