



BENEFITS FROM INVESTMENTS IN ADVANCED COAL TECHNOLOGY*

Coal is Abundant

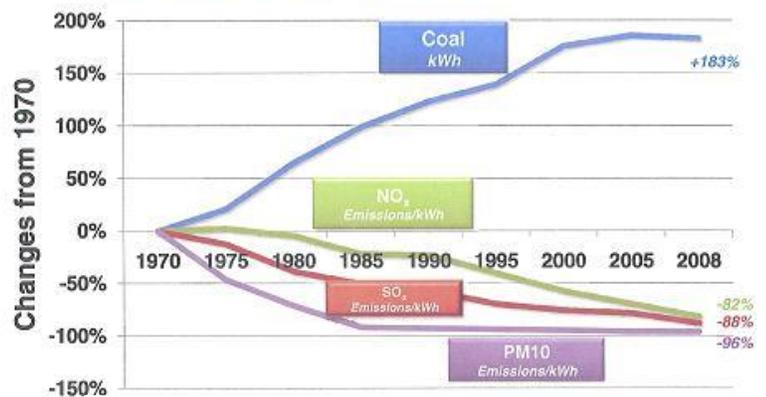
Coal accounts for 93% of the proven fossil energy reserves in the United States and supplies 45% of U.S. electricity generation. Because coal is predicted to remain affordable, reliable and will be used in an increasingly clean manner, the Energy Information Administration (EIA) projects that coal will continue to provide over 40% of our nation's electricity through 2035.

Coal is Used in an Environmentally Acceptable Manner

Coal use in this country has increased by more than 200% while the emissions of criteria pollutants has decreased by an average of 90% since enactment of the Clean Air Act in the early 1970s. The combination of DOE and private investment in emissions control technologies has yielded:

- the ability to reduce NOx emissions by up to 95%
- a 95% reduction in SO₂ since 1970
- demonstration of 90% mercury removal from coal fired power plant emissions
- reduction in ventilation air methane emissions from coal mines by 509,000 metric tonnes of CO₂ equivalent per year
- successful achievement of key milestones towards improving turbine efficiency by 3-5% by 2015 for use in coal fired power plants
- development of materials for highly efficient advanced coal combustion power plants that have 30% lower CO₂ emissions compared to the average US coal power plant

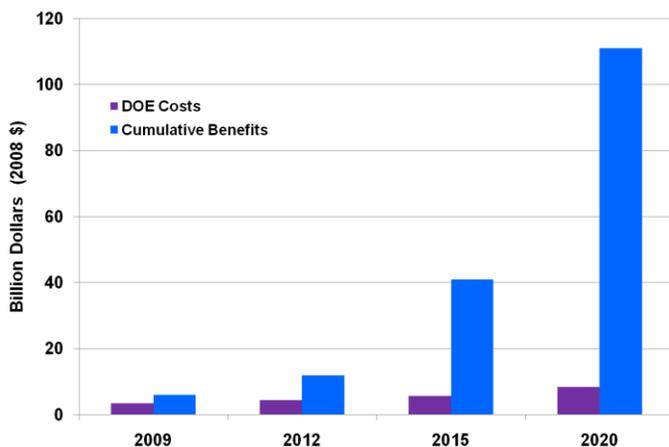
Coal-fired Generation Emission Rates



Source: Southern Company

Coal Fuels Our Economy

Advanced coal technology research is expected to provide the basis for \$110 billion in benefits to the economy from 2000 to 2020 at a cost, over the same period, to the federal budget of less than \$8.5 billion (\$2008). The value of CCS deployment, according to the International Energy Agency, is estimated to be \$1.3 trillion per year.

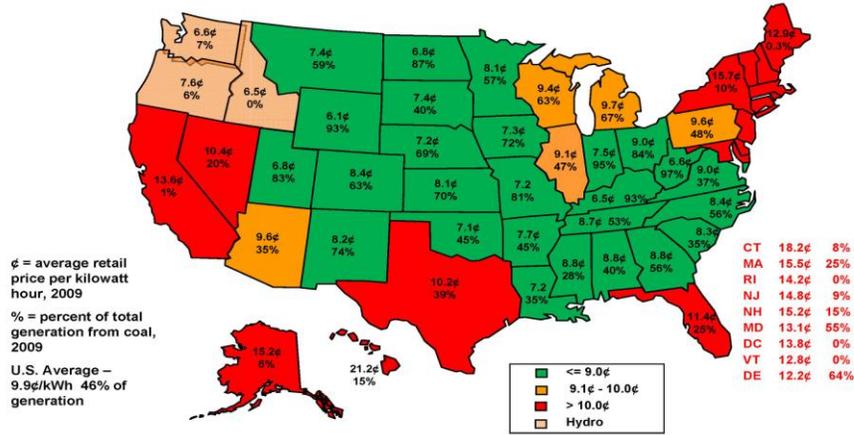


- A reduction in NOx emissions and the decreased cost of SCR technology is estimated to have a combined direct environmental improvement and economic benefit of \$16 billion from 2000 through 2020.
- The combined direct environmental improvement and economic benefit from lower-cost FGD technology to reduce SO₂ emissions is estimated at \$9 billion from 2000 to 2020.

Investments in Coal RD&D Creates Jobs: Between 2000 and 2020, investments in coal RD&D are expected to create nearly 1.2 million jobs, with an average of 60,000 jobs created on

an annual basis.

