

# United States Senate

WASHINGTON, DC 20510

December 12, 2014

The Honorable Gina McCarthy  
Administrator  
U.S. Environmental Protection Agency  
1200 Pennsylvania Avenue, N.W.  
Washington, DC 20460

Dear Administrator McCarthy:

We are writing in response to your request for comments on the Clean Power Plan Proposed Rule for existing electric generation facilities. We are pleased that the draft rule issued in June of 2014 allows for flexibility in state approaches to compliance, including end-use energy efficiency and multi-state cooperation. This letter outlines some areas where we request additional specificity in the final rule.

There are many opportunities to reduce emissions by decreasing the amount of energy that is wasted at the point of consumption. The American Council for an Energy-Efficient Economy's analysis has found that investments in energy efficiency, through retrofits and other mechanisms, can reduce U.S. greenhouse gas emissions by 26 percent relative to 2012 levels by 2030. We would therefore request that the final rule explicitly set forth a path for crediting end-use energy efficiency improvements, delivered by non-utility, third party entities, which are measurable, verifiable and quantifiable. This may include endorsement of particular types of projects such as guaranteed performance contracting in commercial, industrial and residential buildings and building codes implementation. These delivery methods can have important advantages including opportunities for deeper efficiency improvements, reduced costs to the commercial and industrial building sector, and improvements in the reliability and resiliency of our electricity supply. In addition, we urge you to recommend energy measurement and verification (EM&V) protocols and approaches for both utility and non-utility provided energy efficiency projects.

Finally, we are pleased that the proposed regulations under 111(d) allow states to incorporate regional dynamics in the electricity sector. Many utilities operate power generation, transmission, and distribution systems spanning multiple states, and the EPA's proposal gives states the flexibility to achieve compliance through a regional framework. EPA should be explicit in the final rule about this flexibility and provide guidance on a model approach, as it will achieve the goals of the Clean Air Act without putting an unnecessary burden on utilities.

Thank you for proposing flexibility through regional approaches and end-use energy efficiency in the implementation of the 111(d) regulations for existing power plants. This approach will create local jobs in building retrofitting and energy efficiency technologies, as well as other areas of the economy. The flexibility indicated in the draft rule will go far to protect ratepayers from unnecessary increases in the cost of electricity while simultaneously fulfilling

the goals of reducing emissions. In order to fully realize these objectives, we urge you to provide more specificity on the issues we have outlined here.

Thank you for your continued attention to this important matter.

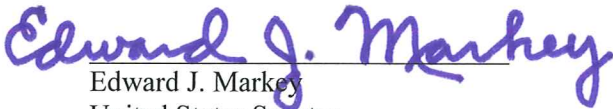
Sincerely,



Al Franken  
United States Senator



Jeanne Shaheen  
United States Senator



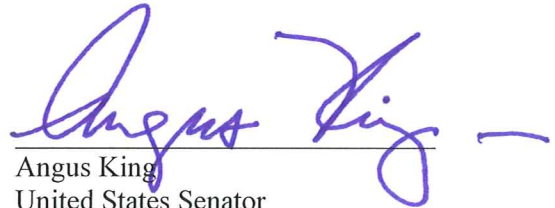
Edward J. Markey  
United States Senator



Amy Klobuchar  
United States Senator



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United States Senator



Angus King  
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