

A Labor View on Utility MACT  
32<sup>nd</sup> Annual CIBO Meeting  
Williamsburg Lodge  
October 21, 2010

Eugene M. Trisko  
Attorney at Law  
[emtrisko@earthlink.net](mailto:emtrisko@earthlink.net)

# Utility MACT potentially involves a lot of jobs – utility, coal and rail

- EPA has not yet proposed a Utility MACT, so its stringency and impacts are unknown.
- Coal is among most job-intensive of electric energy supplies – long supply chains.
- New rule to cover multiple HAPs, similar to Boiler MACT.
- UMWA has had preliminary discussions with EPA staff; unions want to work with EPA to minimize adverse impacts on jobs.

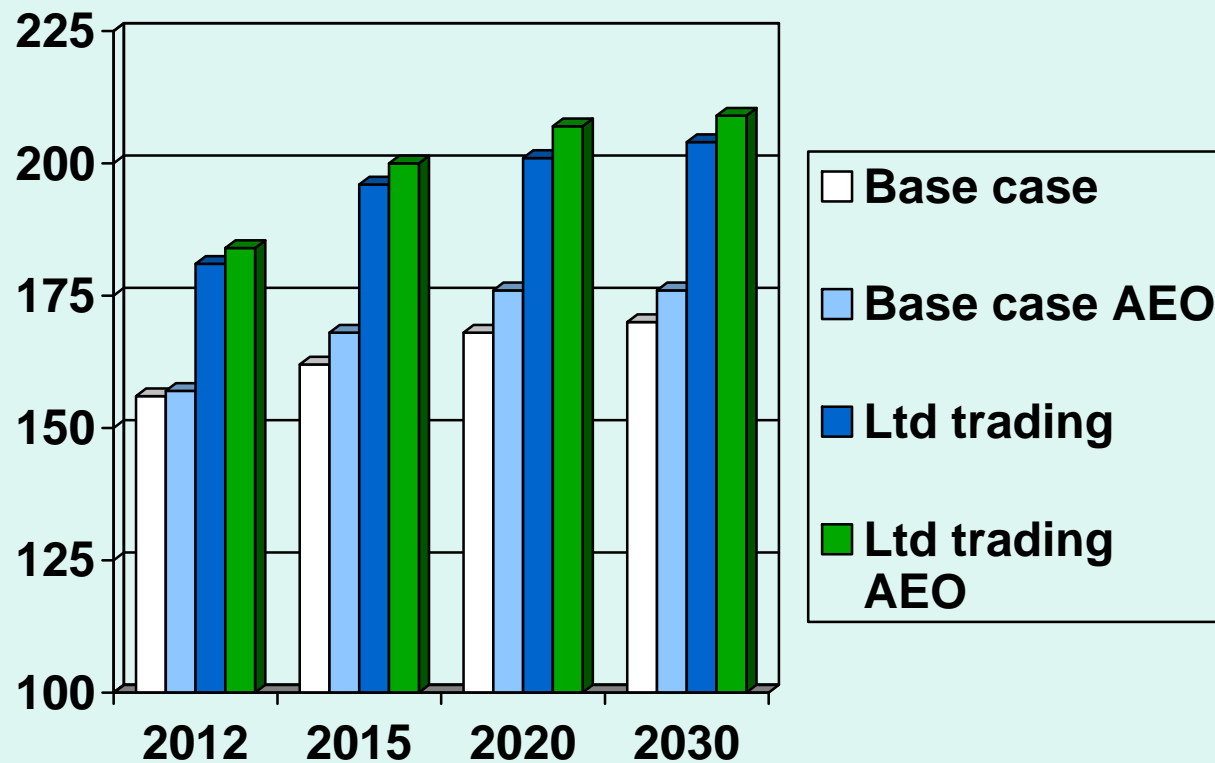
# Hatfield's Ferry Coal Plant, PA (451 cars x 3 shifts + mining+ rail + barge)



# Many coal units “at risk”

- Approximately 1,000 utility coal units in the DOE/NETL data base.
- Hundreds of units are not yet scrubbed.
- EPA CATR NODA projects 181-184 GW of scrubbed capacity by 2012, 196-200 GW by 2015.
- Total US coal capacity >325 GW.

# U.S. electric generation FGD capacity existing + new (Cumulative GW)



Source: US EPA CATR NODA IPM Output Files (Sep 2010).

# “Units at risk” preliminary assessment

- Many older/smaller coal units not already scrubbed may be uneconomic to retrofit, or may be unable to meet MACT limits.
- Sorted DOE/NETL 2007 coal plant data base for units 25MW-400 MW, more than 40 years old, without scrubbers (or planned scrubbers).
- Magnitude of affected generation in several states (15%-25%+ of GWh) raises issues about reserve margins and reliability.

# “Units at risk” preliminary findings

- 433 coal units in U.S. (56 GW) are >25 MW and <400 MW and older than 40 years (as of 2010), without existing or planned scrubbers removing >50% SO<sub>2</sub>.
- Average unit is 52 years old, 135 MW.
- Total generation “at risk” 318 million MWh, 15% of US coal generation (2005).
- Total coal burn “at risk” 134 million tons, 13% of US coal burn (2005).
- Many listed units may be good retrofit candidates, based on site-specific factors.

# Potential job impacts

- Stringency of rules and standards will determine extent of unit retirements.
- Gas/renewables likely replacement fuels with much smaller labor inputs per MWh.
- Analysis of preliminary screening results suggests potential loss of 54,000 direct jobs and 250,000 total jobs at older, smaller unscrubbed units (based on DOC RIMS II utility multipliers by state).



# Comparative studies

- Bernstein & Co. (October 2010) estimates 60 GW at risk, 15% of coal production.
- NERC report on reliability expected soon.
- Unreleased EEI analysis in the same ballpark.

# Keys to survival

- Maximum use of subcategorization (boiler type and size, coal type)
- Reasonable averaging times and plant-wide averaging
- Time extensions beyond 36 months (with ~1,000 affected units also meeting CATR and other regulatory requirements)
- Incentives for new advanced coal generation (legislative or regulatory)
- Cooperation with US EPA!

# Questions?

