

**SOUTHERN STATES ENERGY BOARD**

**February 22, 2016**

# **“EPA’S POWER PLAN”**

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# Legal challenges to EPA's Power Plan

- 15 of 18 SSEB states have challenged the Power Plan
- Total of 27 states have challenged the Power Plan
- Total of 159 petitions filed against the Power Plan

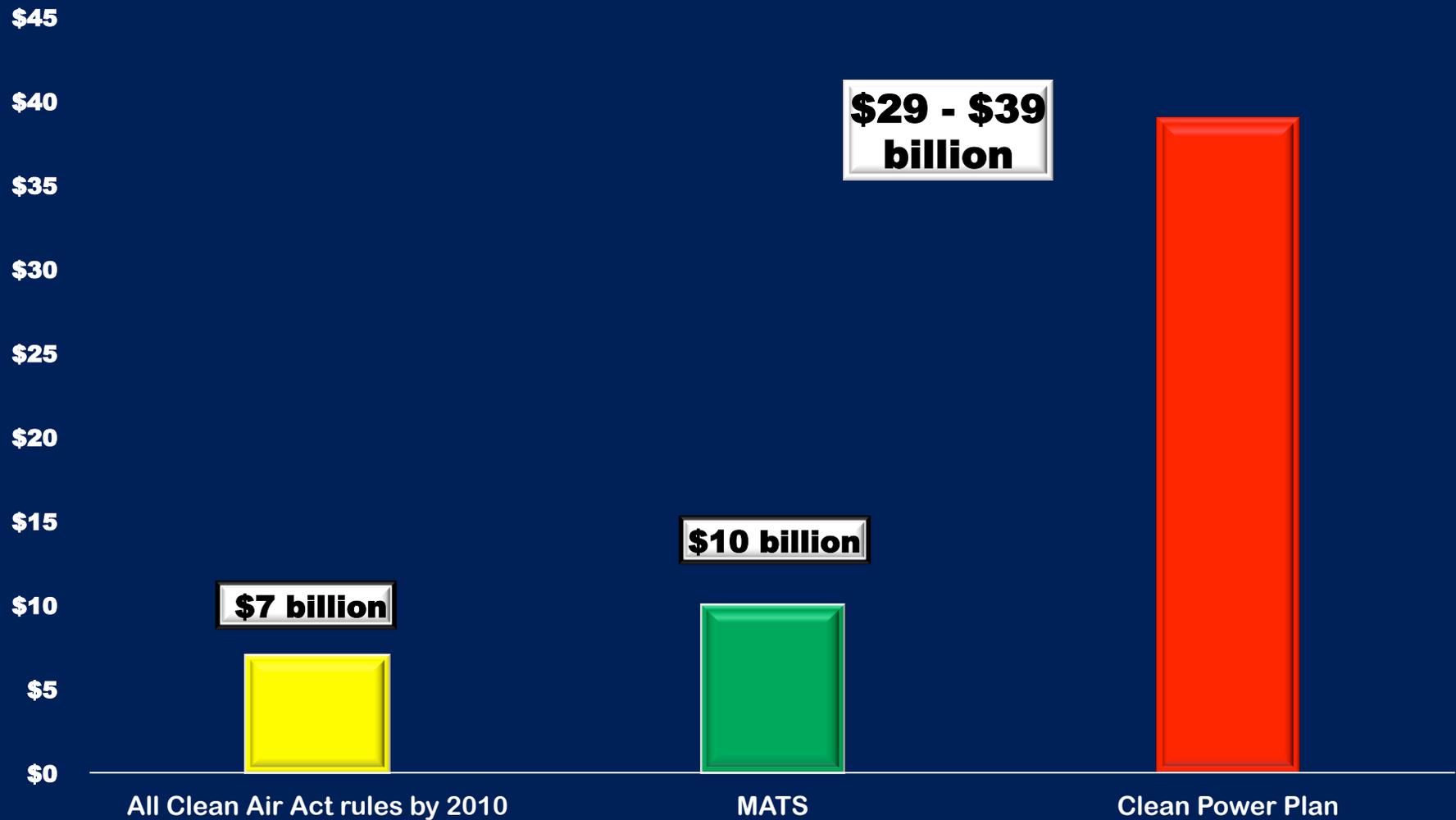
## Will the Power Plan survive legal challenges?

