Statement from Peabody Energy on EPA’s Proposed Greenhouse Gas NSPS Rule

March 29 – Peabody believes the EPA’s proposed greenhouse gas rule fails on both legal and policy grounds, extending the agency’s poor track record of understanding the basics of energy, the economy and the environment. It also is likely to put the American consumer under the same price pressure at the plug that they now have at the pump.

The rule takes an unprecedented and legally suspect move of treating two classes of generating plants – gas and coal – as one class. The rule also ignores the fact that carbon capture and storage technologies are promising but not yet commercially available. And it fails to recognize the lifecycle greenhouse gas emissions of natural gas generation, which studies show may be greater than coal generation.

Even worse, the rule puts the backbone of America’s electricity base at risk, by failing to recognize the outstanding positive externalities that coal-fueled electricity provides, leading to significant benefits for health, jobs and economic benefits from low-cost power. The states that use the highest percentage of coal enjoy electricity rates that are substantially below the cost of power in states that rely on other fuels.

The proposed rule hurts people in their environment by making one of life's necessities, electricity, scarce and expensive. EPA is mandated to protect the health and welfare of the American people through the Clean Air Act. In fact, by making electricity expensive, EPA threatens the health and welfare of our citizens. EPA’s proposed rule needs to be rejected or overturned to prevent further damage to U.S. energy consumers.

The world continues to turn to coal, and coal will continue to fuel more U.S. electricity than any other energy source for many decades to come. And no other fuel has the track record of reliability, abundance, low cost and environmental improvement of U.S. coal.

Peabody Energy is the world's largest private-sector coal company and a global leader in clean coal solutions. With 2011 sales of 251 million tons and $8 billion in revenues, Peabody fuels 10 percent of U.S. power and 2 percent of worldwide electricity.

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