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TO THE MEMBERS OF THE UNITED STATES CONGRESS:

America's abundance of affordable, reliable energy provides businesses a critical operating advantage in today's intensely cooperative global economy. Unfortunately, this advantage could be eroded by new Environmental Protection Agency (EPA) regulations. EPA is proposing new regulations on carbon emissions from the power plants of today and tomorrow. In order to evaluate these new regulations, all Americans should understand the effect they would have on consumers, the economy, and on carbon emissions.

The Institute for 21st Century Energy (Energy Institute) is an affiliate of the U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations, and dedicated to promoting, protecting, and defending America's free enterprise system. The Energy Institute has released, "[Assessing the Impact of Potential New Carbon Regulations in the United States](#)," which illustrates the impacts associated with an EPA regime modeled on the Obama Administration's stated emissions reductions goal. To obtain the most accurate modeling and analysis possible for the report, we commissioned the respected global energy and economics firm IHS.

Key findings include:

- **EMPLOYMENT**  
Employment losses would average 224,000 people on an annual basis from 2014-2030 and reach 440,000 jobs in 2022.
- **ECONOMIC IMPACTS**  
Average annual GDP losses would be more than \$50 billion, peaking at over \$100 billion in 2025. Between 2014 and 2030, a typical household would lose \$3,400 in disposable income, collectively totaling \$586 billion.
- **ELECTRICITY COSTS**  
Nationwide electricity expenditures would increase by more than \$289 billion from 2014 to 2030, with projected average annual costs \$17 billion greater than in the absence of EPA's rules.

- **EMISSIONS REDUCTIONS**

Even under the aggressive regulatory scenario analyzed in the report, U.S. power sector reductions would represent only 1.8% of global CO<sub>2</sub> emissions, and would be dwarfed by non-U.S. global power sector emissions *increases* during the same time period, by a factor of more than 6 to 1.

We believe these results will be useful and instructive as Congress considers appropriate action in response to EPA's regulatory regime and related Administration efforts to negotiate a post-2020 emissions reduction agreement. The complete report and supporting documents can be found at [www.energyxxi.org/epa-regs](http://www.energyxxi.org/epa-regs).

Sincerely,

A handwritten signature in black ink, appearing to read "K Harbert". The signature is fluid and cursive, with a large initial "K" and a stylized "Harbert".

Karen A Harbert