

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

### **4. REGARDING STATE IMPLEMENTATION PLANS FOR THE PROPOSED CLEAN POWER PLAN**

#### **BACKGROUND**

A diverse, reliable, and affordable energy supply is vital to economic growth in the Southern region. Southern states have abundant natural resources that have contributed to regional growth and development and benefit from a diverse mix of energy sources that include coal, natural gas, nuclear power, and renewable energy.

On June 2, 2014, the U.S. Environmental Protection Agency (EPA) proposed the Clean Power Plan to reduce carbon dioxide (CO<sub>2</sub>) emissions from fossil fuel-fired power plants, requiring Southern states to significantly reduce the CO<sub>2</sub> emissions rate of their electricity generating fleets. The EPA projects that its proposal will increase electricity and natural gas prices for consumers and may result in the retirement of 49,000 megawatts of coal-fueled electric generating capacity. Additionally, some studies project that EPA's proposed Clean Power Plan may cause double-digit electricity price increases in many states, including the 15 states comprising the Southern Legislative Conference.

The Clean Power Plan is based on emission reduction measures that interfere with the regulation of electricity by individual states and will have a major impact on energy resources, electricity ratepayers, grid reliability, jobs, and the economy of the Southern region. The EPA is expected to issue a final Clean Power Plan as early as August and will require each state to submit an implementation plan for EPA approval.

Twenty-nine states do not believe that the Clean Power Plan is consistent with EPA's authority under the Clean Air Act. Additionally, the final Clean Power Plan may be overturned as the result of legal challenges by these states.

#### **RECOMMENDATIONS**

The Southern Legislative Conference of The Council of State Governments finds that EPA's Clean Power Plan interferes with the sovereign powers of the states to regulate electricity within their borders and to ensure a reliable and affordable supply of electricity for their citizens.

Therefore, the Southern Legislative Conference of The Council of State Governments urges state attorneys general to take all legal actions after EPA issues its final Plan to prevent unlawful obligations from being imposed on states, electricity providers, businesses and citizens, up to and including, at each state's discretion, refusing to submit Clean Power Plan implementation plans to EPA.

The Southern Legislative Conference of The Council of State Governments requests that a copy of this policy position be forwarded to the governors, lieutenant governors, applicable state regulators, and legislative presiding officers of the member states.