Cost Per kWh & Percent of Coal Power Sector Generation

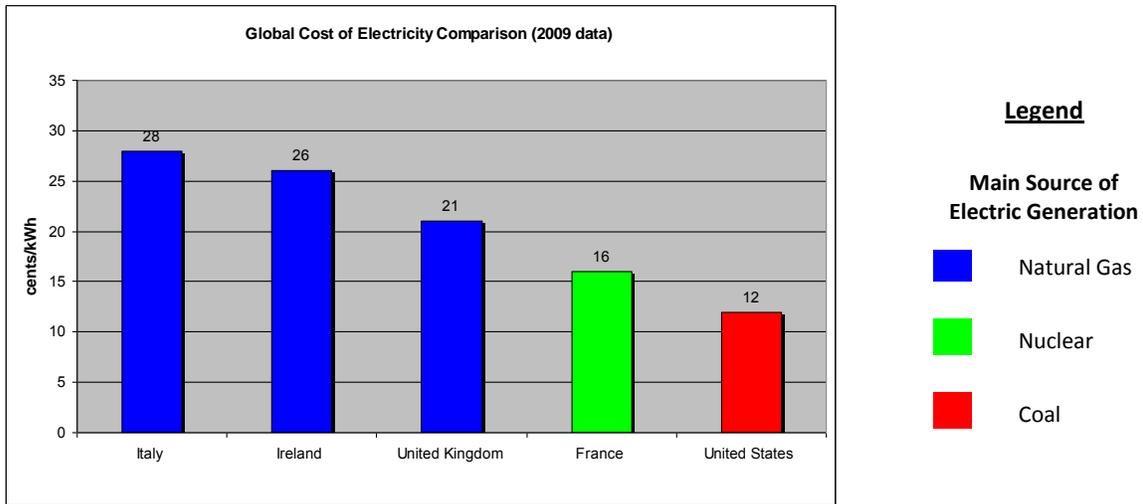


Source: Energy Information Administration, Electric Power Monthly, March 2010

Coal is Affordable

States that use coal for a large percentage of electric generation see extremely low and affordable electricity rates. And with access to low cost, high quality coal, the United States has a much cheaper cost of electricity compared to other countries. Low-cost electricity has been shown to drive economic prosperity by allowing increased investment in manufacturing, resulting in domestic job creation and low cost power and products for our economy.

Global Cost of Electricity Comparison



Source: International Energy Agency, Key World Energy Statistics

*For further details and source information, see the full report 'Benefits from Investments in Advanced Coal Technology', June 2011 Available at <http://www.coal.org/briefs/EducationPapers.asp>





Western Governors' Association Policy Resolution 11-4

Bonding for Mine Reclamation

A. BACKGROUND

1. Mining has a long history in the West. The western states are rich in hardrock minerals like gold, silver and copper.
2. Because mining necessarily involves surface disturbance, reclamation of mining operations is always required to avoid environmental consequences. Typically the primary environmental concerns are potential effects that active and closed mines could have on adjacent surface water and groundwater.
3. While older mines in western states have sometimes had harmful impacts on adjacent waters, the mining industry has improved its operation and reclamation track record in recent decades, to avoid or minimize such impacts.
4. Recent decades have also brought heightened attention to the importance of mine reclamation from state regulators across the west. All western states that host hard-rock mining industries now have staff dedicated to ensuring that on-going mine operations develop and follow appropriate reclamation plans.
5. An important component of the state's oversight of mine reclamation is the requirement that mining companies provide financial assurances in a form and amount sufficient to fund required reclamation if, for some reason, the company itself fails to do so. These types of financial assurances, often referred to generically as "bonding," protect the public from having to finance reclamation and closure if the company goes out of business, or fails to meet its reclamation obligation.
6. All western states have developed regulatory bonding programs to evaluate and approve the financial assurances required of the mining companies. The states have developed the staff and expertise necessary to calculate the appropriate amount of the bonds, based on the unique circumstances of each mining operation, as well as to make informed predictions of how the real value of current financial assurance may change over the life of the mine, and even post-closure.
7. For many mines, the required bonding will include funds to support the state's long-term oversight, through inspection and sampling, even after the mine closes, to help make sure no long-term environmental impacts develop.

8. Section 108(b) of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. § 9608(b), requires that EPA promulgate financial responsibility requirements for industrial facilities that take into account the risks associated with their use and disposal of hazardous substances. After the Sierra Club sued EPA for failing to timely comply with this section of CERCLA, a federal District Court in California ordered EPA to do so.¹
9. In response to the Court's ruling, EPA announced in July, 2009 that it had selected hard-rock mining as the first industry sector for which it would develop bonding requirements under CERCLA Sec. 108.²
10. Since EPA's 2009 announcement, various western states have expressed concern that any bonding requirements that EPA may develop for the hard-rock mining industry may be duplicative of state requirements, and could even pre-empt them entirely, under another section of CERCLA. See 42 U.S.C. §9614(d). The states have also questioned whether EPA has the resources to implement reclamation bonding for hard-rock mines, since bond calculations usually reflect very site-specific reclamations needs, tasks and costs.

