

# CLIMATE ISSUES

## Proposed Energy Legislation

Last month, approximately 100 representatives from Mississippi's Electric Power Associations traveled to Washington, DC to meet with Congressmen about proposed legislation to address climate change. These Mississippi representatives were met by nearly 3,000 other electric co-op leaders from around the country for the National Rural Electric Cooperative Association's annual legislative rally.

Climate change bills are currently being debated, and one version of this legislation passed the House Committee with a 33 to 25 vote in May. This proposed legislation could severely impact the cost of electricity. There is wide disagreement on the science of climate change and many noted scientists contend that manmade emissions have little, if any, effect on the planet's naturally-occurring warming and cooling trends.

The plan proposed in the House would stop burning coal and other fossil fuels to generate electricity. Coal is affordable and plentiful in the U.S., and removing it from America's fuel options will undoubtedly raise costs to electric consumers in Mississippi. The beneficial effect of the plan would be minimal, but it will cost Americans billions of dollars on their electric bills.

"The goal ought to be energy independence, not get rid of fossil fuels. We are the only country in the world that doesn't use its natural resources," said Congressman Gregg Harper during a meeting with Mississippi co-op leaders in Washington. If the proposed legislation goes into effect, it could easily cause American coal to be exported to developing nations such as China and India, countries which do not plan to adopt emissions reductions.

The proposed legislation calls for a speculative cap-and-trade program overseen by Wall Street traders. The purpose is to cap and then steadily reduce U.S. carbon dioxide emissions. Estimates show that the average electric consumer in Mississippi will see a dollar for dollar increase. For every dollar charged for a carbon emission credit or allowance, a dollar will be added to the monthly electric bill. Early indications are that the cost of a carbon credit could start at \$15-20, and the price could go as high as \$100. Unfortunately, the costs will not be spread equally throughout the country. The Southeast will be hit harder than others, such as the Northeast and West Coast.

Under the proposed legislation, Americans will be expected to switch to much more expensive renewable sources

for generating electricity. Renewable sources provide less than two percent of the country's overall electricity needs today (excluding hydro facilities), and must be backed up by conventional (fossil fuel) sources because of their intermittent output. The proposed plan calls for that number to increase to 20 percent by 2020.

Renewables are certainly worthy of development, but reaching 20 percent of Mississippi's overall output within this period is not realistic. The potential for development of solar and wind power in this region is insufficient for large-scale electricity production.

Mississippi co-op leaders continue to emphasize the need for legislators to ensure reliability and affordability in any climate related legislation. Regulation of carbon dioxide emissions should not be used as a fundraising measure for other federal programs. By supporting this proposed legislation, Congressional leaders run the risk of making electric service less affordable and less reliable for Mississippi's cooperative members.

## ENERGY EFFICIENCY

### Tip of the month

When using your laptop computer at home, put the battery charger (AC adapter) on a power strip that can be turned off. The transformer in the charger draws power continuously, even when the laptop is not plugged in.

Source: U.S. Department of Energy

