The Carbon Pollution Standards for Power Plants: Protecting the Climate While Ensuring Electric Reliability

The upcoming Carbon Pollution Standards for existing power plants will empower states to design customized, cost-effective programs to reduce climate-destabilizing pollution while ensuring continued electric system reliability. States will be able to deploy flexible compliance mechanisms such as renewable energy, demand-side energy efficiency, shifts in utilization away from higher-emitting and towards lower-emitting generation sources, and measures at specific plants to secure reductions in carbon pollution—all while designing their compliance plans to make sure that generation resources are fully sufficient to ensure reliability.

- New studies demonstrate that incorporating renewable energy and energy efficiency into the electric system to reduce carbon pollution is consistent with maintaining reliability:
    - PJM's Renewable Integration Study found that the system **can accommodate up to 30% wind and solar** generation without significant issues.[1]
    - The "bottom line," according to Analysis Group, is that "there is **no reasonable basis** to anticipate that EPA's guidance, the states' [plans] and the electric industry's compliance with them will create reliability problems for the power system" in the context of the Carbon Pollution Standards.[2]
- AEP CEO Nick Akins recently said that a shortage of natural gas and above-average levels of coal generation during this winter's "polar vortex" should raise a "red flag"[3] about EPA's forthcoming rule to reduce carbon pollution from power plants—but this is in fact a red herring. Key facts about the 2014 cold weather event referred to as the "polar vortex":
    - In the PJM Interconnection, **forced outages of coal plants were more to blame** for the scarcity of power than outages of gas plants or a shortage of natural gas.[4]
    - Renewable energy and energy efficiency are key resources during periods of high demand. ISO New England said that **renewable energy was an "important part of our energy mix"** during the polar vortex, and that **distributed-generation resources "performed well** and were a valuable part of maintaining reliability during the winter season."[5]
- On the other hand, the National Climate Assessment predicts significant impacts on energy supply and use if we do not curb carbon emissions. Year-round net electricity use will increase due to burgeoning peak loads in the summer, water scarcity will hamper various kinds of generation, and sea level rise and extreme storm surge events will inundate coastal power plants and energy infrastructure.[6]

The choice is clear: EPA's Clean Power Plan will protect public health and reduce dangerous carbon emissions. Through the Carbon Pollution Standards for new and existing power plants, we can achieve significant reductions in climate-destabilizing emissions while sustaining access to affordable, dependable power.

[1] PJM Renewable Integration Study, at 6-7 (Mar. 31, 2014), *available at* http://pjm.com/~/media/committees-groups/task-forces/irtf/postings/pris-executive-summary.ashx.
[2] Susan F. Tierney, Greenhouse Gas Emission Reductions From Existing Power Plants: Options to Ensure Electric System Reliability, at 5 (May 2014), *available at* http://www.analysisgroup.com/uploadedFiles/Publishing/Articles/Tierney_Report_Electric_Reliability_and_GHG_Emissions.pdf.
[3] Christine Cordner, *AEP CEO: Polar Vortex Should Be a 'Red Flag' for EPA as It Crafts Greenhouse Gas Standards*, SNL (Apr. 7, 2014 11:21 AM).
[4] Statement of Michael J. Kormos, Executive Vice President – Operations, PJM Interconnection, at 4 fig. 2 (Apr. 1, 2014).
[5] ISO New England, Letter to U.S. House Committee on Energy & Commerce, at 7, 8 (Apr. 18, 2014), *available at* f http://www.iso-ne.com/pubs/pubcomm/corr/2014/2014-04-18-iso-ne-response-to-house-energy-commerce.pdf.
[6] U.S. Global Change Research Program, Global Climate Change Impacts in the United States, at 114 (May 2014), *available at* http://downloads.globalchange.gov/usimpacts/pdfs/climate-impacts-report.pdfhttp://nca2014.globalchange.gov/downloads.