**Northwest Public Power Association**

**Resolution 2018-07**

**Urging EPA Consideration of Economic Impacts on Utilities When Developing Environmental Regulations**

**Background**

NWPPA members support environmental stewardship with the understanding that the costs of environmental compliance are passed on to ratepayers. In some cases, federal environmental regulations may drive the cost of electricity above what a local economy can bear. Federal approaches to improving environmental standards must be practical and achievable for each unique community.

For example, rural-based utilities in Alaska are distinctly different than those in other parts of the nation where access to basic infrastructure is readily available. NWPPA members in rural or remote communities such as those in Alaska pay some of the highest energy costs in the Nation. NWPPA believes that the distinct economic challenges borne by rural utilities should be considered when developing environmental regulations. Federal regulatory regimes particularly those administered by the U.S. EPA should acknowledge state and local preferences, capabilities, and alternatives when drafting regulations, including as much flexibility as the law provides.

**NWPPA’s Position**

* NWPPA urges EPA to consider when drafting regulations that isolated communities and consumer-owned utilities often have few or no alternatives for affordable energy.
* With respect to greenhouse gas (GHG) regulation of utilities under the Clean Air Act, NWPPA urges EPA to follow the statute by allowing states to set performance standards and to establish a system of emissions reduction that does not mandate fuel switching.
* NWPPA supports policies that consider all technologies that generate emissions-free power.
* NWPPA supports policies that provide utilities with time and assistance to mitigate reliability impacts, and to consider the costs of compliance to electric consumers.
* NWPPA supports providing utilities with flexibility to meet GHG reduction targets.
* NWPPA supports providing utilities with flexibility to comply with environmental regulations including those concerning GHGs in a manner that balances regulatory goals with economic constraints of rural communities.

Origination Date: 2011, 2012, 2017, and 2018.