- Supreme Court stays Power Plan February 9, 2016
- D.C. Circuit decision September 2016
- Elections November 8, 2016
- New President and Congress January 2017
- Supreme Court decision June 2017 / 2018

## Supreme Court Stay

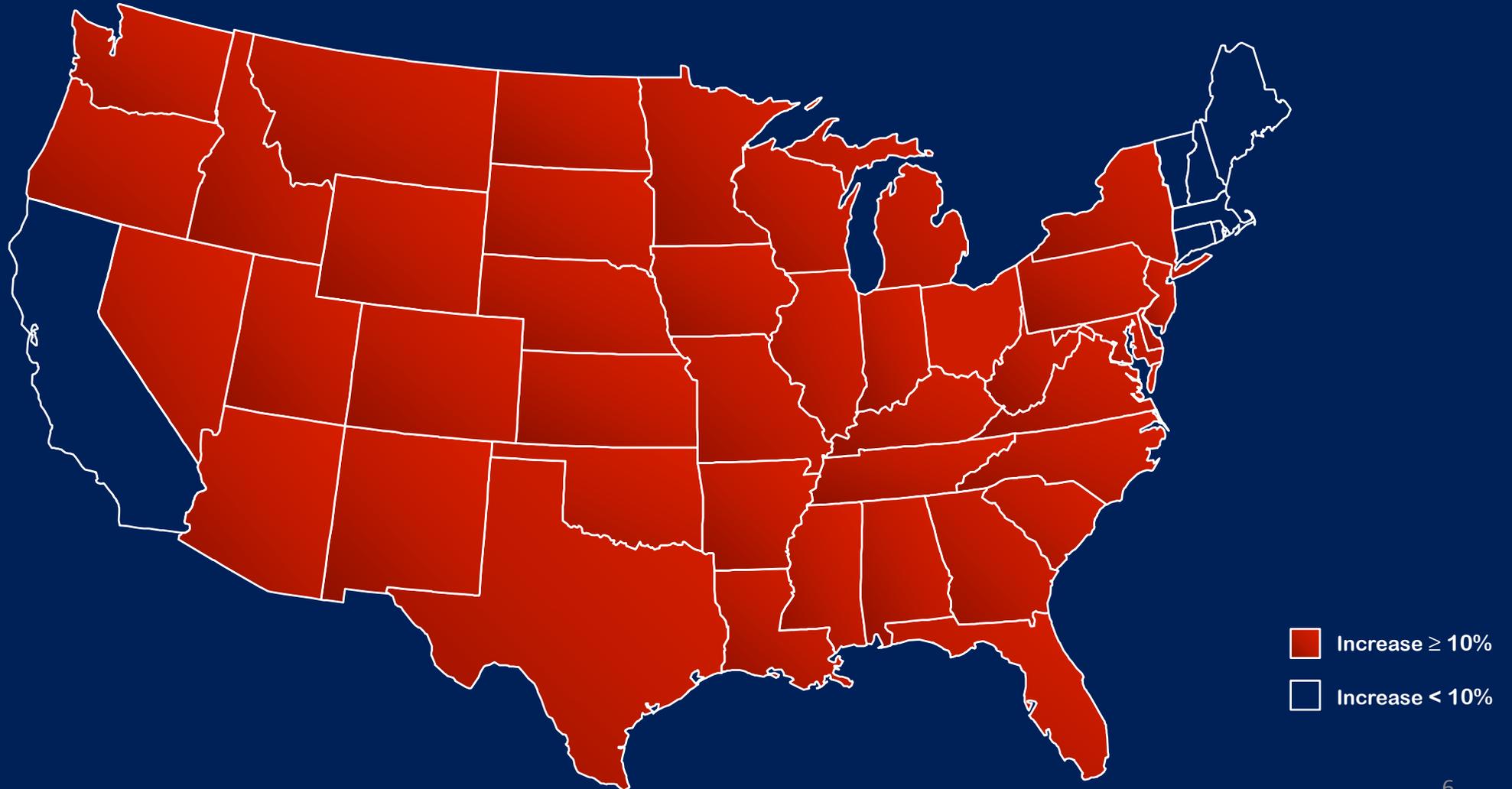
- . Stay based on “fair prospect” that SCOTUS would overturn Power Plan
- . Five of nine justices supported the stay (before Justice Scalia’s death)
- . Stay remains in effect until SCOTUS makes final decision

Together, all of EPA's clean air rules for power plants cost less than \$7 billion in 2010. MATS is projected to cost \$10 billion per year. The Power Plan could cost as much as \$39 billion per year.



Annual cost of all Clean Air Act rules for the electric power sector promulgated by 2010 from U.S. EPA, *The Benefits and Costs of the Clean Air Act from 1990 to 2020* (2011), Table 3-2. Electric utility direct annual compliance costs were \$6.6 billion (2006\$) in 2010; this is equivalent to \$7.1 billion in 2010\$. MATS annual cost from U.S. EPA, *Regulatory Impact Analysis for the Final Mercury and Air Toxics Standards*, December 2011 (\$9.6 billion cost in 2006\$ is equivalent to \$10 billion in 2010\$.) Projected cost of Clean Power Plan from NERA analysis (2015\$).

