ORAL ARGUMENT HEARD EN BANC ON SEPTEMBER 27, 2016

IN THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

STATE OF WEST VIRGINIA, et al., Petitioners, v. UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, et al., Respondents.

No. 15-1363 (and consolidated cases)

STATE AND MUNICIPAL RESPONDENT-INTERVENORS' RESPONSE TO STATUS REPORT AND REQUEST FOR INDEFINITE ABEYANCE

The undersigned States and Municipalities (State Intervenors) respond to the Environmental Protection Agency's October 10, 2017 status report, in which it notified the Court that Administrator Pruitt has signed a proposed rule to repeal the Clean Power Plan. Although EPA requests these cases be held in abeyance until it finalizes that repeal, Administrator Pruitt has not proposed to replace the Clean Power Plan. In effect, EPA is asking the Court to refrain from ruling on the merits of Clean Power Plan—which the agency promulgated to fulfill its statutory duty to regulate carbon dioxide from existing power plants—so that it can eliminate that rule, with no concrete plans when it will act or how it will subsequently satisfy that legal duty. The Court should decline this request and decide the pending cases.

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Although in previous requests for abeyance, EPA has always represented that "revision" of the Clean Power Plan was an option under consideration,¹ it is now requesting abeyance solely on the need for an unspecified amount of time to complete a *repeal* of the rule, without replacing it. *See* 82 Fed. Reg. 48,035 (Oct. 16, 2017). A pure repeal, however, would put the agency in violation of its statutory duty to regulate carbon dioxide from existing power plants under the Clean Air Act, a duty the agency is not contesting it must fulfill. *See* 42 U.S.C. § 7411(d); *see also* Order in *West Virginia v. EPA*, Case No. 15-1363 (Aug. 8, 2017), Doc. No. 1687838 (Tatel and Millet, JJ., concurring) (EPA has an "affirmative statutory obligation" to regulate greenhouse gases from power plants). The Court is not required to—and should not—sign off on a further abeyance with the knowledge that the agency's proposed path would end in a statutory violation.

The history of EPA's regulation in this field further underscores why granting further abeyance would be inappropriate. Instead of proposing a different way to limit carbon emissions from power plants, EPA proposes *no regulation at all*, which would leave the agency in the same place as when the Court remanded *New York v. EPA* more than ten years ago. *See* Order, *New York v. EPA* (D.C. Cir. 06-1322, Sept. 24, 2007). During that decade, our communities have suffered the

¹ See, e.g., July 31, 2017 status report (Doc. No. 1686504), ¶¶ 2-3 (noting "revising" or "revision" of the Clean Power Plan as an option) & ¶ 5 (merely stating that a "proposed rule" had been sent to Office of Management and Budget).

impacts from more devastating storms, more destructive wildfires, and more extensive flooding attributable to climate change. *See* State Intervenors' Opp. to Motion for Abeyance at 16-17 (describing harms). As the agency told the Court last year, "[n]o serious effort to address the monumental problem of climate change can succeed without meaningfully limiting these plants' CO₂ emissions." EPA Op. Br. at 10. By proposing to repeal without a replacement, EPA has now told the Court that it has no plan to make any "serious effort," abdicating its statutory obligation to regulate greenhouse gases from power plants.

Nor does EPA's plan to issue an Advanced Notice of Proposed Rulemaking in the near future, Oct. 10 status rpt., ¶ 6, support further abeyance. That approach is, at best, a woefully inadequate response to "the Nation's most important and urgent environmental challenge." EPA Op. Br. at 1. Moreover, EPA *already* issued an advanced notice almost ten years ago seeking input on regulating greenhouse gas emissions under section 111 of the Act, *see* 73 Fed. Reg. 44,354, 44,386-93 (July 30, 2008). EPA stated even then that "[w]ith respect to GHGs, there has been a significant effort devoted to identifying and evaluating ways to reduce emissions within sectors such as the electricity generating industry." *Id.* at 44,489. EPA has comments received on that advanced notice, not to mention the more than *four million* comments it received more recently on the Clean Power Plan. *See* 80 Fed. Reg. at 64,672.

Furthermore, the reasons that State Intervenors have opposed previous abeyance requests still support our view that the Court should instead issue a merits ruling without further delay. The Court has a "virtually unflagging" obligation to decide live cases or controversies, Susan B. Anthony List v. Driehaus, 134 S. Ct. 2334, 2347 (2014), with very narrow exceptions. See State Intervenors' Supp. Br. (filed May 15, 2017, Doc. No. 1675252) at 12-14; State Intervenors' Opp. to Motion for Abeyance (filed April 5, 2017, Doc. No. 1669699) at 4-12. That obligation does not cease merely because an agency issues a proposed rule. See Nat'l Mining Ass'n v. U.S. Dep't of Interior, 251 F.3d 1007, 1010-13 (D.C. Cir. 2001) (challenge to regulations that had been replaced by final rules were moot, but challenge to rules that were not changed remained live). Here, EPA has not taken final agency action or even committed to do so by a date certain. The agency's statement that it intends to take public comment on a yet-to-be issued cost-benefit analysis before finalizing the repeal, see 82 Fed. Reg. at 48,047, suggests that the process of repeal may be a lengthy one.

