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October 31, 2016

Mr. Mark Langer Clerk of the Court United States Court of Appeals for the District of Columbia Circuit E. Barrett Prettyman United States Courthouse 333 Constitution Avenue, N.W. Washington, D.C. 20001

> Re: State of West Virginia v. EPA, No. 15-1363 (and consolidated cases); Letter pursuant to Rule 28(j) of the Federal Rules of Appellate Procedure by Petitioner National Mining Association

Dear Mr. Langer:

Petitioners' briefs showed that EPA far understated the effects of the Clean Power Plan (CPP) by exaggerating the amount of coal generation that will retire even without that rule. Specifically, EPA's "base case" (the future without the rule) indicated that, in 2016, 20% of U.S. coal capacity would simply disappear even if the rule were not adopted, reducing coal generation to 214 gigawatts (GW). Petitioners Core Issues Reply Brief (#1610012) at 7, n. 1.

EPA has now tacitly conceded Petitioners' point. In its Cross-State Air Pollution Rule (CSAPR) Update, published last week, EPA eliminated these phantom retirements from its base case and now shows 268 GW of coal generation for 2016.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Cross-State Air Pollution Rule Update for the 2008 Ozone NAAQS, 81 Fed. Reg. 74,504 (Oct. 26, 2016).

<sup>&</sup>lt;sup>2</sup> This information—attached for convenience—is an excerpt from a chart in EPA's modeling files for the new CSAPR Update. *See* <a href="https://www.epa.gov/airmarkets/analysis-cross-state-air-pollution-rule-update">https://www.epa.gov/airmarkets/analysis-cross-state-air-pollution-rule-update</a>, link to IPM v.5.15 Final Base Case for the CSAPR Update, link to v.5.15\_OS\_NOx\_Final\_Base\_Case SSR.

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EPA's new estimate approximates the latest utility reports to the Energy Information Administration (EIA) showing 272 GW of coal actually in service in August.<sup>3</sup>

EPA's CPP modeling concluded that coal capacity must decline to 174-183 GW to meet the CPP requirements. JA006291 & JA006294. Compared to the EIA figure of actual 2016 coal capacity (272 GW) and EPA's new "base case" (268 GW), the decline is about one third. EPA's latest modeling confirms its repeated statements that the rule will transform the power sector. Petitioners' Core Issues Opening Brief (#1610010) at 2-3, 21.

All predictions of what the energy economy would look like in the future without the CPP are inherently uncertain because the price of various types of energy fluctuates greatly over time in response to market conditions, technological developments, and government policy. EPA's CSAPR Update projection of the energy mix post 2016 suffers from its own flaws. But what is certain is that considerably more coal is in service today than EPA said when it issued the CPP, and that amount must fall significantly to meet the CPP's requirements.

Sincerely,

Peter S. Glaser (cwm) Peter S. Glaser

Counsel for National Mining Association

Enclosure

<sup>&</sup>lt;sup>3</sup> See http://www.eia.gov/electricity/monthly/epm table grapher.cfm?t=epmt 6 01.

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2040	112	377	5	4	7	258	108	404	203	N C	0 0	09	200	333	0	168	78	S	1,337							
2030	112	155	S	4	7	36	108	707	20e 3	N C	0	66	426	277	0	149	78	5	1,084							
2025	112	146	2	4	7	27	108	000	206	<b>V</b> C	0	101	396	252	0	144	78	2	1,046							

PC IGCC IGCC - CCS New Future Technology

Natural Gas

Nuclear

CC - CCS CT Oil/Gas Steam

**Grand Total** 

TOTAL CAPACITY (Cumulative GW)

Non-Hydro Renewables

Landfill Gas Solar Wind

Coal

Geothermal

Biomass