

**Opening Statement of the Honorable Fred Upton
Subcommittee on Energy and Power
Markup of The Ratepayer Protection Act
April 22, 2015**

(As Prepared for Delivery)

EPA's Clean Power Plan raises serious legal and cost concerns for many states, including higher electricity prices and risks to reliability.

The Ratepayer Protection Act would address these real concerns and ensure that the interests of those who pay electric bills are taken into account.

From a legal standpoint, the Clean Power Plan takes the 45-year-old Clean Air Act in a completely new direction. EPA is proposing to manage state decision-making on electricity generation, transmission, distribution, and even consumer usage.

It is far from clear that the agency has the authority to do all of this – even the president's mentor at Harvard Law, Professor Laurence Tribe equates EPA's move to "burning the Constitution." And so it makes perfect sense to hit the pause button on the administration's costly compliance requirements until the courts have definitively spoken. The Ratepayer Protection Act does just that.

If the proposed rule is upheld, its provisions could be very expensive for ratepayers, possibly much more so than EPA's estimates. For Michigan, rates are estimated to increase as much as 15 percent. The economy is still far from where it ought to be and the last thing hard-pressed families in Michigan and across the country need are higher electric bills. And with unemployment still a problem, this is not the time to burden job creators with higher electricity costs. We want American businesses spending more on payroll, not on energy.

Yet the administration's plan greatly erodes the traditional state role overseeing electricity policy and would limit each state's ability to take action on behalf of its own ratepayers. Washington, D.C., is not better suited than state governments to deliver affordable and reliable power. In any event, I believe it is necessary to ensure states can protect their ratepayers, especially if the plan's provisions prove costlier than EPA's projections or jeopardize reliability.

The Ratepayer Protection Act ensures that no state could be forced to implement a state or federal plan that the governor found to significantly threaten electricity affordability or reliability. This bill preserves state-level autonomy by allowing governors to respond to serious concerns that may arise within their own jurisdictions.

The environmental impact of this bill will be minimal for the simple reason that the environmental impact of the proposed rule itself is minimal. Even EPA declined to estimate a measurable effect on future temperatures and sea levels from its Clean Power Plan, so the Ratepayer Protection Act's modifications pose no climate risk. The real risks here are to families, households, businesses... and the rule of law.

Numerous states have raised legal, feasibility, and economic concerns about the administration's plan. The Ratepayer Protection Act translates these concerns into sensible safeguards that protect ratepayers both large and small. I urge my colleagues to support this reasonable effort to protect ratepayers.

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