**Electricity prices for every SSEB state could increase by 10% or more because of the Power Plan**



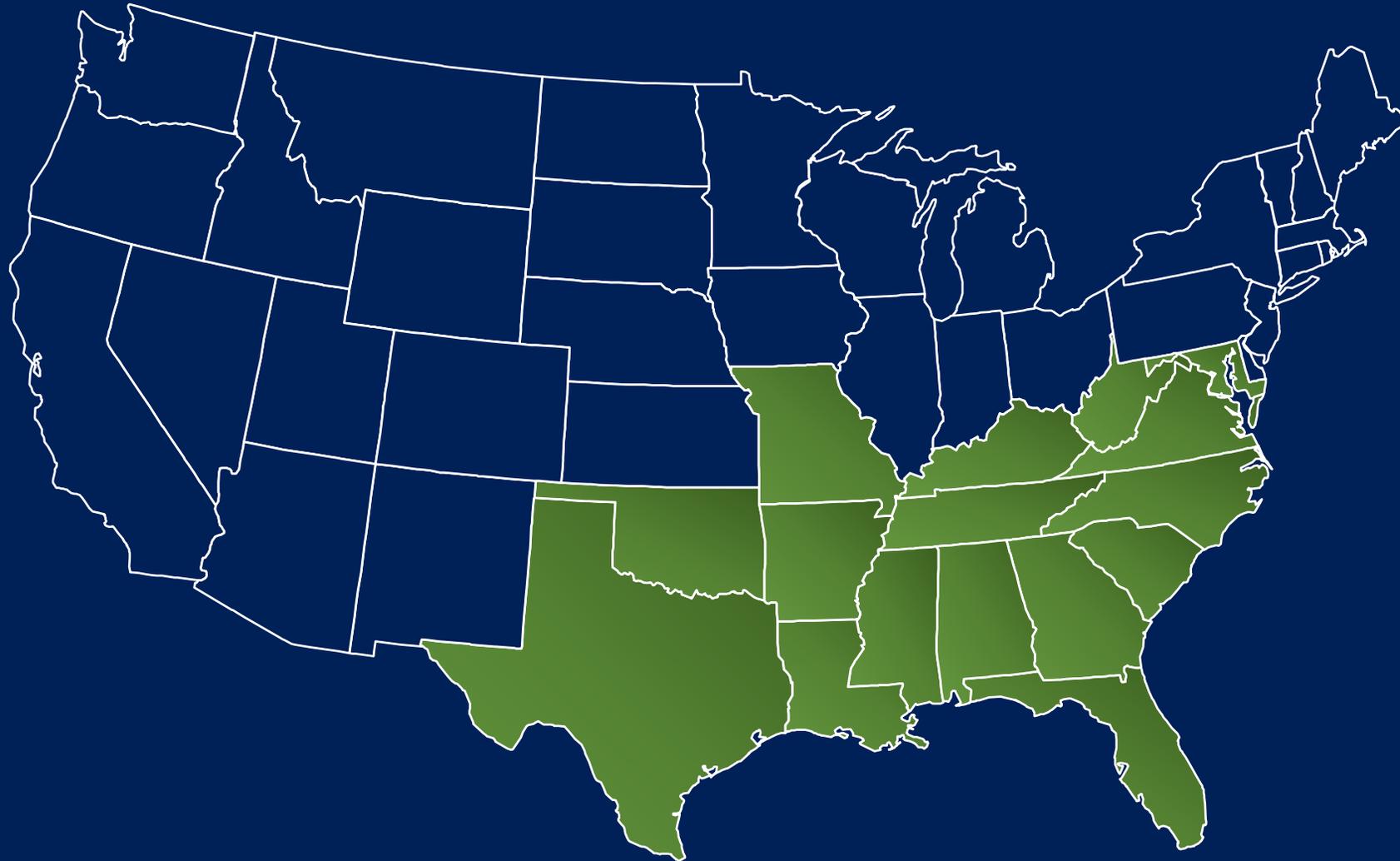
**Electricity price increases could average 15%  
across SSEB states with peak of almost 19%**

<b>SSEB STATES</b>	<b>AVERAGE</b>	<b>PEAK</b>
Alabama	16	21
Arkansas	14	18
Florida	9	13
Georgia	16	20
Kentucky	20	28
Louisiana	15	22
Maryland	9	11
Missouri	21	29
Mississippi	13	16
North Carolina	10	13
Oklahoma	19	24
South Carolina	9	11
Tennessee	13	18
Texas	13	18
Virginia	13	18
West Virginia	21	28

## EPA's Power Plan will have no effect on climate change

- CO<sub>2</sub> concentrations will be reduced by 0.2%
- Global average temperature rise will be reduced by 0.013°C (1/80<sup>th</sup> of a degree)
- Sea level rise will be reduced by 0.2 millimeter (the thickness of two sheets of paper)

**22+ million families in SSEB states take home average of \$1,900/month**



## **Family energy costs for SSEB states**

**15 SSEB states have 43 million households or 35% of all U.S. households**

**More than 22 million households take home, on average, \$1,900 per month**

**Electricity is one of the largest energy expenditures for families**

**Energy cost increases have a regressive effect on families with lower incomes**

**The myth of lower costs under the Power Plan**