

***POLICY POSITION
OF THE
SOUTHERN LEGISLATIVE CONFERENCE***

**REGARDING THE EPA'S PROPOSAL TO REGULATE CARBON DIOXIDE EMISSIONS
FROM EXISTING FOSSIL-FUELED POWER PLANTS**

BACKGROUND

Southern states have abundant natural resources that have been instrumental in growth and development throughout the region. These states benefit from a diverse mix of energy sources that include coal, natural gas, nuclear power, and renewables. Maintaining a diverse, reliable, and affordable energy supply is vital to economic growth in the Southern region. On June 2, 2014, the U.S. Environmental Protection Agency (EPA) issued proposed guidelines under Section 111(d) of the Federal Clean Air Act to reduce carbon dioxide (CO₂) emissions from fossil fuel-fired power plants in 49 states. The EPA's proposal requires Southern states to significantly reduce the CO₂ emissions rate of their electric generating fleets. The EPA projects that its proposal will increase electricity and natural gas prices for consumers and cause the retirement of 49,000 megawatts of coal-fueled electric generating capacity. This proposal is based on emission reduction measures that directly involve the regulation of electricity by the states; and will have a major impact on energy resources, electric ratepayers, jobs, and the economy of the Southern region.

RECOMMENDATION

The Southern Legislative Conference of The Council of State Governments finds that EPA's proposed guidelines for reducing CO₂ emissions from fossil fuel-fired power plants under Section 111(d) of the federal Clean Air Act interfere with the sovereign power of the Southern states to regulate electricity within their borders and interferes with the prerogative and responsibility of each state to ensure a reliable and affordable supply of electricity for its citizens. Therefore, the Southern Legislative Conference of The Council of State Governments urges the EPA to withdraw the proposed guidelines and issue new guidelines that respect the primacy of the Southern states to establish policies that are in the best interest of the Southern region and each of its states.

The Southern Legislative Conference of The Council of State Governments requests that a copy of this policy position be forwarded to the Southern Congressional delegation, administrator of the U.S. Environmental Protection Agency, and the president of the United States.