March 16, 2011 For Immediate Release:

Statement by Glenn English, CEO of NRECA, on the Proposed Hazardous Air Pollutants Standard (HAPS) for Electric Generation Plants

Electric cooperatives are concerned about the combined impact of proposed regulations on reliability and cost for consumers.

Reviewing today's proposal from the Environmental Protection Agency's setting standards for hazardous emissions from power plants -- a very large and complicated rule -- will take some time. If the EPA follows the approach in its proposed standard for industrial boilers, we are concerned that compliance with the Hazardous Air Pollutants Standard (HAPS) will be extremely difficult and very costly, especially for small systems.

Electric cooperatives support efforts to protect public health and the environment. Electric cooperatives are deeply concerned, however, that the Agency's strategy to require very significant emissions reductions of multiple pollutants with very compressed timelines may be unachievable and could damage the economy of rural America without providing commensurate and meaningful environmental benefit.

The HAPS rule must be viewed in the context of the series of very stringent rules the Agency is finalizing. Taken together, these new rules will require an unprecedented expenditure to install pollution control equipment and may compromise system reliability and co-ops' ability to keep electric bills affordable for consumers.

If, as seems likely, EPA goes forward with its tight time schedules for compliance with all the new emission reduction requirements included in these rules, cooperatives will find themselves at a disadvantage when competing for limited resources to add large emission control projects, or, alternatively, to build replacement generation for units that may be forced to shut down.

The National Rural Electric Cooperative Association is the national service organization that represents the nation's more than 900 private, not-for-profit, consumer-owned electric cooperatives, which provide service to 42 million people in 47 states.

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