



A Better Climate Bill: Raising Efficiency and Renewable Electricity Standards Increases Consumer Benefits

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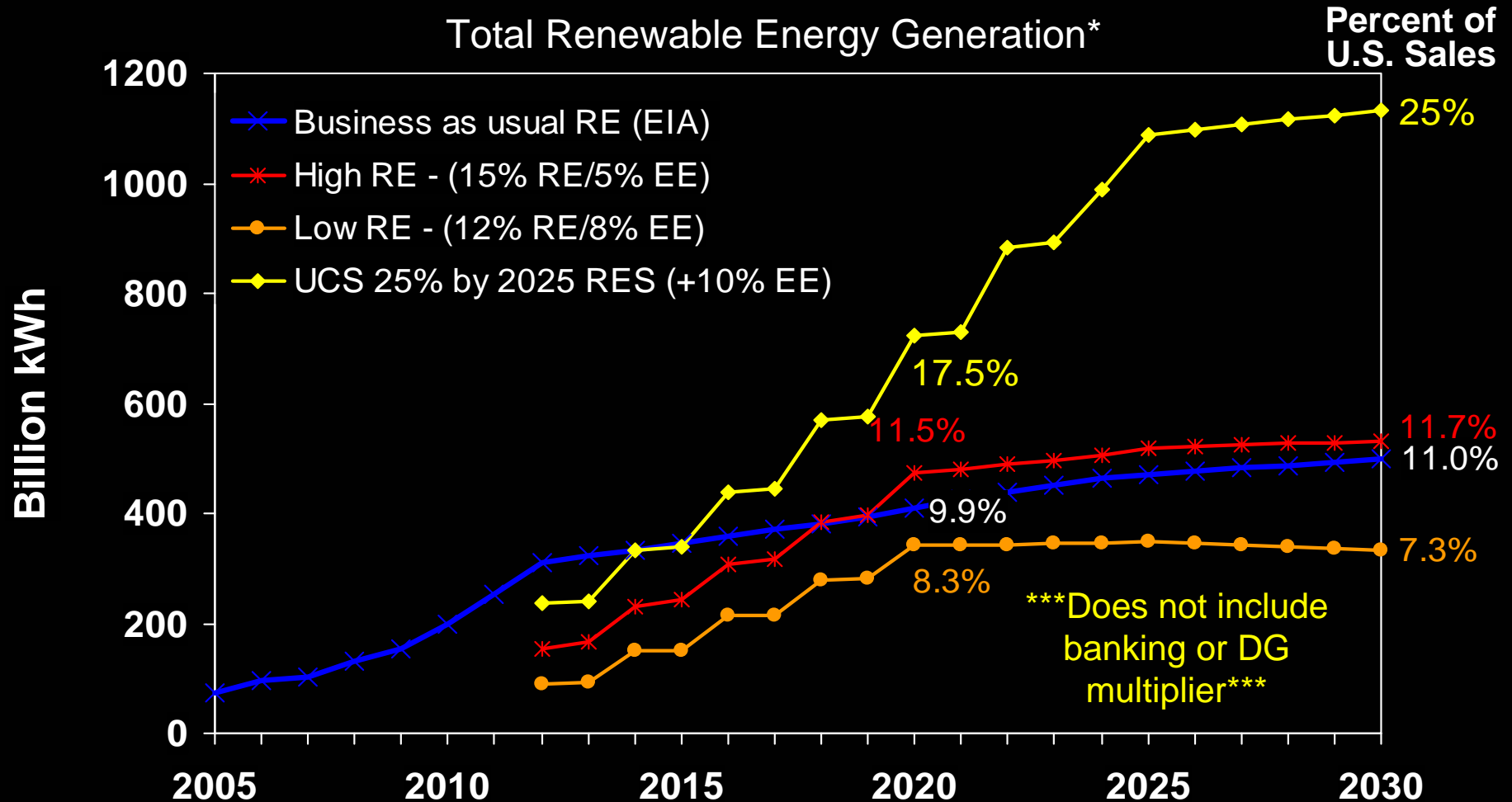
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ACES RES/EERS –