B. GOVERNORS' POLICY STATEMENT

1. Because mine reclamation is needed primarily in order to protect adjacent waters, it is both appropriate and consistent with Congressional intent to recognize the states' lead and primary role in regulating water related impacts of mine reclamation, including the associated bonding. See Clean Water Act, Sec. 101(b), 33 U.S.C. § 1251(b).
2. The member states have a proven track record in regulating mine reclamation in the modern era, having developed appropriate statutory and regulatory controls, and are dedicating resources and staff to ensure responsible industry oversight.
3. In contrast, EPA currently has no staff dedicated to oversight of mine reclamation, or to the approval of bonding associated with mine reclamation. As a consequence, if EPA proceeds to promulgate bonding requirements for hard-rock mining industry under CERCLA Sec. 108, it will then have to create a new federal regulatory program. This represents an unnecessary investment of federal funds, at a time when the federal government is trying to get its fiscal house in order.
4. Because of the potential preemption of state authority under CERCLA Sec. 114(d), a new federal bonding program could not only duplicate, but in fact

1 See Sierra Club v. Johnson, 2009 WL 2413094 (N.D. Cal. 2009)

2 See 74 Fed. Reg. 37213 (July 28, 2009).

supplant the states' existing and proven regulatory programs. At the very least, adding a parallel federal program would lead to confusion for the industry and state regulators alike, as well as litigation to define the scope of the federal rules' preemptive effect. The states have developed deep experience in mine permitting, regulation, and bonding, and federal preemption of their bonding programs will threaten these effective state programs.

5. Western Governors believe that the states currently have financial responsibility programs in place that are working well, and that functional programs should not be duplicated or pre-empted by any program developed by EPA pursuant to Section 108(b) of CERCLA. Authorized or approved State programs should automatically stand in lieu of the federal requirements. If necessary EPA should pursue changes to CERCLA to allow states to administer their own bonding programs.

C. GOVERNORS' MANAGEMENT DIRECTIVES

1. WGA staff shall transmit this resolution to leadership and members of Congress, the Administrator of EPA, the Director of the Office of Management and Budget, and to other agencies and persons as warranted.
2. WGA staff will advance the policy positions stated above in appropriate venues as warranted and shall periodically report to the Governors and Staff Council regarding its efforts to that end.



The US has become increasingly reliant on foreign sources for the minerals that we consume in our daily lives.

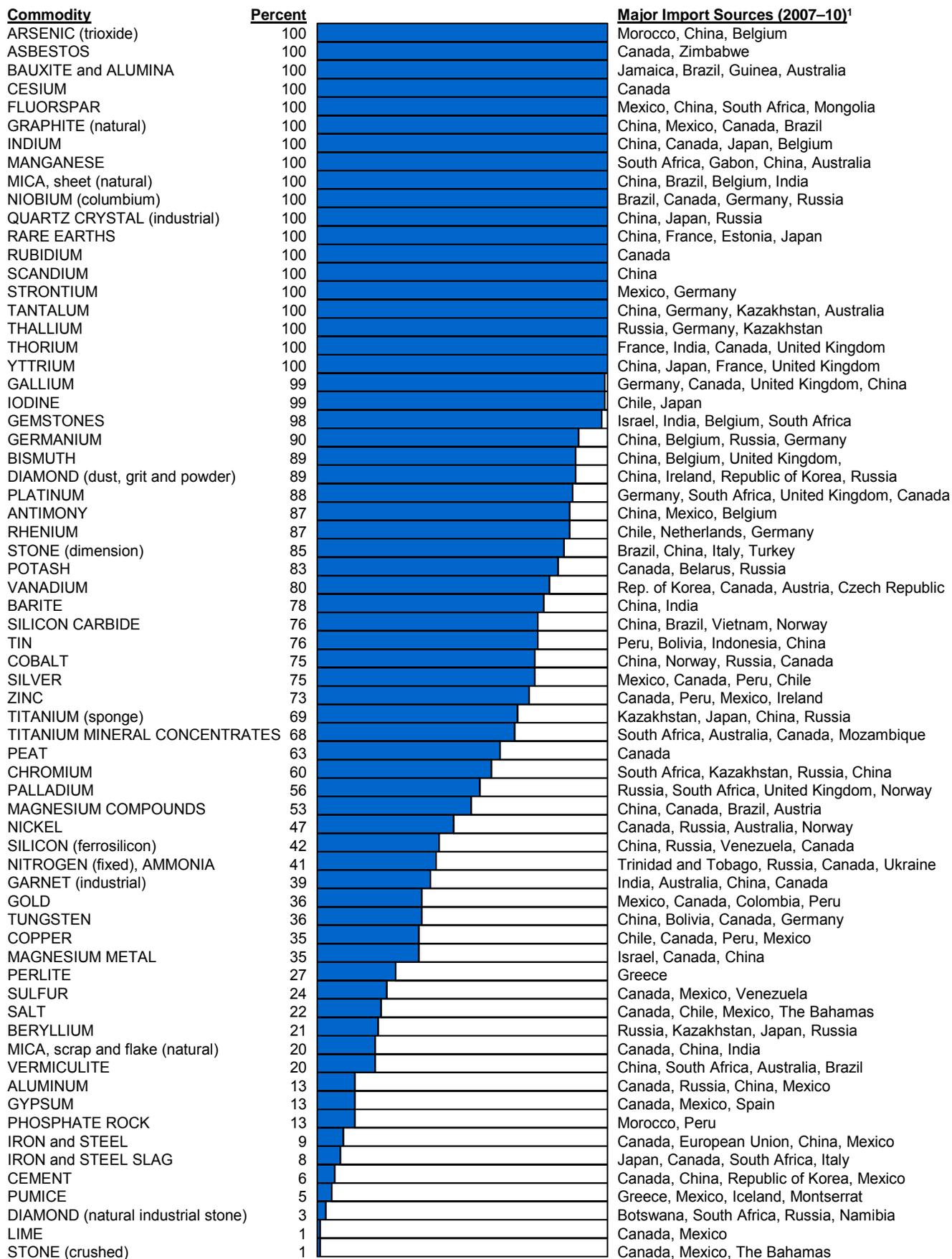
- By 2011, the U.S. had become import-reliant on 67 minerals (an increase of 4 over 2010; and an increase of 21 since 1996),
- By 2011, the U.S. had become 100% reliant on 19 minerals; a value of \$90.4 billion from foreign sources.
- The U.S. is more import-dependent (greater than 50% reliant) on 43 non-fuel minerals than it is on crude oil. This represents an approximate doubling since 1997 (22 non-fuel minerals).

