

EPA Carbon Plan And Power Plant Regulations Will Cause Energy Prices To Skyrocket And Put Electric Reliability At Risk

ST. LOUIS, Nov. 20, 2014 / PRNewswire/ -- The U.S. Environmental Protection Agency's (EPA) proposed carbon rule is the latest in a string of regulations that would cause America's energy prices to soar and put reliability of the power system at risk. EPA's collection of power plant rules, taken into account with the forecast rise in natural gas prices, would create a nearly \$300 billion increase in the cost of power and natural gas annually across all sectors in 2020 compared with 2012. The typical household will see electricity and natural gas bills increase by \$680, or 35 percent, in 2020 compared to 2012, increasing each year thereafter.

A new study issued today by Energy Ventures Analysis, Inc. and commissioned by Peabody Energy offers the first comprehensive look at the combined economic impacts of multiple EPA power plant regulations being implemented in 2012 and beyond, which include the Mercury and Air Toxics Standards, regional haze regulations and the newly proposed Clean Power Plan.

Consumers and policymakers must understand the full consequences of EPA's existing and proposed policies and the real energy crisis that the agency is about to create. The study uses 2012 as the base year for benchmarking to match EPA's base year for the Clean Power Plan analysis.

The EPA is forcing its agenda at a time when more than half of Americans have said only a \$20 increase in their monthly utility bills would create hardship and a record 115 million people qualify for energy assistance. The Administration's policies will hurt the poor, working class, elderly, minorities, and business and manufacturing the most.

Reliability of the electricity supply also is being put at risk given the EPA has neglected to factor in the anticipated costs and ultimate timeline to permit and construct new generation and transmission to replace generation that would be forced to retire under EPA rules.

In testimony to the EPA this summer, Peabody called for withdrawal of the proposed carbon rule for existing power plants and greater deployment of technology as the long-term solution to improve emissions. Peabody proposes investing in efficiency improvements; deploying advanced supercritical coal plants; and supporting greater research and development toward next generation technologies, including carbon capture and storage.

U.S. leaders continue to push back on proposed carbon regulations, with members of Congress, Governors, states, labor unions, business and consumer organizations expressing opposition.

Peabody Energy is the world's largest private-sector coal company and a global leader in sustainable mining, energy access and clean coal solutions.

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