



May 9, 2014

EPA Docket Center  
U.S. EPA  
1200 Pennsylvania Ave. NW  
Washington, DC 20460

**RE: Docket ID No. EPA–HQ–OAR–2013–0495 – Standards of Performance for Greenhouse Gas Emissions From New Stationary Sources: Electric Utility Generating Units**

These comments are submitted for the record to the U.S. Environmental Protection Agency (EPA) on behalf of the National Federation of Independent Business (NFIB) in response to the Notice of Proposed Rulemaking (NPRM) regarding Standards of Performance for Greenhouse Gas Emissions From New Stationary Sources: Electric Utility Generating Units published in the January 8, 2014 edition of the *Federal Register*.

NFIB is the nation's leading small-business advocacy association, representing members in Washington, D.C., and all 50 state capitals. Founded in 1943 as a nonprofit, nonpartisan organization, NFIB's mission is to promote and protect the right of its members to own, operate, and grow their businesses. NFIB represents about 350,000 independent-business owners who are located throughout the United States.

The EPA is proposing new standards of performance for new affected fossil fuel-fired electric utility steam generating units and stationary combustion turbines. The NPRM proposes a separate standard of performance for fossil fuel-fired electric utility steam generating units and integrated gasification combined cycle units that burn coal, petroleum coke and other fossil fuels that is based on partial implementation of carbon capture and storage as the best system of emission reduction.

This proposed rule would also set standards for natural gas-fired units. This action also includes related proposals concerning permitting fees under Clean Air Act Title V, the Greenhouse Gas Reporting Program, and the definition of the pollutant covered under the prevention of significant deterioration program.

Unfortunately, the proposed rule will lead to increased energy prices and additional uncertainty. These comments will address NFIB's concerns regarding impact on energy prices and, subsequently, the failure of EPA to adequately analyze the impact of increased energy prices on small businesses.

**Small businesses need affordable, reliable electricity**

Electricity costs are a prominent concern for small business owners. According to the NFIB Research Foundation's 2012 *Small Business Problems and Priorities*, the cost of electricity was ranked number 12, ahead of other major problems like cash flow and poor earnings.<sup>1</sup> NFIB believes the proposed rule could cause electricity costs to rise substantially. The uncertainty regarding how the rule will affect the cost and availability of electricity stands to be an ongoing deterrent for small businesses to plan for expansion and job growth.

In addition, like other critical costs, electricity prices disproportionately impact small businesses. These companies are unable to absorb price increases in the same way larger companies can. To try to make up the difference, small businesses must increase the prices of the goods and services they sell. As these prices go up, demand for those goods and services decreases, lowering sales and revenue.

### **EPA should have analyzed the impact of higher energy costs on small businesses**

The economic reality of the situation described above makes it critical that EPA analyze these clearly foreseeable costs to understand the full scope of the impact this proposed rule will have on the economy. Instead, EPA chose to narrowly analyze impact, selecting only small “fossil fuel electric power generating units” as companies to analyze.

NFIB believes EPA should have availed itself of the opportunity to hold a Small Business Advocacy Review (SBAR) panel called for under the Regulatory Flexibility Act and its amending law, the Small Business Regulatory Enforcement Fairness Act. Consulting with a panel of small business owners regarding how increased electricity prices would affect them could have resulted in a less-onerous rule. Unfortunately, the agency and the public will never know. EPA chose to fast-track the rulemaking process without full regard for the economic impact on this proposed rule.

### **Conclusion**

NFIB believes the proposed rule will have negative consequences for small business due to increased electricity costs and the uncertainty surrounding energy availability. These costs and uncertain conditions disproportionately impact small businesses. We believe in order to gain a full understanding of the impact this proposed rule will have on small businesses, EPA should have held an SBAR panel.

We appreciate the opportunity to comment on the NPRM. Should EPA require additional information, please contact NFIB’s manager of regulatory policy, Daniel Bosch, at 202-314-2052.

Sincerely,



Dan Danner  
President and CEO  
NFIB

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<sup>1</sup> *Small Business Problems and Priorities*. NFIB Research Foundation. 2012.  
<http://www.nfib.com/research-foundation/priorities>