“20% by 2020” - Comparison with Business as Usual



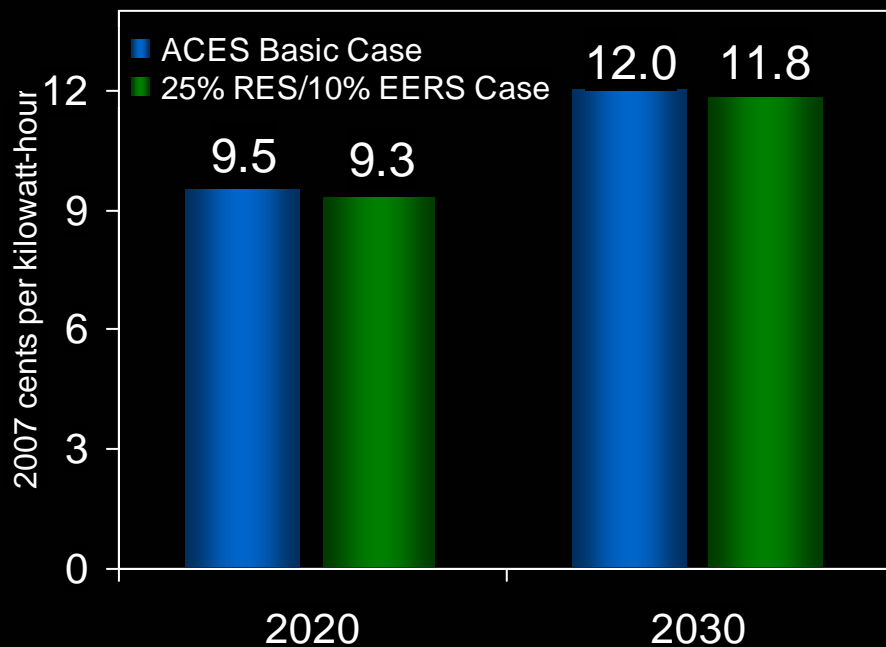
High RE Case: 15%/5% by 2020, business as usual CCS/Nuclear (EIA), + states do not allow trading of RE credits from higher state standards to other states for federal RES compliance.

Low RE Case: WM CCS/Nuclear (EPA), + state do allow trading of RE credits from higher state standards.

*In addition to hydro & MSW. Sources: EIA (AEO 2009 – ARRA), EPA, UCS.

Increased renewables and efficiency stabilize and lower electricity and natural gas prices

