

Georgia Consumers' Power Bills Will Rise Under Proposed EPA Regulations

The Environmental Protection Agency's (EPA) proposed rule to regulate CO₂ emissions from existing power plants is the most complex rule the agency has ever issued. Moreover, it is unprecedented in scope and reach, and the agency's authority to even implement it is questionable. As Georgia's electric utilities, we are writing to express significant concern with this proposal.

While we are still evaluating the nearly 2000-page rule and the Agency's underlying assumptions and analysis, we know at least three things now. First, the rule is an illegal approach that usurps the authority of each state. Second, the goals, as written, are unachievable and take away the ability of Georgia's electric generators to continue to run our fleets as optimally as possible, helping to keep reliability high and prices low. Third, electricity rates will go up, something acknowledged in EPA's own estimates. Just how much rates will increase depends on natural gas prices and other unknowns. But make no mistake, this proposal will impact every Georgian's electricity bill.

Also troubling is the fact that the proposed rule doesn't contemplate steps already taken. For example, Georgia's utilities have taken a leadership role in investing in clean energy sources such as new nuclear, something that appears to be ignored by the proposal. Also ignored is the fact that Georgia's carbon emissions have been reduced. Between 2005 and 2012, Georgia reduced its CO₂ emissions by 30 percent. Under the proposed plan, the state would be required to reduce its emission rate by another 44 percent between 2012 and 2030. EPA's reward for leadership by Georgia's citizens, state elected officials, and utilities is to discount credit for early action in this space and double down on the goal that Georgians are expected to meet.

It is doubtful Congress ever intended for EPA's regulations to have such far-reaching consequences for the national economy and the energy sector. EPA should withdraw this proposal and start over within the boundaries of its authority, giving full credits for early action, while continuing to respect the consumer-protecting economic forces that currently govern our state's successful energy policy.

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