Lack of a strong domestic minerals and energy policy, coupled with increasingly difficult and protracted permitting processes has led to ever increasing reliance on foreign entities for the minerals and energy we need daily to sustain and advance our economy. This translates to 'exported' jobs creation, decreasing investment in our U.S.-based minerals, and an ever-increasing foreign reliance, resulting in national security concerns.

The following pages illustrate 2011 and 1996 import-reliance on minerals. The 1996 information can be accessed at <http://minerals.usgs.gov/minerals/pubs/mcs/1997/mcsgen97.pdf>. The 2011 information can be accessed at <http://minerals.usgs.gov/minerals/pubs/mcs/2012/mcs2012.pdf>.

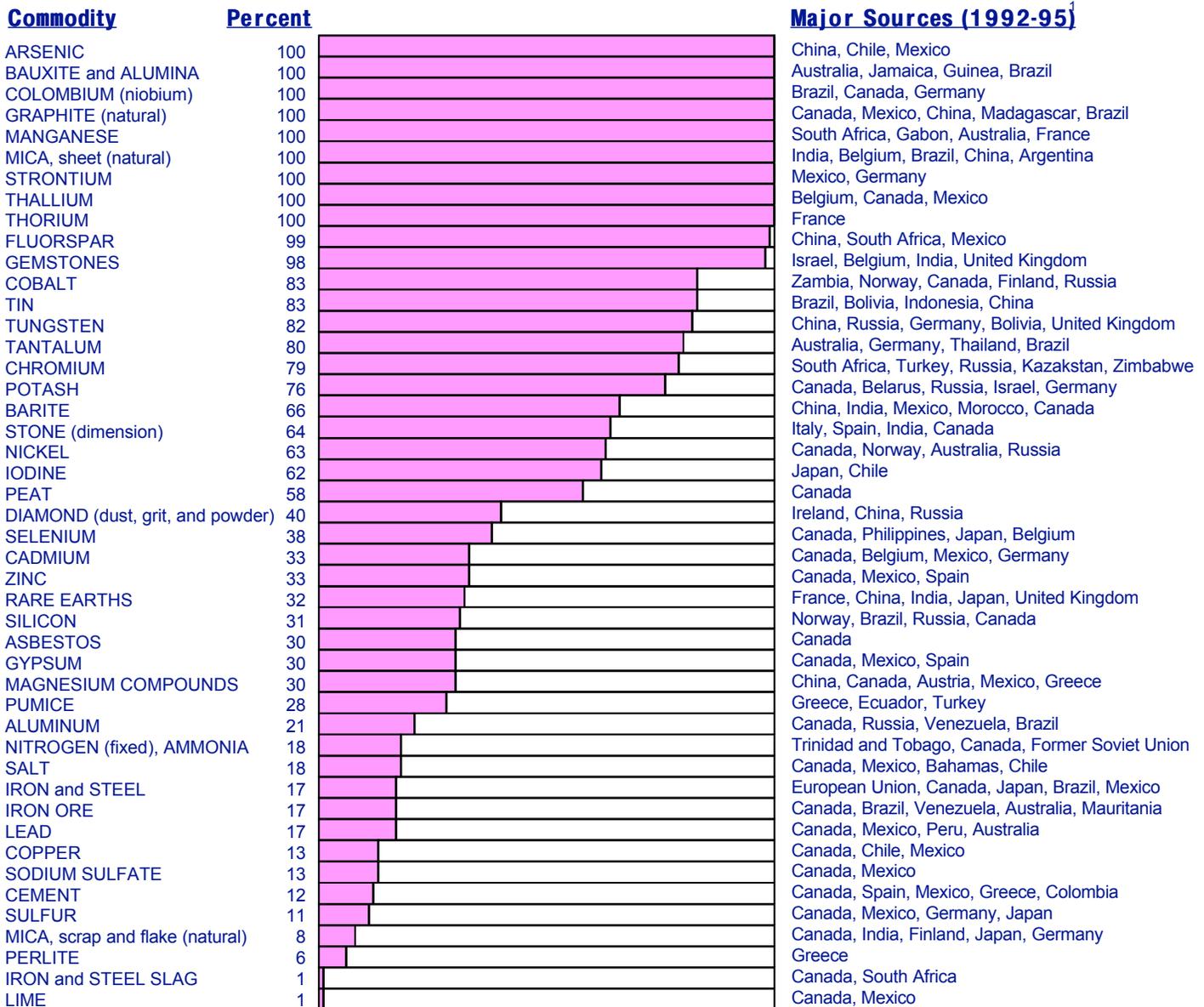
Women's Mining Coalition
www.wmc-usa.org

2011 U.S. NET IMPORT RELIANCE FOR SELECTED NONFUEL MINERAL MATERIALS



¹In descending order of import share.