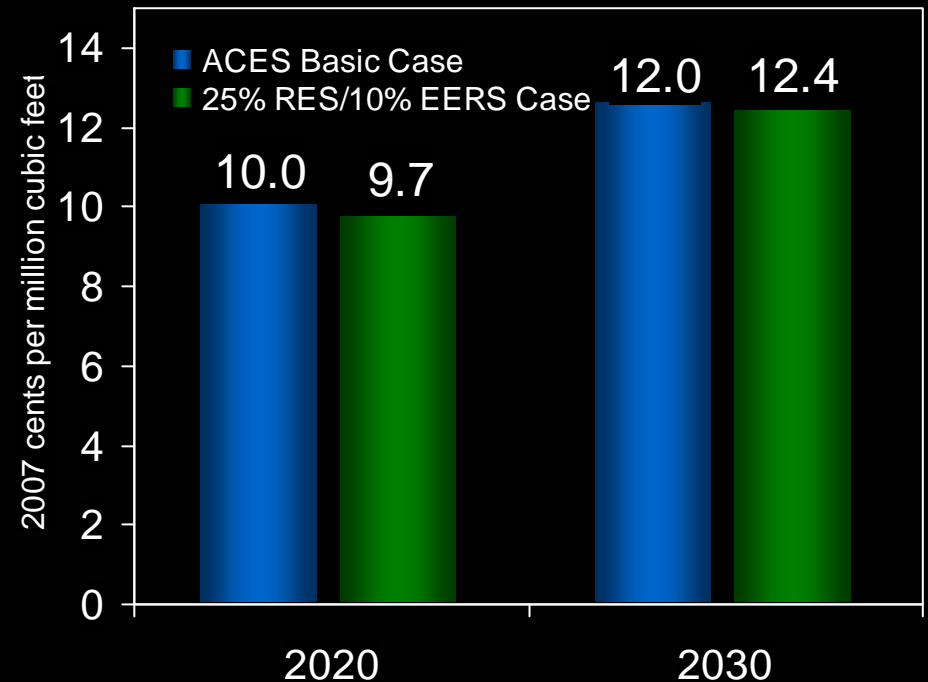
Average Consumer Electricity Prices



2.2 percent reduction in 2020

1.5 percent reduction in 2030

Average Consumer Natural Gas Prices

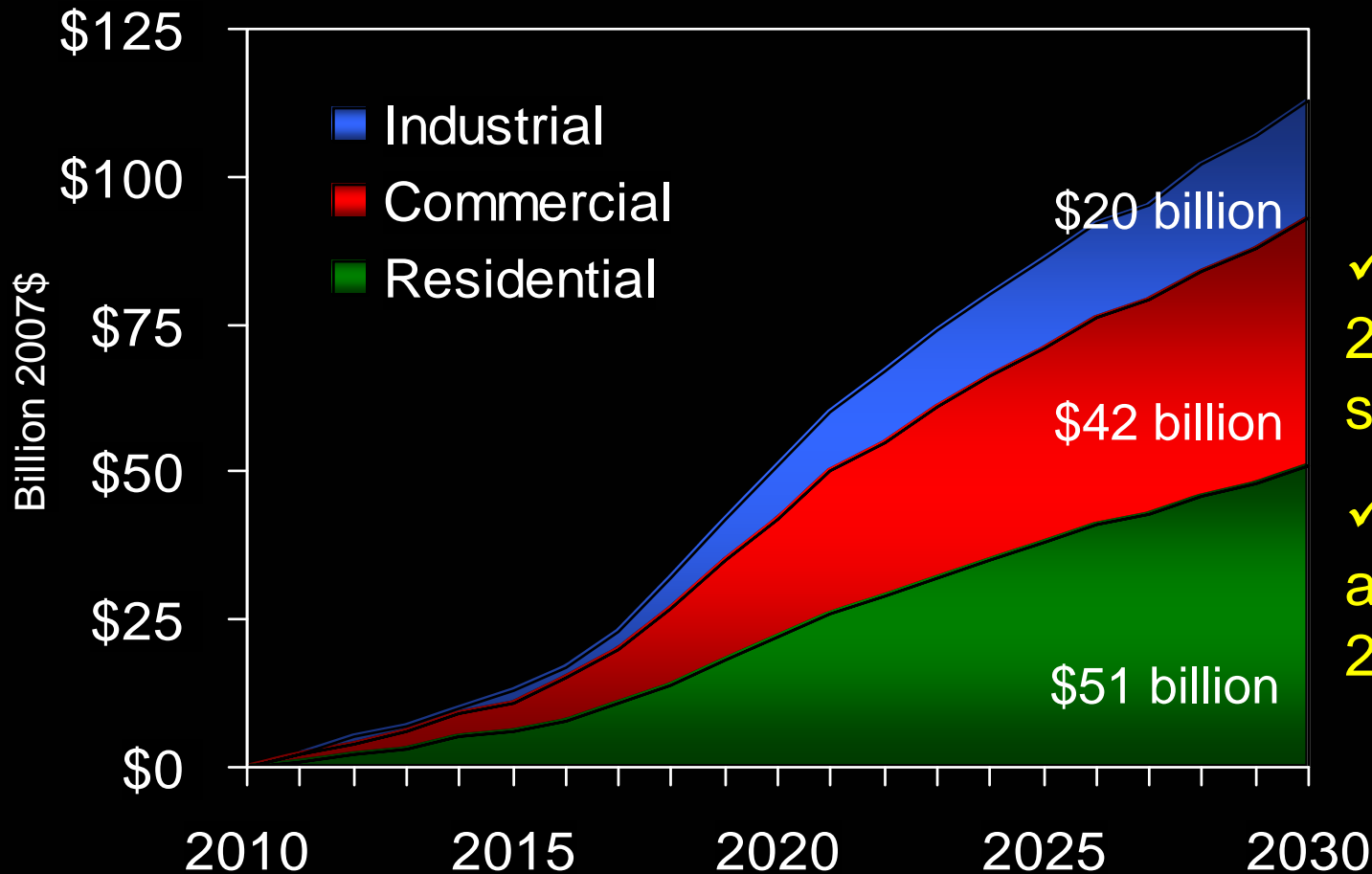


3.4 percent reduction in 2020

1.4 percent reduction in 2030

Raising efficiency and renewable electricity standards make carbon cap more affordable

