

SENT TO LSU AGCENTER/LOUISIANA FOREST PRODUCTS DEVELOPMENT CENTER - FOREST SECTOR / FORESTY PRODUCTS INTEREST GROUP



## Trump Administration May Push Narrower Clean Power Plan

August 4, 2017

**Media reports coming out of Washington indicate the Trump administration will retain a less-broad version of the Clean Power Plan (CPP), focusing on upgrades that can be made specifically within coal-fueled power plants and dropping broader strategies to reduce greenhouse gas (GHG) emissions.**

As drawn up by EPA under the Obama administration, the CPP would have called on states to develop their own schemes for reducing coal-plant emissions, using both "inside-the-fence" efforts aimed at improving a plant's efficiency, and "outside-the-fence" measures such as emissions trading, consumer energy efficiency programs and the increased use of fuels with lower emissions than coal like natural gas and renewable energy.

*S&P Global Market Intelligence*, quoting the former head of the Trump transition team for energy and two industry sources, reported on Monday that EPA Administrator Scott Pruitt is leaning toward stripping the plan to just its inside-the-fence strategies.

*E&E News* reported Tuesday that influential industry groups, including the U.S. Chamber of Commerce and the National Association of Manufacturers, told White House and EPA staff in a meeting last month not to gut the CPP.

*E&E* also reports that utilities have called for an inside-the-fence-line approach rather than a full take down of the CPP to provide more policy certainty, deterring future presidents from advocating more aggressive rules, and offer a better defense against legal challenges.

However, supporters of the broader, Obama-administration CPP say the emissions-reduction potential under a narrower plan would be much less, and that an inside-the-fence plan could actually raise emissions.

*S&P* quoted Sierra Club staff attorney Andres Restrepo as saying any regulation premised only on thermal heat improvements would in a plant would not only achieve much lower emissions reductions than a

broader plan, but also could lead to an increase in emissions. Restrepo cited a "rebound effect," by which utilities could run a coal plant that is more efficient and less costly to operate more often, generating even more emissions.

"We think [this approach] would be entirely unacceptable from both a policy and a legal standpoint," *S&P* quotes Restrepo as saying.





4 August 2017



**SENT TO LSU AGCENTER/LOUISIANA FOREST PRODUCTS DEVELOPMENT CENTER - FOREST SECTOR / FORESTY PRODUCTS INTEREST GROUP**

The Clean Power Plan was issued by EPA in August 2015, it was seen as a big driver of renewable energy, with clean energy advocates believing that reduced emission requirements would prompt utilities to buttress their efforts by seeking no-carbon alternatives like wind and solar, or low-carbon generation from biomass, to supplement their generation.

But the CPP has never fully been implemented, having been stayed by the Supreme Court in February 2016 pending a resolution of legal challenges to the rule brought by more than two dozen states. The Trump administration announced its intention to repeal the CPP and, at the request of the White House, the U.S. Circuit Court of Appeals for the District of Columbia put a 60-day hold on the litigation while EPA reviews the rule. That 60 days passed in late June, but the appellate court has issued nothing subsequently.

Stripping the Clean Power Plan of its renewable energy potential is just one of many ways the Trump administration has pushed aside clean or reduced-emission alternatives in its promotion of fossil fuels at the heart of its U.S. "energy dominance" campaign.

A draft of a grid study requested by Energy Secretary Rick Perry indicates consumer efficiency measures targeted by the administration would, between 2009 and 2030, be projected to save consumers more than \$545 billion in utility costs and reduce carbon dioxide (CO2) emissions by over 2.26 billion tons, according to *Think Progress*, a political news blog and a project of the Center for American Progress, a progressive public policy research and advocacy group.

The grid study, which was request in April, was scheduled for release in late June, but has yet to be issued. Renewable energy advocates fear the report, which Perry said was to determine what factors are prompting the recent closure of coal-fueled and nuclear power plants, may be used to justify attacks on federal and state policies that promote renewable energy. The report draft, however, said operators are ensuring grid reliability through diverse energy resources, including wind, solar and other renewable technologies. The draft said falling natural gas prices are the biggest reason coal and nuclear plants are unable to stay competitive and are being closed.

-----  
Richard P. Vlosky, Ph.D.  
*Director, Louisiana Forest Products Development Center*  
*Crosby Land & Resources Endowed Professor of Forest Sector Business Development*  
Room 227, School of Renewable Natural Resources  
Louisiana State University, Baton Rouge, LA 70803  
Phone (office): (225) 578-4527; Fax: (225) 578-4251; Mobile Phone: (225) 223-1931  
Web Site: [www.LFPDC.lsu.edu](http://www.LFPDC.lsu.edu)



**President, Forest Products Society; President, WoodEMA i.a.**