1996 U.S. NET IMPORT RELIANCE FOR SELECTED NONFUEL MINERAL MATERIALS



¹ In descending order of importance

Additional commodities for which there is some import dependency include:

Antimony	China, Bolivia, Mexico, South Africa
Bismuth	Mexico, Belgium, China, United Kingdom
Gallium	France, Russia, Germany, Hungary
Germanium	China, United Kingdom, Ukraine, Russia, Belgium
Ilmenite	South Africa, Australia, Canada
Indium	Canada, France, Russia, Italy
Kyanite	South Africa
Mercury	Russia, Canada, Kyrgyzstan, Germany

Platinum	South Africa, United Kingdom, Russia, Germany, Belgium
Rhenium	Chile, Germany, Sweden
Rutile	Australia, South Africa, Sierra Leone
Silver	Mexico, Canada, Peru, Chile
Titanium (sponge)	Russia, Japan, China, Ukraine
Vanadium	South Africa, Canada, Russia, Mexico
Vermiculite	South Africa
Zirconium	Australia, South Africa



National Strategic and Critical Minerals Production Act of 2012

H.R. 4402

Critical Minerals Policy Act of 2011

S. 1113

WMC asks for support for the committee mark-up of S. 1113.

WMC supports the goals of HR 4402 and asks legislators to join in co-sponsoring this bill.

The United States ranks among the world's largest producers and consumers of minerals and metals, which provide key components to consumer and industrial technologies and play a critical role in America's national security through their use in the manufacture of military equipment. From rare earth elements to molybdenum, we rely on minerals for everything from the smallest computer chips to the tallest skyscrapers. Minerals make it possible for us to innovate and invent – and in the process, shape our daily lives, our standard of living and our ability to prosper.

There is no question that an abundant and affordable supply of domestic minerals is critical to America's future. To revitalize the domestic, critical mineral supply chain, S.1113 was introduced in May 2011 and H.R. 4402 was introduced in April of 2012. These bills provide a clear programmatic direction to help keep the U.S. competitive and will ensure that the federal government's mineral policies – some of which have not been updated since the 1980s – are brought into the 21st century.

S. 1113 will:

- Direct the Secretary of the Interior to coordinate a government-wide inventory of the nation's mineral resources and availability to meet current and future strategic and critical mineral needs;
- Require the Secretary of the Interior to evaluate factors impacting domestic mineral development, including workforce, access, permitting and duplicative regulatory requirements, as well as identify areas for improvement;
- Direct the Interior Department to assemble the report within six months;
- Require an annual progress report, beginning one year after the date of enactment of the act for the following two years, outlining the progress made in reaching the policy goals described in the bill;
- Require assessment of domestic and international sources of rare earth elements; and
- Include guidance for the USGS' ongoing Global Mineral Assessment and National Mineral Assessment currently under development and scheduled to begin in 2013.

H.R. 4402 will:

- Direct the Department of the Interior and the Department of Agriculture to more efficiently develop domestic sources of strategic and critical minerals, including rare earth elements;
- Define strategic and critical minerals as those that are necessary for national defense and security requirements, for the Nation's energy infrastructure, to support domestic industries creating global competitiveness, and for economic security and balance of trade;
- Facilitate a timely permitting process for mineral exploration and development by clearly defining the responsibilities of a lead agency; and
- Ensure American mineral mining projects are not indefinitely delayed by frivolous lawsuits by setting reasonable time limits for litigation.

Women's Mining Coalition
www.wmc-usa.org



EPA's Coal Utility Air Regulations

Greenhouse Gas New Source Performance Standards (NSPS)

The EPA recently released greenhouse gas (GHG) New Source Performance Standards (NSPS) for electric generators. The proposed GHG NSPS seeks to impose a gas performance standard on all new power generation, although it appears possible that the NSPS will impact existing generating units that must retrofit to comply with other new EPA air emissions rules. In effect, the GHG NSPS is a backdoor cap-and-tax system.

Reps. Ed Whitfield (R-Ky.) and John Barrow (D-Ga.) mounted an effort to secure 221 bipartisan signatures in the House calling on the Office of Management and Budget (OMB) to stop the EPA from implementing this. Sen. Jim Inhofe (R-Okla.) announced his intention to introduce a Congressional Review Act (CRA) resolution of disapproval, which, if successful, would nullify the NSPS rule. Such a CRA resolution cannot be introduced until after the rule becomes final, and EPA has not indicated when it intends to make the rule final. **Senators and Representatives are asked to communicate to the president their opposition to this GHG NSPS rule, which is a backdoor regulatory cap-and-tax scheme previously rejected by the Senate and the American people.**

Utility MACT

The EPA published the Utility Maximum Achievable Control Technology (UMACT) rule in February. The rule requires substantial reductions in air emissions from electric generating units. EPA failed to ensure the technology standards it proposes exist in the market, and failed to take into account the fact that many generators will be forced to switch from coal to gas as a fuel source. To date, more than 25 gigawatts (GW) of coal-based generation have been announced to retire as a result of EPA regulations. Analysts forecast that the UMACT rule and other EPA regulations will result in a loss of 47 to 75 GW of coal generation nationwide. This represents as much as 22 percent of all coal-based electric generation, leading to regional electricity price increases of 12 to 24 percent by 2016.

Sen. Jim Inhofe (R-Okla.) filed a resolution to block UMACT rule enforcement. This resolution is privileged and requires only 51 votes to pass in the Senate. Allied organizations are coordinating a coalition to secure sufficient votes for passage in the Senate.

