The Business Council for Sustainable Energy®

Energy Efficiency · Natural Gas · Renewable Energy

BCSE Comments to EPA on Proposed Affordable Clean Energy (ACE) Rule
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Good afternoon. My name is Carolyn Sloan and I am the Manager of Federal Policy for the Business Council for Sustainable Energy. Thank you for the opportunity to participate in today's public hearing on the Affordable Clean Energy Rule.

The Business Council for Sustainable Energy is a coalition of companies and trade associations from the energy efficiency, renewable energy and natural gas sectors, and includes independent electric power producers and investor-owned utilities, equipment and product manufacturers, project developers, and energy and environmental service providers.

Founded in 1992, the Council advocates for policies at the state, national and international levels that increase the use of commercially available clean energy technologies, products and services. The coalition's broad-based business membership is united around the revitalization of the economy and the creation of a secure and sustainable future for America.

The Council has long supported a federal, economy-wide approach to reducing greenhouse gas emissions. Sharp declines in US power sector emissions in the last decade have demonstrated that there are many cost-effective technologies readily available to reduce emissions. While the Council urges federal legislative action, it believes that Environmental Protection Agency has an obligation to respond to sound science and court mandates. The proposed replacement of the Clean Power Plan, the Affordable Clean Energy Rule, falls short of that obligation.

BCSE urges the Environmental Protection Agency to focus its rule on the following critical elements:

Inclusion of targets and standards that are in line with scientific analysis that indicates the level of ambition needed to avoid the worst effects of climate change

It is critical that any greenhouse gas reduction policies are ambitious enough to effect real change in the energy sector. Clean energy sectors have proven that they can play a strong role in decarbonizing the economy while also supporting economic development and creating jobs.

Inclusion of clear and sustained market signals that spur emissions reductions through investment in the full portfolio of clean energy technologies.

Any greenhouse gas reduction program should increase energy supply from the full range of already available clean energy technologies. This includes energy storage, renewable energy, and natural gas, as well as carbon capture utilization and storage applications, among others. It also should increase energy efficiency to mitigate rising energy demand and fuel price volatility. A federal program should reward energy efficiency in existing and replacement energy infrastructure to fully maximize market-driven incentives for energy and environmental improvements.

Utilization of market-based regulatory approaches that reward early action

The Council believes early investments in greenhouse gas reduction should be recognized in any greenhouse gas reduction policy. Rewarding emission reductions that occur in advance of the enactment of the program has the potential to generate economic and environmental benefits, as well as speed clean energy technology deployment, therefore decarbonizing the economy faster. In addition, companies making voluntary early reductions want assurances that they won't be penalized later for reducing greenhouse gas emissions in advance of a regulatory program.

Inclusion of provisions that enable states, localities, and the private sector to go beyond regulatory targets and standards

Any greenhouse gas reduction program should enable all affected entities to go beyond regulatory targets and standards. It should not limit the ways in which states can manage their power sectors, or the ways generating units can achieve greenhouse gas reductions.

Inclusion of provisions that enable states to link emissions reduction programs through regional markets

Regional markets provide a key opportunity to enhance greenhouse gas related policies. They offer a range of benefits, including larger emission reductions, clean energy development, and opportunities to utilize offsets and other mechanisms to lower compliance costs and increase market efficiency.

The findings of the 2018 Sustainable Energy in America Factbook show that the US economy can grow while also reducing emissions; total US greenhouse gas emissions are at a 26-year low, while the economy has grown 15% in the last ten years and primary energy consumption has declined 1%. US power sector emissions are on a steep decline, ending 2017 at 28% below their 2005 peak.

The broad portfolio of energy efficiency, natural gas and renewable energy have enabled these dramatic reductions in emissions, while keeping energy costs low and creating over 3 million jobs across the country. EPA's regulatory approach to address greenhouse gas emissions should seek to accelerate these trends. The Council encourages EPA to take these recommendations into consideration as it continues to develop the Affordable Clean Energy Rule.