



IOWA CHAPTER

August 3, 2011

Environmental Protection Agency
1200 Pennsylvania Ave. N.W.
Washington, D.C. 20460

Via e-mail: EPA-HQ-OAR-2009-0234

To Whom It May Concern:

These comments are submitted on behalf of the Iowa Chapter of the Sierra Club and its approximately 5,000 members. We support the proposed rule on national emission standards for hazardous air pollutants from fossil fueled electric generating units. The rule is appropriately protective of air quality and public health and the analysis supporting the rule is well-done.

We know that the electric utilities have raised the specter of loss of jobs and higher electric rates as a result of this rule. But these issues can, and should, be dealt with in other venues. The transition to clean and renewable energy will create many more jobs than may be lost as a result of this rule. In fact, has the electric utility industry even established that any jobs will, in fact, be lost because of this rule?

It is not automatic that all of the increased costs, if any, will be passed on to the utilities' ratepayers. Each state's public utility commission (in Iowa, the Iowa Utilities Board) will determine what is a fair and reasonable rate structure for each utility. In Iowa, the Sierra Club and other public interest groups, as well as the Office of Consumer Advocate, will intervene in any ratemaking proceeding before the IUB, to ensure that the utilities are not using this rule to increase rates. As a practical matter, any increased cost to the utility resulting from this rule will be amortized as a capital expenditure over a number of years, so the rate impact will not be as significant as the utilities suggest.

If the utilities want to argue that this rule will result in massive rate increases for their customers, the utilities need to substantiate that claim. The fact is they can't do it because they don't know what each state's regulatory commission is going

to do. In any event, it is not the obligation of the EPA to factor increased rates to customers into the adoption of this rule. Rates are to be determined by each state's public utility commission, using its experience and expertise and formal ratemaking proceedings.

As described in the preamble to the proposed rule, this rule is the culmination of a long and involved process to comply with the Clean Air Act. There is no reason for any further delay in adopting the rule.

Thank you for considering these comments.

Very truly yours,

/s/ *Wallace L. Taylor*

Wallace L. Taylor
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