Senators and representatives are asked to support the Inhofe Congressional Review Act resolution to block the EPA's Utility MACT regulations.

Women's Mining Coalition
www.wmc-usa.org



**Support H.R. 3409
Save up to 273,227 Jobs!**

Women's Mining Coalition supports the "Coal Miner Employment and Domestic Infrastructure Protection Act" (H.R. 3409) introduced by Rep. Bill Johnson (R-Ohio). This bill temporarily prohibits the secretary of the Interior from approving any new rules or regulations that would adversely impact employment in coal mines, reduce federal revenue from coal mining or diminish America's ability to produce coal.

H.R. 3409 will ensure that the Department of the Interior's Office of Surface Mining Reclamation and Enforcement (OSM) cannot continue its misguided efforts to launch a wholly unnecessary and unsupported rewriting of its existing stream buffer zone (SBZ) rule that will substantially impair the domestic coal industry's ability to meet our nation's energy needs. H.R. 3409 does not affect any existing regulations, but is simply a time-out to allow the agency to make a proper assessment of any new regulations to ensure they are consistent with the Surface Mining Control and Reclamation Act (SMCRA).

ENVIRON International Corporation recently completed an analysis on behalf of the National Mining Association on the anticipated economic impacts associated with the proposed rewrite of the SBZ rule. The analysis contains the following findings:

- Total number of jobs at risk of loss, including mining and linked sector employment is between 133,441 and 273,227 (29 to 59 percent of current employment levels), with the Appalachian region alone losing as many as 220,003 jobs.
- Direct mining jobs at risk of loss are predicted to be between 55,120 and 79,870, with the majority of these job losses being in the Appalachian region.
- The overall decrease in recovery of demonstrated coal reserves is between 30.4 and 41.5 percent; both surface and underground mines will be significantly impacted.
- The annual value of coal lost to production restrictions is \$14 billion to \$20 billion.
- Total annual federal and state tax revenue potentially foregone because of lost production is estimated at \$4 billion to \$5 billion.
- The new rule is not limited to surface mining operations but applies more broadly to include both surface and underground mining related activities.

The agency has provided no justification for a new rule. The SBZ rule was finalized in 2008 and governs how and whether mining activities are permitted near perennial and intermittent streams. The rule was a clarification of the longstanding regulatory interpretation of a prior rule and added significant environmental protections. Yet, before the rule went into effect, OSM unsuccessfully attempted in early 2009 to vacate the rule and, instead, launched a new rulemaking process that includes significant and sweeping changes to coal mining regulatory programs well beyond the scope of the stream buffer zone rule. Despite all of the controversy and predictions by its own analysts of tens of thousands of potential job losses, OSM continues to move forward with a proposed rule by this spring. WMC urges members of Congress to co-sponsor and take swift action to pass H.R. 3409.



EPA CERCLA §108(b) Financial Assurance Rulemaking

Worst-case scenario bonding is unnecessary and will pre-empt state programs and stifle job creation.

An EPA CERCLA §108(b) rule is unnecessary, duplicative, will pre-empt state programs and jeopardize the global competitiveness of industries that are powering the U.S. economy, delivering affordable energy, manufacturing critical products, and providing high-paying jobs.

Timeline:

EPA is expected to convene a SBREFA panel in late 2012, and plans to release a proposed rule in April 2013.

Potential Action Items:

- 1) **Use the Appropriations process to de-fund the CERCLA §108(b) rulemaking process. This is a high priority for WMC and its members.**
- 2) Congressional Communication with EPA:
 - a) *Background:* Prior to the adoption of Policy Resolution 11-4, the Western Governors' Association (WGA) sent a letter to EPA Administrator Lisa Jackson on August 10, 2010 in which the WGA expressed concerns with the CERCLA §108(b) rulemaking, particularly with regards to pre-emption of state programs.
 - b) *Action Item:* Generate Congressional letters to Lisa Jackson similar to the WGA letter and WGA Policy Resolution 11-4.

Background:

- The U.S. District Court's decision in *Sierra Club, et al v. Johnson* ordered the EPA to "close a loophole" under CERCLA §108(b) and identify the industries that will be subject to financial assurance requirements. Note the Court did not order EPA to issue a rule instituting a financial assurance program, only to identify industries EPA would target. EPA subsequently announced that hardrock mining facilities are their number one target for writing rules pursuant to CERCLA §108(b) to require financial assurance.
- EPA's rationale is they need to apply CERCLA financial assurance requirements to ensure current and future mine sites don't become Superfund sites. EPA perceives "gaps" in the current financial assurance programs run by the BLM, Forest Service and the states. However, in response to questions from Senate Energy and Natural Resources Ranking Member Lisa Murkowski, BLM stated that since 1990 it had approved 659 mining Plans of Operation and none of those sites are on the Superfund National Priorities List (NPL); the Forest Service stated it had approved 2,685 Plans of Operation since 1990 and again, none of those have been added to the NPL. BLM also indicated it held more than \$1.7 billion in financial assurances (now over \$2 billion).
- The western states are unanimous in their opposition to EPA's CERCLA §108(b) efforts as evidenced by Western Governors Association Policy Resolution 11-4 adopted December 7, 2011.

