



**INTERNATIONAL
BROTHERHOOD
OF ELECTRICAL
WORKERS.**

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EDWIN D. HILL
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July 31, 2013

On behalf of the approximately 750,000 active members and retirees of the International Brotherhood of Electrical Workers (IBEW), I write in support of an amendment to the *Energy Consumers Relief Act of 2013* (H.R. 1582) offered by Representative Tim Murphy (PA-18). This amendment would prohibit the Environmental Protection Agency (EPA) from using the “social cost of carbon” (SCC) for any energy-related rule that is estimated to cost more than \$1 billion unless and until a federal law is enacted authorizing such use.

The Administration recently increased the estimated value for SCC by nearly two-thirds, from approximately \$22 to \$38 per ton of carbon dioxide (CO₂) emissions. This SCC value represents the monetized costs of future damages caused by CO₂ and is the figure that will be used by the Administration to calculate damages when preparing cost-benefit analysis in future rulemakings. In light of the upcoming EPA rules regulating CO₂ from new and existing power plants, this significant increase is a cause for concern to IBEW members who work in construction, utilities, and railroads whose jobs are connected to the United States electrical power generating sector.

I am concerned about the Administration’s latest attempt to assign a particular dollar cost to the SCC, as the newly established SCC values are highly uncertain and speculative given, as the Administration itself has acknowledged, there is a limited amount of research linking climate impacts to economic damage. I am also concerned about the EPA relying on SCC rates that may improperly add costs to any regulatory action that reduces greenhouse gases. For instance, SCC values are based on the *global* costs of climate change, contrary to how federal agencies currently perform cost-benefit analyses of new regulations, which are calculated based on the potential impact on the *domestic* economy.

Finally, there has been insufficient oversight in the creation of SCC estimates. SCC rates were not developed as a result of any statutory requirement or congressional mandate. The Administration decided, on its own, to increase SCC values by two-thirds with no opportunity for public comment. Given the critical importance of SCC rates in future EPA rulemakings regulating CO₂ emissions, it is imperative that stakeholders have the opportunity to provide input in advance.



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For these reasons I urge you to support Representative Murphy's amendment to H.R. 1582 when it is brought up for a vote.

With best wishes, I am

Sincerely yours,

A handwritten signature in black ink, which appears to read "Edwin D. Hill". The signature is fluid and cursive, with a large initial "E".

Edwin D. Hill
International President

EDH:jcq