RESOLUTION

In Opposition to U.S. EPA's Proposed Greenhouse Gas Emission Guidelines for Existing Fossil-Fueled Power Plants

Whereas, on June 18, 2014, the United States Environmental Protection Agency (EPA) published in the Federal Register a proposal ("Clean Power Plan") for reducing carbon dioxide (CO2) emissions from existing fossil-fueled power plants based on Clean Air Act Section 111(d); and

Whereas, EPA's proposed Clean Power Plan establishes significant CO2 emission reductions for coal-fueled power plants in Arkansas that will cause disruptive changes in the state's well diversified electricity mix; and

Whereas, Arkansas would only have 12 to 24 months after EPA approves their implementation plans to progress towards meeting their interim emissions target on January 1, 2020; and

Whereas, EPA, in its Regulatory Impact Analysis and databases, lists potential plant unit retirements for Arkansas and predicts that almost 5 million kilowatts of coal, natural gas and oil-fueled generation from 5 generating stations will be shut down between 2016 and 2020 due to its Clean Power Plan; and

Whereas, EPA acknowledges that other power plant units will retire due to its Clean Power Plan and other plant units across America have retired or will retire between 2010 and 2020, for a total loss of generation that could power 60 million homes due to other recent regulations and factors; and

Whereas, Arkansas citizens and businesses enjoy high quality jobs in the manufacturing and agriculture sectors due to much lower electricity rates and higher economic growth than states with self-imposed carbon limits; and

Whereas, Arkansas policymakers, individually and with policymakers from over 30 states have previously expressed their concerns with EPA's plans to regulate CO2 emissions, have supported reasonable environmental policies as long as they maintain predictable, stable, affordable, and reliable supplies of electricity and have expressed the need to preserve the rights and powers of the states, including the sovereign right of each state to determine the appropriate mix of energy resources to meet its electricity needs.

THEREFORE, BE IT RESOLVED that the **SPRINGDALE CHAMBER OF COMMERCE** requests that EPA withdraw the proposed guidelines and issue new guidelines that allow Arkansas and other states to establish policies that are in the best interest of their municipalities and the nation. The guidelines should:

- 1. Respect the primacy of Arkansas by allowing Arkansas to develop plans that establish performance standards and discretion and flexibility in establishing compliance mechanisms.
- 2. Maintain an adequate, reliable, affordable electrical generating fleet.
- 3. Be based on EPA guidelines for cost-effective, achievable reductions at the affected power plant units, rather than for the State of Arkansas.

- 4. Establish emissions guidelines based on adequately demonstrated systems that are fuel and technology specific.
- 5. Provide credit for significant emissions reductions already made or being made.
- 6. Avoid premature retirements and stranded assets.
- 7. Be fair and equitable to all electricity consumers; and

BE IT FURTHER RESOLVED, that EPA should adopt policies that do not conflict with the responsibility of Arkansas to provide affordable and reliable supplies of electricity for its citizens; and

BE IT FURTHER RESOLVED, that the **SPRINGDALE CHAMBER OF COMMERCE** recommends that state legislators work with other policymakers in Arkansas such as environmental, financial and agriculture regulators, attorney general, economic development and governor to:

- a) Provide comments to EPA on the legal, reliability, affordability, achievability, timing, implementation scheduling and other issues that need to be considered for individual and groups of states to eliminate or minimize the aforementioned risks; and
- b) Jointly develop state implementation plans to protect residential, industrial and commercial electricity users and ensure continued reliability of the electric system; and
- c) Continue to engage EPA and other relevant federal agencies and congressional delegations after the regulation is finalized to eliminate or minimize the aforementioned risks and consequences.

BE IT FINALLY RESOLVED, that copies of this resolution are submitted to EPA as comments on the proposed regulation, and copies are sent to the Arkansas congressional delegation, Governor, Arkansas legislators, heads of Arkansas offices of environment, agriculture, economic development, energy, financial regulation, attorney general, the Mayor of Springdale and the Farm Bureau.

Now, therefore, the Springdale Chamber of Commerce Board of Directors opposes the U.S. EPA's proposed greenhouse gas emission guidelines for existing fossil-fueled power plants and encourages other organizations to join in opposition

Adopted September 16, 2014.

Perry Webb, President/CEO