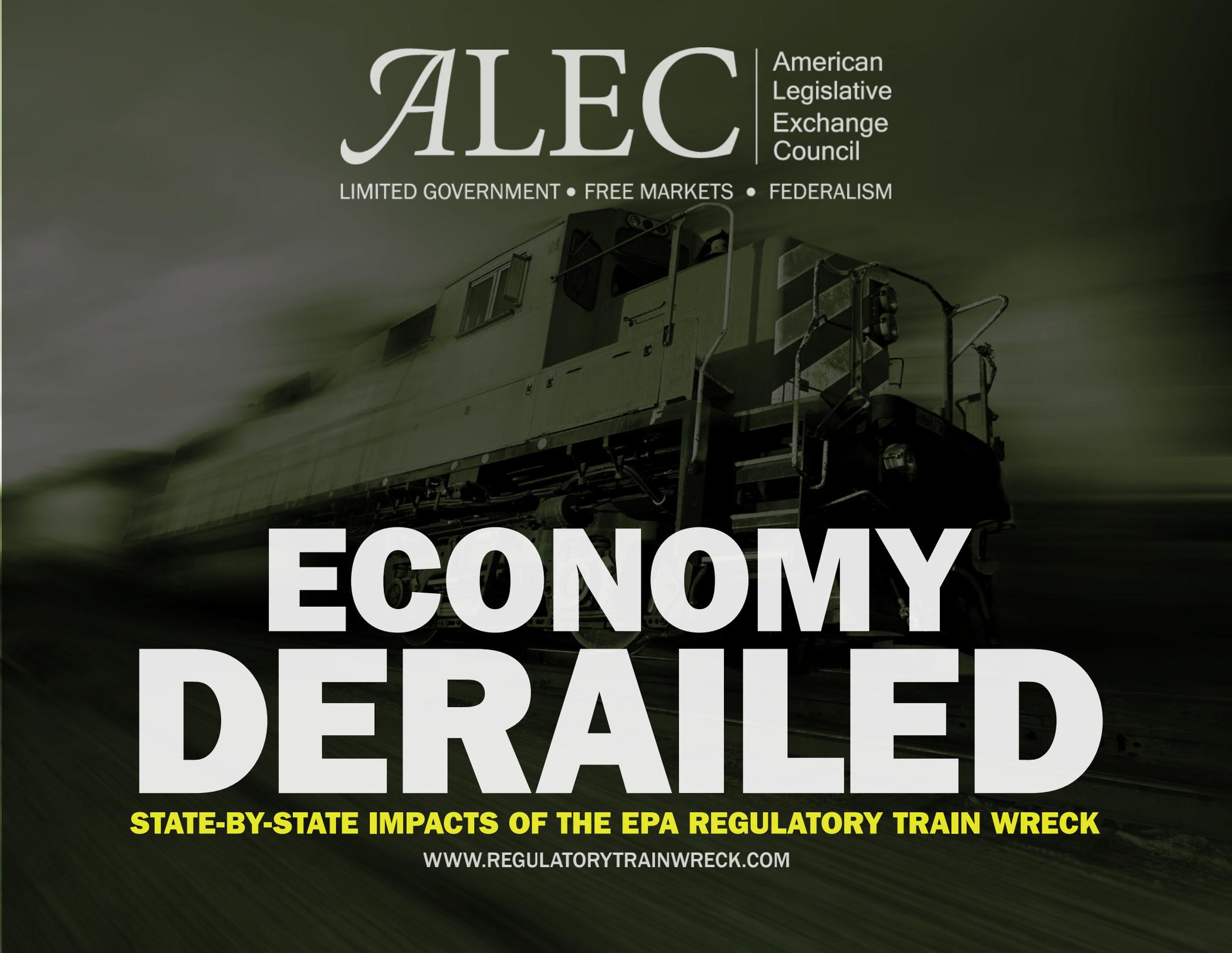
- If there are "gaps," then modifications should be made to the financial assurance programs developed by the federal land management agencies and the states over the past 30 years, who, unlike EPA, have the experience, expertise and resources to implement financial assurance requirements for hardrock mining operations.
- An amendment by Rep. Denny Rehberg was agreed to in the House version of the FY 2012 Interior, Environment and Related Agencies Appropriations bill to withhold funding from EPA to move forward with the CERCLA 108(b) rulemaking. The provision was dropped in final negotiations with the Senate on a nine-bill omnibus appropriations package.
- A GAO report issued on December 12, 2011 shows BLM has responded to earlier criticisms and now reviews and recalculates financial assurances on an annual basis to ensure amounts are current.

Issues:

- It is clear the EPA intends to propose a fixed-rate, one-size-fits-all financial assurance program. EPA does not have the expertise or the resources (human or financial) to implement a site-specific program like the BLM, Forest Service and the states. However, a one-size-fits-all program will not work for mining. Bonding is not static; bond amounts are reviewed annually and updated as necessary. Also, every mine site is different – geology, geography, terrain, climate.
- CERCLA 108(b) is not the proper law under which to pursue this effort, as it is intended to deal with past disposal of hazardous substances and the clean-up thereof.
- An EPA financial assurance program under CERCLA will preempt state programs (see §114(d)), many of which EPA recognizes as strong programs. Though it would not technically preempt federal land management agency programs, EPA stated if they come up with a dollar amount needed for financial assurance, it will be up to the BLM and/or the Forest Service to lower their bonding amounts to avoid duplication. Therefore, in reality, EPA would be taking over the other programs.
- EPA is using National Priorities List (NPL) data to calculate financial assurance needs. WMC has serious concerns with using NPL data, which consists of pre-environmental regulation legacy sites and mineral processing sites, and will lead to bonding amounts far larger than is needed.
- EPA admits the insurance and surety industries do not have the products, nor do they wish to create the products, to cover bonding of this amount and duration. That leaves cash as the only option, which will drain capital from the U.S. mining industry, leading to lost jobs and even less investment in future mining in the U.S.
- EPA also is attempting to bring historic contamination into the bonding for current mines. They will be looking beyond the current Plan of Operations boundaries to include abandoned mines.
- The Small Business Administration's Office of Advocacy plays an important role in this issue. EPA estimates 80% of the facilities expected to be covered by this rulemaking are small businesses. The Small Business Regulatory Fairness Act (SBREFA) requires EPA to convene a small business review panel to review the proposal's impact on small entities, including small businesses, and recommend ways to mitigate those impacts. The SBA definition of small business in the mining industry is fewer than 500 employees.

