

## **CEPP TALKING POINTS**

The House Energy and Commerce Committee is considering a proposed “Clean Electricity Performance Program” (CEPP), which is a clean energy standard designed to fit within budget reconciliation rules. The CEPP would provide large payments to electricity providers if they increase the amount of carbon-free electricity they sell by 4 percent each year over an 8-year period. Electricity providers must pay a penalty if they fail to meet the requirement. These are a few of the reasons why the CEPP is a bad idea.

### **The CEPP is anti-fossil fuels.**

- The CEPP would eliminate the coal fleet by 2030, if not sooner.
- The coal fleet and its supply chain are responsible for 185,000 jobs, which would be eliminated by the CEPP.
- The CEPP also would eliminate the use of natural gas to generate electricity.
- 44 states rely on fossil fuels for at least one-fourth of their electricity.
- 33 states rely on fossil fuels for at least half of their electricity.

### **The CEPP is a threat to electric reliability.**

- Because of the CEPP, the coal fleet would not be able to support grid reliability and resilience.
- Massive amounts of wind and solar power (1 million MW at a cost of \$1 trillion) would have to be built to replace coal and natural gas.
- Wind and solar power are not dispatchable because they depend on weather conditions and other uncontrollable factors.

### **There are many obstacles to clean electricity that must be overcome.**

- The CEPP would re-engineer the electricity grid within 8 years.
- There are many obstacles to increasing the use of wind and solar power on a massive scale within 8 years.
- New electric transmission would have to be built. However, transmission projects are taking as long as 17 to 20 years to complete. Also, this new transmission is estimated to cost \$200 billion or more.
- Other obstacles include assuring grid reliability and resilience; maintaining affordable electricity prices; providing dispatchable generation; revising rules in organized electricity markets; developing cost-effective and reliable battery storage; dealing with stranded investments; and mitigating the impacts of job losses on workers and local communities.
- The grid transition needs to be gradual.

**China should be a bigger concern.**

- China is the world's largest carbon emitter.
- China also has the world's largest coal fleet (half the world's coal-fired generating capacity), which continues to grow in size while the CEPP would eliminate the U.S. coal fleet.
- New coal plants being developed by China (247,000 MW) exceed the size of the existing U.S. coal fleet (217,000 MW).

**Electricity will get cleaner without the CEPP.**

- The U.S. power sector has reduced its carbon emissions by 33 percent over the past two decades.
- The Energy Information Administration projects that the electricity supply will be 50 percent clean by 2030 without the CEPP.

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