

The Clean Power Plan's Economic Impact **Fact Sheet**

Background on Clean Power Plan:

- The Obama Administration proposed the final version of the Clean Power Plan in August 2015.
- If implemented, it will set a national limit on carbon emissions from power plants, mandating a 32 percent reduction on power sector emissions below 2005 levels by the time the regulation is completely implemented in 2030.
- Opponents challenged the plan in court, arguing that the Administration does not have the power to enforce the regulation absent Congress passing a new law. The Supreme Court halted enforcement in February 2016, and the case is currently being heard by the U.S. Court of Appeals D.C. Circuit.

Key Findings of Study:

- The current burden from electricity expenditures is higher for households in low-income neighborhoods compared to households in wealthier neighborhoods – even without the Clean Power Plan.
- Energy poverty will increase under the Clean Power Plan. Under each of the study's different scenarios, average annual electricity expenditures will go up for everyone, but low-income communities will be impacted the most. In some neighborhoods, average annual costs will equal 10 percent of their income, and even higher in the poorest neighborhoods.
- States with larger populations of low-income residents will bear higher electricity burdens than states with a wealthier population.
- The Southeast will be the region most negatively-impacted by the Clean Power Plan. In South Carolina, families could see average annual electricity expenditures of \$2,195, while Georgia families could see costs of \$1,973 and Virginia families could see costs of \$1,998.
- Young people under 25 and seniors over 65 will also bear the brunt of the higher electricity prices that will surely come from the Clean Power Plan.

The Clean Power Plan's Economic Impact **California Fact Sheet**

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- If implemented, it will set a national limit on carbon emissions from power plants, mandating a 32 percent reduction on power sector emissions below 2005 levels by the time the regulation is completely implemented in 2030.
- Opponents challenged the plan in court, arguing that the Administration does not have the power to enforce the regulation absent Congress passing a new law. The Supreme Court halted enforcement in February 2016, and the case is currently being heard by the U.S. Court of Appeals D.C. Circuit.

Key Findings of Study:

- The current burden from electricity expenditures is higher for households in low-income neighborhoods compared to households in wealthier neighborhoods – even without the Clean Power Plan.
- Energy poverty will increase under the Clean Power Plan. Under all of the study's different scenarios, average annual electricity expenditures will go up for everyone, but low-income communities will be hurt the most.
- California's lowest-income families could see average annual electricity expenditures equal to 17.36 percent of their income under the Clean Power Plan.
- On average, Californians could pay nearly \$1,200 a year for electricity under the Clean Power Plan.
- Specifically, Riverside County residents could see their annual electricity bills rise by 9.0 percent. Kern County residents could see their costs rise by 8.9 percent.
- Communities with more low and working-class residents will bear higher electricity burdens than areas with wealthier residents.
- Young people under 25 and seniors over 65 will also bear the brunt of the higher electricity prices that will surely come from the Clean Power Plan.