Women's Mining Coalition

www.wmc-usa.org



ALEC

American
Legislative
Exchange
Council

LIMITED GOVERNMENT • FREE MARKETS • FEDERALISM

ECONOMY DERAILED

STATE-BY-STATE IMPACTS OF THE EPA REGULATORY TRAIN WRECK

WWW.REGULATORYTRAINWRECK.COM

Report Summary

During the last 4 years, the U.S. Environmental Protection Agency (EPA) has proposed numerous regulations, within a short timeframe, creating regulatory chaos and uncertainty, stagnating investment as the economy attempts to recover from recession. These regulations are causing the shutdown of power plants across the nation, forcing electricity generation off of coal, destroying jobs, raising energy costs, and decreasing reliability.

Economy Derailed: State-by-State Impacts of the EPA's Regulatory Train Wreck sheds light on a few of the more onerous regulations that will hit all Americans in the next few years, and on some of the impacts that the nation is already experiencing. This report covers the economic effects of the Utility MACT Rule (also known as the MATS Rule), the Boiler MACT Rule, the Cross-State Air Pollution Rule, coal ash residuals regulation, cooling water intake regulation, potential EPA regulation of hydraulic fracturing, ozone regulation, restrictions and regulations on mining, and greenhouse gas regulations.

Major findings in the report include:

- Environmental quality in the United States continues to improve, despite the doomsday rhetoric coming from the EPA and environmental groups. Mercury, carbon monoxide, ozone, lead, nitrogen oxide, particulates, fine particulates, and sulfur dioxide have all decreased in both ambient concentrations in the atmosphere and in total emissions.
- Affordable and reliable energy has directly led to a high standard of living by allowing Americans to devote more resources to health-promoting activities such as diet, health care, and exercise rather than heating, cooling, and transportation costs. By contrast, unnecessary and burdensome environmental regulations do have negative health impacts that result from income being diverted away from health-promoting expenditures toward energy costs. These impacts are far worse for lower-income populations, because energy makes up a larger proportion of their budget.
- The Utility MACT (MATS) Rule could require retrofits for up to 753 electricity-generating units, and up to 15 gigawatts of electricity could be forced into early retirement. The standards are so stringent that even recently permitted plants employing the best available technology cannot meet them, and no new coal plants are likely to be built. Although at odds with just about every independent cost estimate, the EPA's estimate of annual cost is approximately \$11 billion, and its estimate of annual health benefits from the reduction in mercury is only \$6 million.
- The Boiler MACT Rule risks nearly 800,000 jobs nationwide, and the EPA has not estimated a single health benefit for reducing the pollutants that this rule was intended to address.
- The Cross-State Air Pollution Rule could threaten up to 7 gigawatts of electricity generation with early retirement, affecting reliability and affordability of electricity. The EPA estimates that the rule could cost \$2.4 billion annually, yet the newest data reveals that the CSAPR may not even be necessary, because emissions have declined during the past few years.
- The regulation of coal combustion residues will have significant consequences on electricity generation and a robust recycling industry in the United States. The EPA estimates the average regulatory cost, for the next 50 years, to be almost \$1.5 billion per year. Other estimates have found that the price tag could run up to \$20 billion annually. In addition, states themselves already have regulatory structures in place, meaning that EPA action would be a redundant, burdensome layer of regulation.
- Cooling water intake regulation could affect more than 1,000 coal, oil steam, and gas steam generating units (totaling 252 gigawatts) as well as roughly one third of all installed nuclear capacity (approximately 60 gigawatts). This could threaten up to 41 gigawatts with early retirement, and would also affect electric reliability across the country.
- The further tightening of ozone standards could mean that approximately 85 percent of the nation would be in nonattainment of a strict standard that has already been deemed unnecessary. By 2020, the standard could threaten up to 7.3 million jobs.
- The EPA has begun a war against coal mining by halting already approved permits, holding back and unnecessarily delaying permits, and even revoking previously issued permits. The closure of coal plants resulting from EPA air quality regulations alone puts 27,000 coal mining jobs at risk.
- Estimates show that the regulation of greenhouse gases will lead to significant increases in energy costs, with increases of 50 percent for gasoline and residential electricity prices, 75 percent for industrial electricity prices and residential natural gas prices, and 600 percent for electric utility coal prices. These costs come with little to no environmental benefit.
- State economic impacts of the EPA train wreck vary depending upon the percentage of the state's electricity derived from coal, whether coal mining operations exist within the state, and the makeup of the state's industries. The top ten states impacted by the EPA regulatory train wreck are Illinois, West Virginia, Ohio, Alabama, Michigan, Indiana, Pennsylvania, Tennessee, Kentucky, and North Carolina.

The full report can be viewed at www.regulatorytrainwreck.com.