In addition, that judicial economy would be advanced by a ruling in these cases, *see* State Intervenors' Opp. to Motion for Abeyance at 12-15, is further borne out by EPA's disclosure that it intends to repeal the Clean Power Plan based on an interpretation of the statute that has been extensively briefed and argued before the Court. *Compare* 82 Fed. Reg. at 48,038 ("under the interpretation

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proposed today, the second and third 'building blocks' exceed the EPA's authority under CAA section 111") *and* Pet. Op. Br. on Core Issues at 42 ("Section 111 unambiguously forecloses EPA's requirements based on generation shifting"). Given that some or all of State Intervenors will challenge the proposed repeal if EPA finalizes it, ruling on the merits will avoid requiring the parties to re-litigate the same issues. *See Chlorine Chemistry Council v. EPA*, 206 F.3d 1286, 1290 (D.C. Cir. 2000) (declining EPA request not to issue opinion on validity of regulation EPA intended to vacate because a merits ruling would meaningfully affect future rulemaking and settle open legal disputes between the parties that were likely to recur).

For these reasons, the Court should reject EPA's request and rule on the merits of the Clean Power Plan. If the Court disagrees, and decides that further abeyance is appropriate, State Intervenors request that in light of the agency's long overdue obligation to address the critical problem of power plant carbon pollution, any abeyance be of limited duration (no more than 120 days), with a requirement that EPA provide regular status reports every 60 days.

Dated: October 17, 2017

Respectfully Submitted,

FOR THE STATE OF NEW YORK

ERIC T. SCHNEIDERMAN ATTORNEY GENERAL

/s/ Michael J. Myers²

Barbara D. Underwood Solicitor General Steven C. Wu Deputy Solicitor General David S. Frankel Assistant Solicitor General Michael J. Myers Senior Counsel Morgan A. Costello Brian Lusignan Assistant Attorneys General Environmental Protection Bureau The Capitol Albany, NY 12224 (518) 776-2400

² Counsel for the State of New York represents that the other parties listed in the signature blocks below consent to the filing of this motion.

FOR THE STATE OF CALIFORNIA

XAVIER BECERRA

ATTORNEY GENERAL Robert W. Byrne Sally Magnani Senior Assistant Attorneys General Gavin G. McCabe David A. Zonana Supervising Deputy Attorneys General Jonathan Wiener M. Elaine Meckenstock Deputy Attorneys General 1515 Clay Street Oakland, CA 94612 (510) 879-1300 FOR THE STATE OF CONNECTICUT

GEORGE JEPSEN ATTORNEY GENERAL Matthew I. Levine Scott N. Koschwitz Assistant Attorneys General Office of the Attorney General P.O. Box 120, 55 Elm Street Hartford, CT 06141-0120 (860) 808-5250

Attorneys for the State of California, by and through Governor Edmund G. Brown, Jr., the California Air Resources Board, and Attorney General Xavier Becerra

FOR THE STATE OF DELAWARE

MATTHEW P. DENN ATTORNEY GENERAL Valerie S. Edge Deputy Attorney General Delaware Department of Justice 102 West Water Street, 3d Floor Dover, DE 19904 (302) 739-4636

FOR THE STATE OF HAWAII

DOUGLAS S. CHIN ATTORNEY GENERAL William F. Cooper Deputy Attorney General 465 S. King Street, Room 200 Honolulu, HI 96813 (808) 586-4070

FOR THE STATE OF ILLINOIS

LISA MADIGAN

ATTORNEY GENERAL Matthew J. Dunn Gerald T. Karr James P. Gignac Assistant Attorneys General 69 W. Washington St., 18th Floor Chicago, IL 60602 (312) 814-0660

FOR THE STATE OF MAINE

JANET T. MILLS ATTORNEY GENERAL Gerald D. Reid Natural Resources Division Chief 6 State House Station Augusta, ME 04333 (207) 626-8800

FOR THE COMMONWEALTH OF MASSACHUSETTS

MAURA HEALEY ATTORNEY GENERAL Melissa A. Hoffer Christophe Courchesne Assistant Attorneys General Environmental Protection Division One Ashburton Place, 18th Floor Boston, MA 02108 (617) 963-2423 FOR THE STATE OF IOWA

THOMAS J. MILLER ATTORNEY GENERAL Jacob Larson Assistant Attorney General Office of Iowa Attorney General Hoover State Office Building 1305 E. Walnut Street, 2nd Floor Des Moines, Iowa 50319 (515) 281-5341

