Institute *for*
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FOR IMMEDIATE RELEASE – June 11, 2025
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STATEMENT ON EPA'S PROPOSED REPEALS OF POWER PLANT CARBON POLLUTION LIMITS AND 2024 MERCURY & AIR TOXICS STANDARDS

Today, the Environmental Protection Agency (EPA) proposed to repeal two major regulations limiting air pollution from power plants.

Carbon Pollution Limits: EPA has proposed to repeal regulations that limit greenhouse gas emissions for existing coal-fired and new gas-fired power plants. When it issued these Clean Air Act regulations last May, the agency found that they would deliver $370 billion in net benefits, yet EPA has now proposed to eliminate these enormous public benefits without proposing any replacement rule. EPA found that in 2035 alone, these regulations would prevent 1,200 premature deaths; 360,000 avoided cases of asthma symptoms; 48,000 avoided school absence days; and 57,000 lost workdays.

Although the proposal claims that power sector emissions do not significantly contribute to climate change, the sector contributes roughly a quarter of U.S. greenhouse gas emissions and is the second largest source of domestic emissions. Recent analysis from the Institute for Policy Integrity shows that every year of U.S. power sector emissions contribute to climate damages costing thousands of U.S. lives and hundreds of billions in global economic harms. Another recent policy brief explains how EPA has long recognized that contributions to pollution problems far smaller than those of power plants are significant.

EPA's proposal also relies on haphazard analysis that violates best practices. In its cost-benefit analysis for the draft rule, EPA reverses nearly 20 years of agency practice by not valuing the greenhouse gas emissions that the rule will cause. The Institute for Policy Integrity's recent issue brief highlights the flaws in the government's rationale for abandoning well-established climate-damage valuations.

Richard Revesz, faculty director at the Institute for Policy Integrity and AnBryce Professor of Law and Dean Emeritus at New York University School of Law, who served as Administrator of the Office of Information and Regulatory Affairs from January 2023 to January 2025, released the following statement:

"EPA's arbitrary analysis obscures the full effects of its proposal, but the truth is that this action will cause significant harm to the public, including 1,200 additional premature deaths and hundreds of billions of dollars in health and economic damages each year. Despite failing to monetize greenhouse gas emissions, EPA still finds that the proposed rule will result in greater costs than benefits.

The power sector is the second largest contributor to U.S. greenhouse gas emissions and leaving this pollution unchecked runs contrary to EPA's obligations under the Clean Air Act. For decades, EPA has considered how reducing each source of emissions contributes valuably to solving larger pollution challenges. EPA's new approach breaks with rationality and its past practice.

EPA's proposal also abandons its own peer-reviewed value of the social cost of greenhouse gases. Since the George W. Bush administration, the agency has used this tool, which is based on extensive economic and scientific research including Nobel Prize-winning scholarship. Greenhouse gas emissions cause extensive economic harm, and their proper valuation is certainly not zero as this proposal essentially suggests. Courts have previously rejected agency analyses that undervalue or fail to value the significant and well-established damages from greenhouse gases."

2024 Mercury & Air Toxics Rule: EPA also published a proposed rule that would repeal a regulation, finalized last May, that strengthened limits on mercury and other air toxic emissions from certain power plants. The 2024 Mercury and Air Toxics Standards (MATS) rule was a common-sense surgical regulation that would have required the worst-polluting plants to tighten their emission controls and meet limits that the majority of power plants have long achieved. As discussed in a recent policy brief from the Institute for Policy Integrity, EPA based the new emission limits on pollution-control methods that have been available for years—a fact that the regulated industry has conceded.

Through modest changes, the rule was poised to deliver meaningful public health and environmental benefits by eliminating approximately 9,500 pounds of mercury and 49 tons of non-mercury toxic metals over a decade. That EPA was unable to fully quantify and monetize these benefits does not mean that they are unimportant. There is no safe level of mercury exposure. In addition to benefits from reduced mercury and toxic metals emissions, the 2024 MATS rule would provide an additional $420 million in public health and climate benefits from reducing other harmful pollutants, such as soot and carbon dioxide.

When issuing the 2024 MATS Rule, EPA properly considered all of these important benefits in the cost-benefit analysis. The law, best analytical methods, and long-standing agency practice all support the consideration of the full set of regulatory effects in a cost-benefit analysis. Last fall, in litigation concerning the 2024 amendments, the Institute for Policy Integrity submitted an amicus brief further detailing these points. Furthermore, the Clean Air Act obligates EPA to update the MATS upon a finding of technological improvement rather than on the details of the cost-benefit analysis.

Dena Adler, Senior Attorney at the Institute for Policy Integrity at NYU School of Law, released the following statement:

"Since 2012, the Mercury and Air Toxics Standards have delivered overwhelming benefits for public health and the environment while the rule's costs have been far below the original estimates. The 2024 standards were a modest update, relying on technologies that industry admits have long been available. With this action, EPA is letting a small number of particularly dirty power plants off the hook for causing disease, neurotoxic damage, and carcinogenic harm. The fact that EPA could not fully monetize the health benefits of the 2024 update, including protecting children's brain development, does not mean that these benefits are unimportant."

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Professor Revesz, Adler, and others at the Institute for Policy Integrity are available for interviews on these issues.

Related Resources from the Institute for Policy Integrity:

- **The Scale of Significance: Power Plants** discusses how the U.S. power sector's annual climate pollution causes thousands of deaths and massive economic damage
- **Significant by Any Measure** explains EPA's past practice to recognize the significance of emissions much smaller than those from the power sector
- **Zero Rationality** reviews why any plausible estimate of a climate-damage valuation is far above zero
- **Pollution by Proclamation** discusses how recent presidential exemptions for these standards were unsupported and explains that the technology underlying the 2024 MATS Rule is widely available
- **Amicus Brief in Litigation Over the 2024 MATS Rule** explains how the law, best analytical methods, and longstanding agency practice require the consideration of all important regulatory effects in a cost-benefit analysis

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