

*Climate change will cause severe harm to our economy, infrastructure, and health. All consumers—indeed, all Americans—need assertive action to combat it.*

**EPA's proposed Clean Power Plan will mitigate climate change by reducing carbon pollution from power plants.<sup>1</sup> It will also save consumers' money by lowering their electricity bills and boost public health by curbing other harmful air pollution.**

## Mitigating Climate Change

Climate change is already harming consumers, and particularly vulnerable populations,<sup>2</sup> and its effects will worsen without prompt, assertive action. One type of damage involves infrastructure, property, and the economy:

- More extreme weather, such as hurricanes, heavy precipitation and flooding, threatens critical infrastructure. All consumers will bear the cost of repairs through higher taxes and market prices.<sup>3</sup>
- Droughts and downpours are diminishing water supply and water quality.<sup>4</sup>
- Extreme weather, increased weeds, pests and disease, and increased demand for energy and water threaten agriculture, decreasing food security and raising food prices.<sup>5</sup>

Climate change also endangers human health:

- Extreme heat events cause spikes in deaths from heat stroke and cardiovascular and respiratory disease.<sup>6</sup>
- Reduced air quality increases respiratory problems like allergies and asthma, leading to more emergency room visits and premature deaths.<sup>7</sup>
- Higher temperatures result in more diseases transmitted by insects, food and water.<sup>8</sup>

Experts have put a price on the various harms of carbon emissions, known as the *social cost of carbon*.<sup>9</sup> For the year 2010, this figure was between \$11 to \$98 per metric ton of CO<sub>2</sub> emitted, depending on the assumptions one adopts.<sup>10</sup>

By this measure, the EPA proposal would provide annual benefits to the global economy of \$4.7 to \$52 billion in 2020 and \$9.3 to \$94 billion in 2030.<sup>11</sup> Benefits to the U.S. economy might range between 7 and 23 percent of those figures.<sup>12</sup>

## Beyond Climate Change

The Clean Power Plan will also benefit consumers in ways more immediate—both financially and in terms of public health.

### Economic Benefits

**Lower Bills.** The EPA plan seeks to reduce carbon emissions in part by improving energy efficiency, which means using less power to fuel the same set of activities. Because they will use less electricity, consumers will save money on their monthly bills. The EPA estimates that electricity bills will be 8.4 percent lower in 2030 due to its rule.<sup>13</sup> Public Citizen's analysis suggests that the decrease will be greater. The EPA overestimates the cost of efficiency and underestimates how much the states can use it.<sup>14</sup>

Opponents of the Clean Power Plan argue that it will hurt consumers by raising electricity prices.<sup>15</sup> The claim is misleading. The Plan is expected to raise electricity prices modestly, but the efficiency gains will more than offset the price increases, leading to a decline in what matters—consumer bills.<sup>16</sup>

**Home Upgrades.** In addition to lowering utility bills, energy efficiency programs can provide subsidized home inspections and improvements.

**Jobs.** By spurring more investment in efficiency and renewable energy, the Plan will spur economic growth. EPA estimates that it will create roughly 104,700 jobs in 2020 alone.<sup>17</sup>

## Health Benefits and Beyond

**Health Benefits.** Because the EPA plan curbs electric generation from the country's dirtiest power plants, it will reduce emissions of not just carbon dioxide, but also pollutants like sulfur dioxide, nitrogen oxides, mercury, and hydrogen chloride.<sup>18</sup> For this reason, it will provide significant health benefits.

- A recent study of a scenario similar to the EPA plan found that each year it would prevent:

- 3,500 premature deaths (nine each day);<sup>19</sup>
- 1,000 hospital admissions for heart and lung disease;<sup>20</sup> and
- 220 heart attacks.<sup>21</sup>

EPA estimates that the annual economic value of the quantifiable health co-benefits of its Plan will range from \$14 to \$37 billion in 2020 and \$23 to \$58 billion in 2030.<sup>22</sup> There are many more health benefits that the agency did not attempt to quantify or monetize, such as reductions in cancer and lost IQ points.<sup>23</sup>

**Other Benefits.** The EPA projects numerous other benefits from the Clean Power Plan that are too difficult to quantify and monetize, including:

- preventing reduced visibility<sup>24</sup>
- preventing harm to commercial and recreational fishing<sup>25</sup>
- preservation of land and water for other recreational uses<sup>26</sup>
- preventing injury to vegetation<sup>27</sup>
- preventing reductions in biodiversity<sup>28</sup>

## ENDNOTES

<sup>1</sup> U.S. EPA, *Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units*, 79 FED. REG. 34,830 (June 18, 2014).

<sup>2</sup> U.S. GLOBAL CHANGE RESEARCH PROGRAM, HIGHLIGHTS OF CLIMATE CHANGE IMPACTS IN THE UNITED STATES: THE THIRD NATIONAL CLIMATE ASSESSMENT 34, 39 (2014).

<sup>3</sup> *Id.* at 12-13, 38-41.

<sup>4</sup> *Id.* at 13, 42-45.

<sup>5</sup> *Id.* at 8, 33, 46-47.

<sup>6</sup> *Id.* at 9, 36.

<sup>7</sup> *Id.* at 34-36.

<sup>8</sup> *Id.* at 34, 36-37.

<sup>9</sup> GOVERNMENT ACCOUNTABILITY OFFICE (GAO), DEVELOPMENT OF SOCIAL COST OF CARBON ESTIMATES (2014).

<sup>10</sup> U.S. INTERAGENCY WORKING GROUP ON SOCIAL COST OF CARBON, TECHNICAL SUPPORT DOCUMENT: TECHNICAL UPDATE OF THE SOCIAL COST OF CARBON FOR REGULATORY IMPACT ANALYSIS 3 (2013).

<sup>11</sup> EPA Proposal at 34,936.

<sup>12</sup> GAO at 12-13.

<sup>13</sup> EPA, REGULATORY IMPACT ANALYSIS FOR THE PROPOSED CARBON POLLUTION GUIDELINES FOR EXISTING POWER PLANTS AND EMISSION STANDARDS FOR MODIFIED AND RECONSTRUCTED POWER PLANTS Table 3-43 (2014) (*hereinafter* "RIA").

<sup>14</sup> See PUBLIC CITIZEN ET AL. COMMENTS ON CLEAN POWER PLAN, 7-10 (2014), <http://pubc.it/1tT1Az2>.

<sup>15</sup> See, e.g., David Arkush, *A Junk "Study" from the 60-Plus Association*, CITIZENVOX,

Oct. 6, 214, <http://pubc.it/1sZFEE0a>; David Arkush, *Another Junk "Study" from 60 Plus on the EPA's Clean Power Plan*, CITIZENVOX, Nov. 11, 2015, <http://pubc.it/1zhuP3y>.

<sup>16</sup> See *id.*

<sup>17</sup> EPA Proposal at 34,935.

<sup>18</sup> RIA at ES-9-10.

<sup>19</sup> JOEL SCHWARTZ ET AL., HEALTH CO-BENEFITS OF CARBON STANDARDS FOR EXISTING POWER PLANTS 3 (2014), <http://pubc.it/1rnbw2J>.

<sup>20</sup> *Id.*

<sup>21</sup> *Id.*

<sup>22</sup> RIA Table ES-6.

<sup>23</sup> RIA at ES-11-12.

<sup>24</sup> RIA at ES-12.

<sup>25</sup> *Id.* at ES-12-13.

<sup>26</sup> *Id.* at ES-12-13.

<sup>27</sup> *Id.* at ES-13.

<sup>28</sup> *Id.*