FOR THE STATE OF MARYLAND

BRIAN E. FROSH ATTORNEY GENERAL Steven M. Sullivan Solicitor General 200 St. Paul Place, 20th Floor Baltimore, MD 21202 (410) 576-6427

FOR THE STATE OF MINNESOTA

LORI SWANSON ATTORNEY GENERAL Karen D. Olson Deputy Attorney General Max Kieley Assistant Attorney General 445 Minnesota Street, Suite 900 St. Paul, MN 55101-2127 (651) 757-1244

Attorneys for State of Minnesota, by and through the Minnesota Pollution Control Agency

FOR THE STATE OF NEW MEXICO

HECTOR BALDERAS ATTORNEY GENERAL Joseph Yar Assistant Attorney General Office of the Attorney General 408 Galisteo Street Villagra Building Santa Fe, NM 87501 (505) 490-4060

FOR THE STATE OF RHODE ISLAND

PETER F. KILMARTIN ATTORNEY GENERAL Gregory S. Schultz Special Assistant Attorney General Rhode Island Department of Attorney General 150 South Main Street Providence, RI 02903 (401) 274-4400

FOR THE COMMONWEALTH OF VIRGINIA

MARK HERRING ATTORNEY GENERAL John W. Daniel, II Deputy Attorney General Donald D. Anderson Sr. Asst. Attorney General and Chief Matthew L. Gooch Assistant Attorney General Environmental Section 900 East Main Street Richmond, VA 23219 (804) 225-3193 FOR THE STATE OF OREGON

ELLEN F. ROSENBLUM ATTORNEY GENERAL Paul Garrahan Attorney-in-Charge Natural Resources Section Oregon Department of Justice 1162 Court Street NE Salem, OR 97301-4096 (503) 947-4593

FOR THE STATE OF VERMONT

THOMAS J. DONOVAN, JR. ATTORNEY GENERAL Nicholas F. Persampieri Assistant Attorney General Office of the Attorney General 109 State Street Montpelier, VT 05609-1001 (802) 828-3186

FOR THE STATE OF WASHINGTON

ROBERT W. FERGUSON ATTORNEY GENERAL Katharine G. Shirey Assistant Attorney General Office of the Attorney General P.O. Box 40117 Olympia, WA 98504-0117 (360) 586-6769 FOR THE DISTRICT OF COLUMBIA

KARL A. RACINE ATTORNEY GENERAL James C. McKay, Jr. Senior Assistant Attorney General Office of the Attorney General 441 Fourth Street, NW Suite 630 South Washington, DC 20001 (202) 724-5690

FOR BROWARD COUNTY, FLORIDA

JONI ARMSTRONG COFFEY COUNTY ATTORNEY Mark A. Journey Assistant County Attorney Broward County Attorney's Office 155 S. Andrews Avenue, Room 423 Fort Lauderdale, FL 33301 (954) 357-7600

FOR THE CITY OF NEW YORK

ZACHARY W. CARTER CORPORATION COUNSEL Carrie Noteboom Senior Counsel New York City Law Department 100 Church Street New York, NY 10007 (212) 356-2319

FOR THE CITY OF BOULDER

TOM CARR CITY ATTORNEY Debra S. Kalish City Attorney's Office 1777 Broadway, Second Floor Boulder, CO 80302 (303) 441-3020

FOR THE CITY OF CHICAGO

EDWARD N. SISKEL Corporation Counsel BENNA RUTH SOLOMON Deputy Corporation Counsel 30 N. LaSalle Street, Suite 800 Chicago, IL 60602 (312) 744-7764

FOR THE CITY OF PHILADELPHIA FOR THE CITY OF SOUTH MIAMI

SOZI PEDRO TULANTE CITY SOLICITOR Scott J. Schwarz Patrick K. O'Neill **Divisional Deputy City Solicitors** The City of Philadelphia Law Department One Parkway Building 1515 Arch Street, 16th Floor Philadelphia, PA 19102-1595 (215) 685-6135

THOMAS F. PEPE CITY ATTORNEY City of South Miami 1450 Madruga Avenue, Ste 202 Coral Gables, Florida 33146 (305) 667-2564

CERTIFICATE OF COMPLIANCE WITH TYPE-VOLUME LIMIT

The undersigned attorney, Michael J. Myers, hereby certifies:

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<u>/s/ Michael J. Myers</u> MICHAEL J. MYERS

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing State and Municipal Respondent-Intervenors' Response to Status Report and Request for Indefinite Abeyance was filed on October 17, 2017 using the Court's CM/ECF system, and that, therefore, service was accomplished upon counsel of record by the Court's system.

> /s/ Michael J. Myers MICHAEL J. MYERS