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Environmental Protection Agency
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1200 Pennsylvania Avenue, NW
Washington, DC 20460

In January 2014, twenty one of my colleagues and I wrote to President Obama imploring that he consider the burden to ratepayers, especially individuals and families, before moving forward with more questionable regulations on coal fired power plants. It is therefore of grave concern that the Environmental Protection Agency (EPA) is moving forward with its Clean Power Plan (CPP), an unprecedented, sweeping action to regulate the entire U.S. electric power sector under Section 111(d) of the Clean Air Act. I write today asking that EPA withdraw this rule.

Missouri electric service providers have warned that the CPP would increase energy costs for Missourians and reduce our state's economic competitiveness. Each "building block" in EPA's proposal poses serious challenges to Missouri service providers. For example, under this proposal service providers may be required to build new natural gas capacity not otherwise needed to meet customer demand or reliability concerns. This sets up an incredibly unfair scenario where Missourians are paying for new power that neither they nor the electricity grid needs.

Indeed the complicated suite of "building blocks" in the CPP serve only as a smoke screen for new, costly mandates with questionable returns in actual clean air improvements. EPA has spun this rule as one that offers states "flexibility" to reach the emissions targets that EPA has dictated. However, in reality EPA is forcing states to regulate, making the states the point of compliance. Subsequently, the residents of each state will pay the costs of compliance. The lack of transparency and accountability on the part of EPA in this scheme is truly astounding.

Indeed, it will be state officials that must answer to residents who see their utility bills increase. Missourians have historically relied on coal to power over 80% of our electricity, and as a result enjoyed below average electricity rates in 2012. Yet a recent study by Energy Ventures Analysis on the effects of the CPP (combined with several recent EPA power plant regulations) predicts that this is sure to change. The study found that Missourians' annual utility bills (electric and gas) would cost around \$1,000 more in 2020 as compared to 2012. This would be almost a 50% increase.

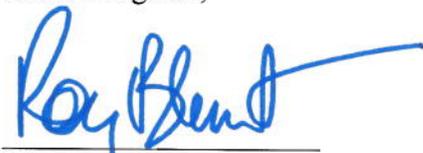
These new costs mean less disposable income for Missouri consumers. It will hurt low-income consumers the most. The most vulnerable families and individuals among us are hit the hardest by bad energy policies resulting in high utility bills, because these are the consumers who already spend a significant amount of their disposable income on energy.

A recent analysis from the American Coalition for Clean Coal Electricity (ACCCE) using U.S. Bureau of the Census Data illustrates how this especially hits home for Missouri. In 2013, over 50% of families in Missouri earned on average \$50,000 or less. The families earning less than \$50,000 devoted an average of 20% of their disposable income to energy costs. As you can see, any increase in energy prices, however incremental, will mean that difficult budgeting choices must be made. Choosing whether to spend disposable income on groceries, educational expenses, or even doctors' visits are the types of decisions that no family should ever be forced to make.

Further, rural poverty is an especially difficult challenge we face in Missouri, as Missouri contains 13 rural persistent poverty counties. Each county happens to be served by a rural electric cooperative. In fact, rural electric cooperatives serve 93% of the Nation's persistent poverty counties, and are almost 80% dependent on coal-fired power. Therefore, ratepayers living in rural poverty are among the most vulnerable to these EPA regulations.

When my colleagues and I wrote on this topic in January, we hoped that the goal of protecting families and individuals from future costs of questionable energy regulations would be something we could all agree on and work towards. However, given the proposal the EPA has set forth, I regret to say that this is an area where our views sharply diverge. Nevertheless, I ask that you withdraw the Clean Power Plan and conduct a full analysis of the effects of new power plant regulations on all ratepayers, especially lower-income communities, before moving forward.

Sincere regards,



Senator Roy Blunt