

# House panel approves bill stripping EPA regulatory power

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A bill to strip U.S. EPA of its authority to regulate greenhouse gas emissions cleared its first hurdle today on the road to likely House passage.

The House Energy and Power Subcommittee approved a bill by Energy and Commerce Chairman Fred Upton (R-Mich.), which would prevent EPA from moving ahead with current and planned climate regulations for electric utilities, oil refineries and other large stationary emitters.

The measure passed on a voice vote, apparently along party lines. The full Energy and Commerce Committee is expected to mark up the measure soon.

Republicans said EPA's regulations would drive up energy costs for consumers right as the U.S. economy is beginning to recover from recession.

"EPA's regs unilaterally raise energy and operating costs on American manufacturers," Upton told the subcommittee, citing the testimony of some industry witnesses before the committee. "Those that compete in global markets state that they are losing jobs to nations like China that have no intention of burdening their industries with similar restrictions. And once those jobs are gone, they're gone."

But Democrats countered that the data Republicans have used to make their argument about rising energy costs is unreliable and that EPA has made every effort to ensure that its rules target only very large emitters of carbon dioxide and are cost effective.

Pennsylvania Democrat Mike Doyle, whose district is based in Pittsburgh and includes manufacturing interests, said there was no evidence that steelmakers or other trade-exposed industries would move jobs overseas as a result of EPA carbon dioxide restrictions. He said that by tailoring regulations to the largest emitters only when they trigger New Source Review requirements by expanding or building new facilities, EPA has shown it is interested in shielding U.S. manufacturing from excessive costs.

"It depends on what you believe about what direction EPA's taking," Doyle said. "I believe they're taking this approach that they understand that there are going to be some impacts, and they want to minimize them."

He added, "Unless there are plans to dramatically increase capacity or build new plants, which are not really in the cards for the foreseeable future in these industries -- they're not expanding, they're contracting somewhat -- these regulations that are being talked about really have no practical effect on them right now. So, I think we have some time to figure out how to get this right."

Doyle said he is working with the White House and with senators from manufacturing states including Ohio Democrat Sherrod Brown on legislation that would give EPA new tools to assist manufacturers affected by Clean Air Act rules.

Rep. Jim Matheson (D-Utah) offered and then withdrew two amendments to the Upton bill. One would have reinstated a rule requiring companies to report their greenhouse gas emissions, while the other would have required EPA to "harmonize" its rulemakings for several pollutants and provide a cost-to-benefit analysis for all of them.

"I think it would be very informative for all of us to see how all those processes fit together," Matheson said.

Rep. Gene Green (D-Texas) urged the panel's Republican leaders not to wait for their bill to die in the Senate before they entertain alternative ways to stall EPA carbon regulations.

"What happens when the president vetoes this legislation and the votes don't exist in either chamber to override the veto?" Green asked. "What happens will be that industry across the country will still not have the regulatory certainty they need to invest and plan for the future."

Green has begun work with Matheson and others on an alternative bill that would delay EPA regulation of stationary sources for several years and require EPA to conduct analyses of the economic implications of those regulations.

The only Democrat who said he would consider supporting Upton's bill down the line was former Energy and Commerce Chairman John Dingell of Michigan, who once famously predicted EPA's regulation of greenhouse gases would be "a glorious mess."

"I'm very sympathetic to what you're trying to do, I think this situation's a nasty mess," Dingell said. "We're pretty close to getting together, but we've got a little further to go."