**‘Clean Power Plan’ a Bad Deal for America’s Electric Co-ops**

The U.S. Environmental Protection Agency (EPA) is in town this week to hear public opinion on a proposal for how states may comply with sweeping federal regulations to reduce carbon dioxide emissions from power plants. At issue is an ill-conceived regulation known as the Clean Power Plan (CPP). Made final in August and formally printed in the Federal Register in October, the CPP will adversely affect many not-for-profit, consumer-owned electric cooperatives, leading to higher electricity prices and the shutdown of co-op-owned power plants with years of life left in them.

Under the plan, the U.S. electric power sector must reduce overall carbon dioxide emissions by 32 percent by 2030. Each state has its own specific reduction requirement. Here in [STATE], power plants are required to cut emissions by [PERCENTAGE]. EPA characterizes the plan as “fair” and “flexible.” America’s Electric Cooperatives strongly disagree.

[INSERT MEMBER CO-OP SPECIFIC CONCERNS HERE.]

How could a regulation be fair and flexible when it will impose a huge financial burden on millions of American families and businesses? On average, 23 percent of co-op households nationwide earn an annual income of less than $25,000—11.5 percent below the national average. And as not-for-profits serving 93 percent of the nation’s persistent poverty counties, America’s Electric Cooperatives recognize first-hand the importance of affordable power. But EPA’s plan will usher in an era of escalating electric bills and stifled economic growth.  The hardest hit will be those who can least afford to pay more to keep the lights on – families living on fixed incomes or in poverty.

The CPP will hit America’s electric cooperatives particularly hard.  EPA acknowledges that the regulations will cause some co-op power plants to shut down. The forced closure of coal-fired power plants still repaying loans for construction or upgrades means co-op member-owners will be paying twice for their electricity: once for the shuttered plant and again to buy power from somewhere else. At the time these power plants were built, federal policy encouraged the use of coal to generate electricity.

The trouble doesn’t stop there. Those responsible for ensuring the reliability of our nation’s electric power system have raised red flags about the plan’s impact. They believe the EPA underestimated the amount of time it would take to build new power plants and the necessary power lines needed to comply with the rule. The North American Electric Reliability Corporation noted that “constructing the resource additions, as well as the expected transmission enhancements, may represent a significant reliability challenge given the constrained time period for implementation.”

Similarly, the Southwest Power Pool, which supplies power in fourteen states, worries that grid reliability could be overloaded in portions of six states and may well be severely overloaded in portions of three. In short, the EPA’s aggressive timeline for implementing the plan, and the steepness of the emissions cuts, could jeopardize the affordable, reliable supply of electricity that helps power rural economies.

Finally, the CPP is illegal. It goes far beyond what the federal Clean Air Act allows EPA to do and will seriously challenge our nation’s electric system. This is why the National Rural Electric Cooperative Association and 39 generation and transmission co-ops have asked the courts to recognize EPA’s legal overreach and tell the EPA to go back to the drawing board and try again! Twenty-six states have done the same. And the U.S. Congress is considering legislation that would overturn the EPA rule.

EPA has characterized its public hearings as “unprecedented listening sessions.” Yet the agency has repeatedly ignored calls from the nation’s rural electric co-ops for common-sense safeguards to ensure affordable electricity and protect the reliability of our electric grid. Fairness and flexibility demand that EPA listen to those who will be most impacted by this proposal—the 42 million Americans, in 47 states, served by America’s electric co-ops.