Cumulative Electricity and Natural Gas Cost Reductions thru 2030, by Sector
25% RES/10% EERS Case vs ACES Basic Case*



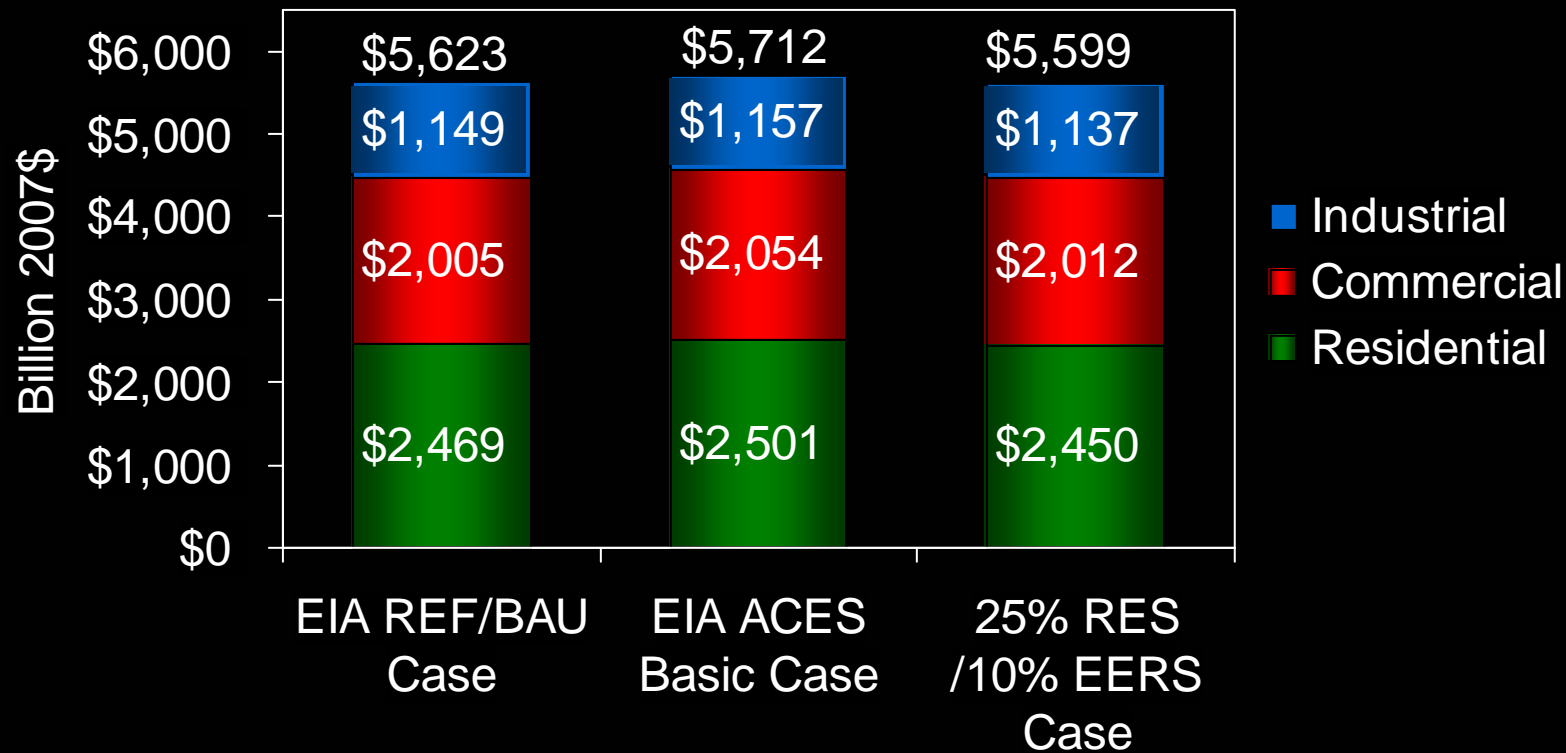
✓ \$113b through 2030 (~2 percent savings)

✓ \$94/household annual saving in 2030

*Results are presented in 2007 dollars using a 7 percent real discount rate.

