Principles for Greenhouse Gas Reduction from the Electric Sector

Background

NWPPA members support environmental stewardship and in general, the reduction of greenhouse gases (GHG). As Congress and the Executive Branch pursue efforts to reduce GHGs, NWPPA members want to ensure that such reductions are feasible, workable, and take into consideration economic impacts associated with transitions in carbon reductions.

NWPPA supports goals to address potential environmental impacts of GHG emissions. However, the methods used to reach these goals must be rooted in the realities of the electric grid and local communities to succeed. In some parts of the West, renewable power is readily accessible – but these variable sources (such as wind and solar) must be integrated onto the grid while recognizing the needs for dispatchable resources (such as hydropower, natural gas, or coal). In other parts of the country, such as Alaska, access to basic infrastructure is limited and energy choices are significantly constrained. Federal policymakers should refrain from mandating technologies that may not be feasible based on a one-size fits all approach.

New laws and regulations should take into consideration the remaining useful life of existing resources and assets and the unnecessary economic burdens of stranded assets and the need for regional planning to ensure sustained reliability of resources. Realistic timelines and flexibility to make long-term change will ensure an effective transition.

Lawmakers must understand that the costs of environmental compliance are passed on to local consumers. In some cases, particularly rural and remote areas, federal environmental regulations can drive the cost of electricity above what a local economy can reasonably afford.

NWPPA’s Position

- NWPPA supports policies that provide utilities with time and flexibility to meet GHG reduction targets based on economics and reasonable alternatives in a manner that balances regulatory goals with economic constraints of rural and remote communities.
- NWPPA supports policies under the Clean Air Act that allow states to set performance standards for utilities and to establish a system of emissions reduction that does not mandate fuel switching.
- NWPPA cautions against infeasible, unworkable, or cost-prohibitive policies such as one-size-fits-all mandates, inflexible requirements, or disproportionate fees and costs.
NWPPA supports policies that provide utilities with time and assistance to mitigate reliability impacts, and to consider the costs of compliance to electric consumers.