

February 16, 2011

Re: Support H.R. 1, Section 1746; Oppose Amendments Nos. 5, 65, 66, and 460

Dear Member of Congress:

On January 2, 2011, EPA began regulating greenhouse gas (GHG) emissions from stationary sources. These regulations require all new or modified facilities that emit GHGs above certain thresholds to obtain permits, risking significant adverse impacts on investment, expansion, and job creation in today's fragile economy. The undersigned organizations urge you to **please oppose all efforts to eliminate or weaken the EPA funds limitation provision in H.R. 1, Section 1746. This includes opposing Amendments 5 (Tonko), 65 (Polis), 66 (Polis), and 460 (Holt).**

EPA's GHG actions additionally place a tremendous regulatory burden on state resources and may be found unlawful. Furthermore, the uncertainty associated with the lack of clear guidance from EPA about how to comply with these regulations could result in additional loss of investment and jobs.

Careful consideration should be given to any action with such far-reaching impacts. Yet, at a time when job creation and economic recovery should be our highest priorities, EPA has never even estimated the cost to stationary sources. The reality is that these regulations are not without major costs. The American Council for Capital Formation (ACCF) has estimated that EPA's GHG regulations on only the most directly impacted US industries could decrease capital investment by \$25 billion to \$75 billion and result in an economy-wide job loss of 476,000 to 1,400,000 jobs.

Congress, not unelected bureaucrats at the EPA, should be setting America's energy policy. Without a clear signal from Congress, EPA's GHG regulations will make it difficult to attract new manufacturing capacity and may seriously threaten the viability of existing facilities and the valuable jobs they provide. Language in H.R. 1, Section 1746 would place Congress back in the driver's seat to develop a comprehensive climate and regulatory policy. The language would prohibit EPA from using funds to carry out these unnecessary and overly burdensome GHG regulations.

Unfortunately, a number of amendments to H.R. 1, including Congressman Tonko's Amendment No. 5, Congressman Polis' Amendments Nos. 65 and 66, and Congressman Holt's Amendment No. 460 would strike or substantially weaken the language in Section 1746 intended to stop EPA's regulation of GHGs from stationary sources. If this language is struck, new facilities with the potential to emit 100,000 tons of GHGs annually or modified facilities with the potential to emit 75,000 tons of GHGs annually will be required, as of July 1st, to obtain an EPA permit. Eventually, these regulations will impact at least six million of America's industrial facilities, power plants, hospitals, and agricultural and commercial establishments.

The funds limitation provision in H.R. 1, Section 1746 sends EPA a very simple message: Stop regulating GHGs at stationary sources. Stop jeopardizing jobs and economic recovery. The undersigned organizations urge you to **please oppose all efforts to eliminate or weaken the**

EPA funds limitation provision in H.R. 1, Section 1746, including Congressman Tonko's Amendment No. 5, Congressman Polis' Amendments Nos. 65 and 66, and Congressman Holt's Amendment No. 460.

Sincerely,

American Chemistry Council
American Iron and Steel Institute
American Petroleum Institute
Ball Clay Producers Association
Brick Industry Association
Industrial Minerals Association – North America
International Diatomite Producers Association
National Association of Convenience Stores
National Industrial Sand Association
National Lime Association
National Mining Association
National Oilseed Processors Association
National Petrochemical and Refiners Association
Portland Cement Association
The Fertilizer Institute
Treated Wood Council