



FOR: Statement for the Record on the U.S. Environmental Protection Agency's, "Repeal of Greenhouse Gas Emissions Standards for Fossil Fuel-Fired Electric Generating Units" (90 Fed. Reg. 25,752-25,781, June 17, 2025)

TO: U.S. Environmental Protection Agency

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**U.S. Chamber of Commerce Testimony on  
Environmental Protection Agency Repeal of Greenhouse Gas Emissions  
Standards for Fossil Fuel-Fired Electric Generating Units (90 Fed. Reg.  
25,752-25,781, June 17, 2025); Proposed Rule**

**Washington, DC (Virtual)**

**July 8, 2025**

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My name is Heath Knakmuhs, and I am Vice President and Policy Counsel for the Global Energy Institute of the U.S. Chamber of Commerce (“Chamber”). The Chamber’s membership includes electric utilities, their customers, and the associated supply chain. The mission of the Global Energy Institute is to unify policymakers and energy stakeholders behind a common-sense energy strategy to help keep America secure and prosperous while improving the environment.

The Chamber appreciates the opportunity to testify today on the Environmental Protection Agency’s (“EPA”) proposal regarding greenhouse gas emissions from existing coal-fired and new natural gas-fired electric generating facilities. The Chamber supports the development of durable and achievable greenhouse gas standards for the power sector, but the 2024 standards were simply too stringent, too fast, and coincide with a rapid increase in electricity demand. As a result, the Chamber supports the EPA’s efforts to repeal these unworkable requirements.

America relies upon coal- and natural gas-fired generation resources for nearly 60 percent of our electricity. While renewables continue to make gains in market share, and advanced nuclear technologies look promising in the future, the potential for 35-50% growth in overall electricity demand between 2024 and 2040<sup>1</sup> calls for policies and regulatory structures that ensure affordable and

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<sup>1</sup> US National Power Demand Study from S&P Global Commodity Insights, issued March 2025, commissioned by the American Clean Power Association with the support of its partners: the American Petroleum Institute, Alliance to Save Energy, Clean



reliable energy. To win the AI race, both for the benefit of economic development and national security, we must be able to generate the 24/7 electrons necessary to power tomorrow's technologies while acknowledging the grid stabilizing contributions of existing energy sources. The repeal of 2024's unworkable standards will free power providers to focus on reliability and affordability without being limited by artificial regulatory constraints.

The Chamber welcomes the repeal of the so-called "Clean Power Plan 2.0" and encourages EPA to move forward with the finalization of a rule that results in the elimination of its aspirational requirements. While carbon capture and sequestration (CCS) technology presents great promise, it has not yet been "adequately demonstrated" at scale for the power sector at the lofty 90% annual capture level required under the 2024 rule. Thus, it was improper for EPA to establish as the Best System of Emissions Reduction 90% CCS on existing coal- and new natural gas-fired power plants.

Similarly, the 2024 rule's requirement that medium-term coal-fired power plants employ 40% natural gas co-firing constitutes inappropriate generation shifting, which is not permissible under the Clean Air Act consistent with *West Virginia v. EPA*, 597 U.S. 697 (2022). While many coal-fired power plants implement some level of natural gas co-firing, a blanket requirement across the industry ignores the unit- and site-specific features that make natural gas co-firing uneconomic or impossible in some circumstances. Moreover, our challenging permitting and subsequent judicial review environment renders the existence of the natural gas pipelines necessary for compliance doubtful. As such, it is appropriate for EPA to also repeal these medium-term coal-fired generation unit guidelines.

The EPA's new rulemaking also offers a chance to address the 2024 rule's flawed Regulatory Impact Analysis (RIA), which used unrealistic and non-transparent assumptions that understated the true costs of those standards, with some of these shortcomings carrying forward into the repeal rule's RIA. Consistent with the Chamber's previously published analysis on the 2024 rule, "[A Closer Look at EPA's Powerplant Rule](#)," the EPA now has the opportunity to identify the true magnitude of the costs that will be avoided through the now proposed repeal.



First, the 2024 rule's electricity demand figures are based on outdated 2023 projections from the Energy Information Administration (EIA). Comparing these numbers with more recent 2025 projections reveals anticipated demand increases well *above* EPA's 2024 analysis, including a 500 terawatt-hour difference in 2040 — the equivalent of not accounting for a Texas-worth of demand. This underestimate suppresses projected compliance costs that would be necessary to keep the lights on.

Second, because the 2024 RIA erroneously assumed that large amounts of fossil-based generation would close (or not be built) in the absence of EPA's CCS-based standards, the costs associated with replacing generation from such closures are omitted. Moreover, the 2024 RIA relies heavily on tax credits to support CCS and an aggressive renewable buildout – a practice that the EPA now appropriately proposes to curtail.

Third, the IPM Model used to develop the 2024 RIA assumes an unrealistically suppressed (*i.e.* low) replacement ratio for renewables and storage as compared to the dispatchable resources forced to retire by the rule. The consequent inflation of the capacity factor available from new renewable resources omits necessary generation additions from the modeling, erroneously reducing compliance costs while dangerously degrading power system reliability. Moreover, the IPM Model assumes the instantaneous appearance of the pipeline and transmission infrastructure needed for compliance, hiding permitting and other compliance costs.

Fourth, we encourage EPA to reconsider assumptions claiming monetary disbenefits of particulate matter reductions that occur below National Ambient Air Quality Standard (NAAQS) levels already deemed safe under the 2024 standards at 9 and prior 2012 standards at 12 micrograms per cubic meter (ug/m<sup>3</sup>). This would restore EPA's pre-2009 approach of limiting particulate matter co-benefit claims to those that occur above levels deemed safe.

Addressing these important regulatory analysis shortcomings will allow EPA to better inform policymakers and the public of the true costs and benefits of its proposed action.

The Chamber appreciates the opportunity to provide comment on the EPA's efforts to repeal the unrealistic and unworkable carbon standards finalized last year and encourages the EPA to promptly complete its proposed repeal.