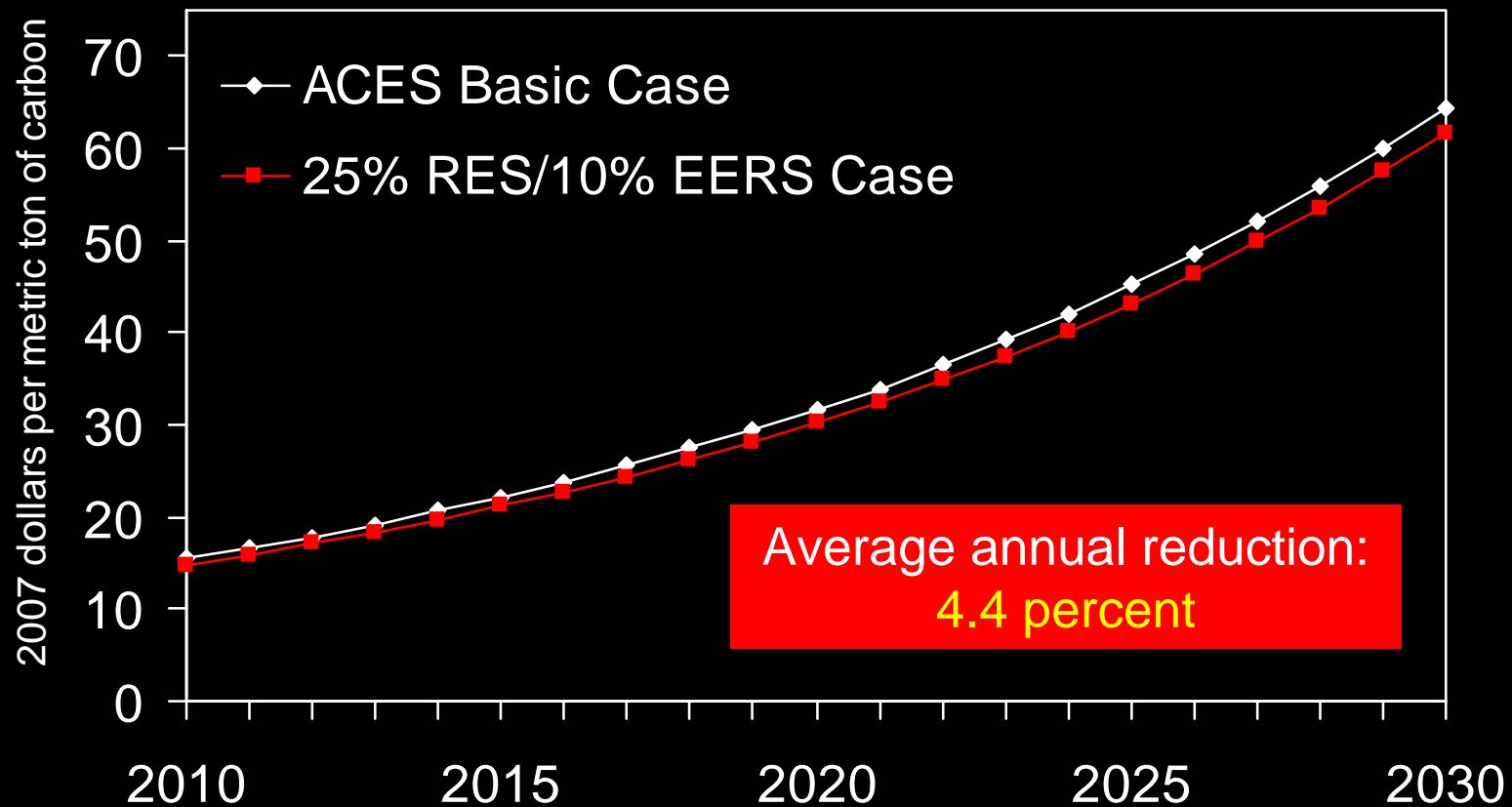
Raising efficiency and renewable electricity standards make carbon cap more affordable

Cumulative Electricity and Natural Gas Expenditures thru 2030 by Sector, Case Comparison



