

December 1, 2014

Ms. Janet McCabe
U.S. Environmental Protection Agency
Office of Air and Radiation
1200 Pennsylvania Avenue NW, 6101A
Washington, DC 20460

Re: Comments Opposing the Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units Proposed Rule, Docket No. EPA-HQ-OAR-2013-0602

Dear Ms. McCabe:

The undersigned organizations are writing to express opposition to the Environmental Protection Agency's ("EPA's") Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units proposed rule, Docket No. EPA-HQ-OAR-2013-0602 ("proposed rule"), in which the EPA is proposing state-specific rate-based goals for carbon dioxide emissions from existing electric generating units ("EGUs") and emission guidelines for states to follow in developing implementation plans to achieve those goals.

Representing Arizona's job creators across all sectors of the economy, we fully understand the need for a safe and healthy living and working environment for the people of Arizona. However, addressing the reduction of carbon emissions from existing EGUs must be done in accordance with federal law and in a manner that does not place unreasonable economic burdens on businesses or, most especially, on our families and communities. The proposed rule is of extraordinary nationwide significance, and we expect it will come under scrutiny for its costs, considering the recent United States Supreme Court's decision to grant *certiorari* on the question of whether or not the EPA unreasonably refused to consider costs in determining whether it is appropriate to regulate hazardous air pollutants emitted by electric utilities.

Putting aside the pending legal challenges to the proposed rule, we ask the EPA to substantially modify the proposal to recognize Arizona's unique characteristics and geographical diversity and give thorough and thoughtful consideration to the work arising from the state's extensive and collaborative stakeholder process during the rule's comment period. The rule as currently proposed is likely to have a significant impact on every single Arizonan, since the accessibility to, and stability of, electricity is essential in delivering water throughout the state, as well as to providing safe, comfortable year-round living and working conditions.

In its proposed plan, the EPA has given Arizona one of the most stringent reduction goals in the country. Compared to the baseline 2012 levels, Arizona is required to reduce its emissions by 52 percent by the year 2030 with an aggressive interim goal to achieve more than three-quarters of that reduction goal by the year 2020. In order to meet the interim goal, the state's utilities would have to retire a majority of its coal-fired generating facilities and make a significant investment in new

infrastructure by 2020. This quick transition is not economically feasible and would threaten the reliability of our electricity supply. As such, does not reflect the realities in Arizona.

Arizona is one of the most geographically diverse states in the nation, and often experiences unique weather conditions and varying temperatures. We currently enjoy a balanced and diverse energy portfolio that meets the state's unique needs and has resulted in reliable and affordable energy across the state. We are concerned that the emission reduction goals and guidelines set forth in this proposed rule will eliminate that balance in our energy mix and impose higher electricity costs on everyone.

We encourage the EPA to recognize the diligent work of the Arizona Department of Environmental Quality, the Arizona Corporation Commission, the Arizona utility companies, and other stakeholders to analyze the EPA's proposal and provide comments to this rulemaking docket that would result in substantial improvement to the emissions guidelines. This analysis takes into account the measures and controls already in place to reduce carbon emissions; the realities and uniqueness of Arizona's environment and energy infrastructure; the relatively young age of our EGU fleet; and Arizona's already diverse and balanced energy portfolio.

The proposed rule as drafted is unfair to the State of Arizona and should be rejected in its current form for the reasons set forth above. After proper collaboration with the State of Arizona and its stakeholders, the EPA should redraft or substantially modify the proposed rule in order to develop a lawful, fair and achievable interim and final reduction plan for the State of Arizona.

Sincerely,

Apache County Chambers of Commerce
Apache Junction Chamber of Commerce
Arizona Chamber of Commerce and Industry
Arizona Manufacturers Council
Buckeye Valley Chamber of Commerce
Chandler Chamber of Commerce
Fountain Hills Chamber of Commerce
Gilbert Chamber of Commerce
Graham County Chamber of Commerce
Greater Casa Grande Chamber of Commerce
Greater Flagstaff Chamber of Commerce
Greater Phoenix Chamber of Commerce
Greater Oro Valley Chamber of Commerce
Green Valley Sahuarita Chamber of Commerce
Lake Havasu Area Chamber of Commerce
Marana Chamber of Commerce
Mesa Chamber of Commerce
Nogales-Santa Cruz County Chamber of Commerce
Prescott Valley Chamber of Commerce
Queen Creek Chamber of Commerce
Rim Country Regional Chamber of Commerce

Scottsdale Area Chamber of Commerce
Sierra Vista Hispanic Chamber of Commerce
Springerville-Eager Regional Chamber of Commerce
Tempe Chamber of Commerce
Tucson Hispanic Chamber of Commerce
Tucson Metro Chamber of Commerce
Wickenburg Chamber of Commerce
Willcox Chamber of Commerce and Agriculture
Yuma County Chamber of Commerce