



KEEPING ENERGY AFFORDABLE AND RELIABLE

On August 3, President Obama and EPA announced the Clean Power Plan – a historic and important step in reducing carbon pollution from power plants that takes real action on climate change. Shaped by years of unprecedented outreach and public engagement, the final Clean Power Plan is fair, flexible and designed to strengthen the fast-growing trend toward cleaner and lower-polluting American energy. With strong but achievable standards for power plants, and customized goals for states to cut the carbon pollution that is driving climate change, the Clean Power Plan provides national consistency, accountability and a level playing field while reflecting each state’s energy mix. It also shows the world that the United States is committed to leading global efforts to address climate change.

- The real threat to affordable, reliable electricity is climate change. More extreme temperatures dramatically affect heating and cooling bills, and more frequent and intense storms, fires, droughts and floods can knock out the power for days or weeks, threatening our health and our economy.
- The Clean Power Plan gives states and utilities plenty of time to maintain ample, reliable and affordable power for all Americans while cutting significant amounts of power plant carbon pollution and the pollutants that cause soot and smog.
- It spurs increased investment in clean, renewable energy and cuts carbon emissions by about 870 million tons by 2030, 32 percent below 2005 levels.
 - Equal to the emissions from 166 million cars, or 86 percent of U.S. passenger vehicles.
 - Roughly equal to emissions associated with annual electricity use in all U.S. residences.
- Because the Clean Power Plan will reduce energy waste and improve efficiency, we expect average electricity bills will be cut by 7 percent. That means that by 2030, the average American family will save \$7 on their electric bill every month.

- The Clean Power Plan is designed to preserve and maintain electric system reliability and has several features that reflect EPA's commitment to ensuring that compliance with the final rule does not interfere with the industry's ability to maintain the reliability of the nation's electricity supply:
 - A long compliance period starting in 2022 with sufficient time to maintain system reliability.
 - A basic design that allows states and affected EGUs flexibility to include a large variety of approaches and measures to achieve the environmental goals in a way that is tailored to each state's and utility's energy resources and policies, including trading within and between states, and other multi-state approaches that support electric power system reliability.
 - A requirement that each state demonstrate in its final plan that it has considered reliability issues in developing its plan, including consultation with an appropriate reliability or planning agency.
 - A mechanism for a state to seek a revision to its plan in case unanticipated and significant reliability challenges arise.
 - A reliability safety valve to address situations where, due to an unanticipated event or other extraordinary circumstances, there is a conflict between the requirements imposed on an affected power plant and maintaining reliability.
- In addition to the measures outlined in the rule EPA, Department of Energy (DOE) and the Federal Energy Regulatory Commission (FERC) are coordinating efforts to monitor the implementation of the final rule to help preserve continued reliable electricity generation and transmission.

THE CLEAN POWER PLAN: SIGNIFICANT CLIMATE AND PUBLIC HEALTH BENEFITS

The transition to clean energy is happening faster than anticipated. This means carbon and air pollution are already decreasing, improving public health each and every year. The Clean Power Plan accelerates this momentum, putting us on pace to cut this dangerous pollution to historically low levels in the future.

Within this larger context, the CPP itself is projected to contribute significant pollution reductions, resulting in important benefits.

The Clean Power Plan will:

- Cut hundreds of millions of tons of carbon pollution and hundreds of thousands of tons of harmful soot- and smog-forming particle pollution that makes people sick. Together these reductions will result in significant near-term public health benefits, especially for the most vulnerable citizens.

- From the soot and smog reductions alone, for every dollar invested through the Clean Power Plan—American families will see up to \$4 in health benefits in 2030.
- The Clean Power Plan will significantly improve health by avoiding each year:
 - 3,600 premature deaths
 - 1,700 heart attacks
 - 90,000 asthma attacks
 - 300,000 missed workdays and schooldays
- Put our nation on track to cut carbon pollution from the power sector by 32 percent by 2030 while maintaining electric system reliability and affordable electricity.
 - In addition to helping make our electric system cleaner, the Clean Power Plan will make electricity more affordable in the long run. EPA’s analysis of impacts on electricity bills shows that Americans are expected to save over \$80 annually on their utility bills by 2030.
- Reduce CO₂ emissions from power plants—an essential step towards reducing the impacts of climate change and providing a more certain future for our environment, our health and future generations.
 - By acting on climate now, we are fulfilling a moral obligation to our children and grandchildren to leave them with a healthier, more stable planet.
- Change the international dynamic and leverage international action. Climate change is a global challenge and requires global action. When the U.S. leads, other nations follow.

CLIMATE CHANGE PUTS VULNERABLE COMMUNITIES AT RISK

Carbon pollution threatens the health, economic well-being and quality of life of Americans across the country, and especially the most vulnerable among us – including children, older adults, people with heart or lung disease, and people living in poverty. Heat waves, air quality, and extreme weather are all climate change related issues that disproportionately affect minority and low income communities. We are already seeing an increase in temperatures, extreme weather events, drought, flooding, and sea level rise in areas across the United States, and these impacts are expected to get worse as carbon pollution in our atmosphere increases.

The Clean Power Plan and related actions will provide broad benefits to communities—particularly vulnerable communities – across the nation by reducing carbon pollution from power plants, the largest source of carbon pollution in the U.S. It will cut hundreds of millions of tons of carbon pollution and hundreds of thousands of tons of harmful soot- and smog-forming particle pollution that makes people sick.

EPA IS COMMITTED TO HELPING COMMUNITIES BENEFIT FROM CLEAN ENERGY

The Clean Power Plan gives states the opportunity to ensure that communities share in the benefits of a clean energy economy, including energy efficiency and renewable energy.

The EPA is providing a Clean Energy Incentive Program (CEIP) to reward early investments in renewable energy (RE) generation and demand-side energy efficiency (EE) measures that generate carbon-free MWh or reduce end-use energy demand during 2020 and/or 2021. Through this program, the EPA will make additional allowances or Emission Rate Credits

available to states to encourage early reductions from zero-emitting wind or solar power projects and EE projects. The EPA is providing additional incentives to encourage EE investments that are implemented in low-income communities.

EPA will encourage states to work with communities to include programs that will bring clean energy resources to communities as part of their state plans, and will provide examples of successful model programs. The agency will develop a catalog of state and local programs that have successfully delivered energy efficiency benefits to low-income communities. These program can serve as models to inform states as they work with communities to develop their Clean Power Plan compliance strategies and plans.

EPA also will provide communities and states information on how to access existing financial and technical assistance programs that can help communities increase use of energy efficiency and renewable energy programs. These include federal programs and resources, such as: the National Community Solar Partnership, which the White House announced last month, to increase access to solar for all Americans, particularly low- and moderate- income communities; and the Clean Energy Impact Investment Center, which the Department of Energy will launch to make information about energy and climate programs at DOE and other government agencies accessible and more understandable to the public. In addition, the Administration's POWER+ Plan will invest in workers and jobs, address important legacy costs in coal country and drive the development of coal technology as our country moves to a clean energy economy.