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Regulating Mercury Emissions from Power Plants

INDEPENDENT REGULATORY
REVIEW COMMISSION

By
Victor Fiore
President Local 29
International Brotherhood of Electrical Workers
Before the
Environmental Quality Board
July 25, 2006
Pittsburgh, PA

My name is Victor Fiore and I am here today representing the 1,800 members of Local 29 of the International Brotherhood of Electrical Workers in Allegheny and Beaver Counties.

We have 168 members who work in two coal-fired power plants in our area—Cheswick and Elrama, and Brunot Island a gas-fired power plant. We also work with three electric generating companies Reliant Energy, First Energy and Duquesne.

Statewide the International Brotherhood of Electrical Workers represents 32,000 members in the electric generating, construction, telephone and other industries. Over 8,786 work in the electric utility industry -- 2,496 in coal-burning power plants.

I like to keep things simple, but controlling mercury emissions from power plants is not a simple issue. But, the bottom line is this – we need a cap and trade program in this regulation to help electric generating companies recover their investments in the advanced air pollution controls they need to reduce mercury emissions.

If they cannot recover their investments, they have to make up their budgets one way or another at these plants and in that process the most expendable items are employees, benefits and the smaller power plants.

I've done my homework on this issue. I met with DEP Secretary McGinty twice, talked to my companies and went to one of the hearings held by Sen. Mary Jo White in Harrisburg.

When you listen to all the testimony and talk to the people I have, several facts are clear—

- Studies show there is no difference in the environment between zeroing out ALL mercury emissions from ALL U.S. power plants and adopting the federal Clean Air Mercury Rule with a cap and trade program.

- Companies will not put advanced air pollution controls on small, old plants and if they cannot put these controls on in a cost-effective way they will be shut down and we lose jobs.
- Companies will bring power in from other states to make up the difference and that means jobs will move to those other states.
- Companies will switch to burning coal from other states because it has less mercury than the coal we have here in Pennsylvania and that means we lose jobs again in our coal mines and the drivers in the trucks that haul the coal to our power plants.

In my opinion we need the answers to these basic questions before we can even consider adopting a rule that does not include a cap and trade program--

1. Why do we need to go beyond the federal Clean Air Mercury rule? I have not seen any information that convinces me that we should do something different than the federal rule or that we have a health crisis involving mercury emissions from power plants.
2. What are the benefits to us in Pennsylvania if we go beyond the federal rule? Again, we have not seen any more benefits on either the health side or for the economy if we adopt the DEP rule over the federal rule. I only see that our members will lose jobs if the DEP rule is adopted without a cap and trade program.
3. What will happen to our jobs and our economy if these plants do shut down? And how many plants will close? And how will that affect the price of electricity? I would like to see the studies that DEP has done on these potential impacts.

We recognize we have to reduce mercury emissions, everyone knows that, but we have to do it in a balanced way that does not have a negative impact on jobs and our economy.

The federal Clean Air Mercury Rule already requires Pennsylvania power plants to reduce mercury emissions by 86 percent. Using a cap and trade program, the larger plants can install scrubbers and other pollution controls that can remove mercury in a more cost-effective way. Those extra credits can then be sold to smaller plants who cannot install those controls.

Just last week, Reliant Energy announced they will invest over \$250 million in new air pollution control equipment at one of the plants I represent—Cheswick. Power plant owners will make the investments in equipment, they just have to be sure they can get that investment back through the competitive electricity market we have here in Pennsylvania.

Some of the plants we represent were the first ones in the United States to have scrubbers installed in the 1970s. At that time the environmental people got together with the power plant owners and gave them special financing to help them install that equipment.

Today we should all be looking for ways of cooperating to help reduce mercury emissions so that everyone wins.

The International Brotherhood of Electrical Workers was founded in 1891 in St. Louis, Missouri by electric linemen who were concerned about their safety. At that time one out of every two linemen were killed on the job.

We are very proud of our record on health and safety issues and would not jeopardize that record by recommending something that would put our workers, our families and our communities in danger.

If you adopt this regulation without a cap and trade program, you will put our livelihoods, our families and our communities at risk for no benefit to the environment or our economy.

Thank you for allowing me to testify. I would be happy to answer any questions you may have.

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