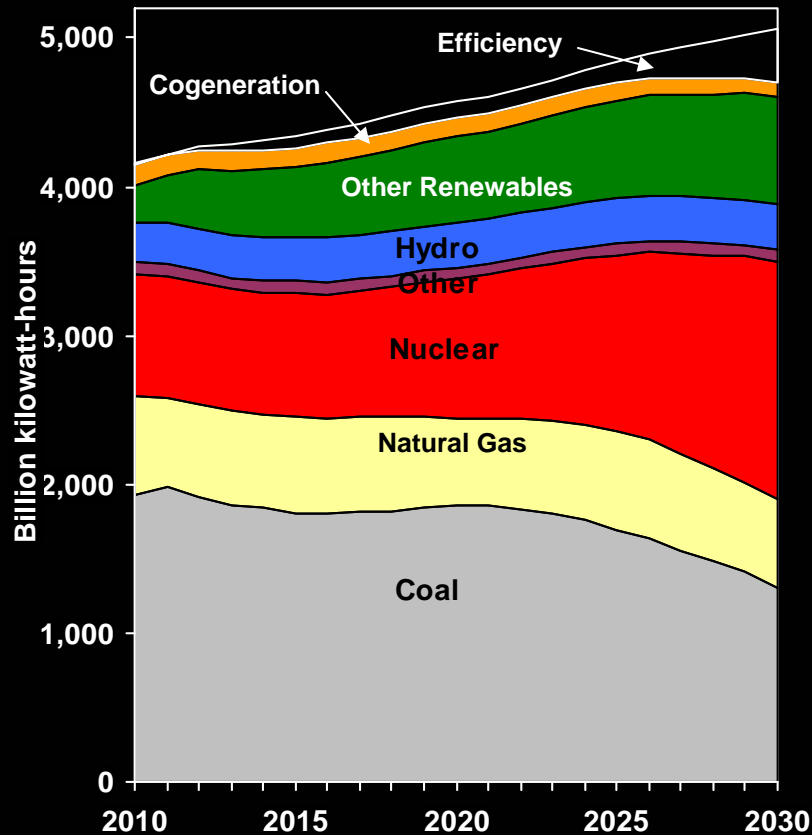
Higher RES/EERS lowers carbon allowance prices

Carbon Allowance Prices

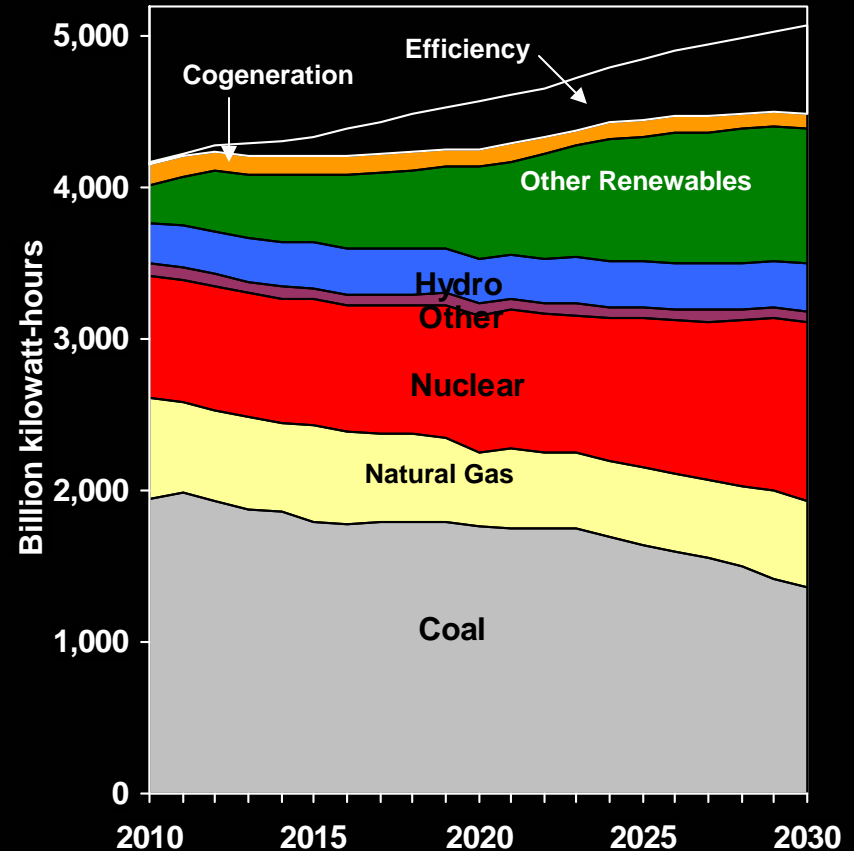


Higher RES/EERS diversifies the electric mix

Electricity Generation under ACES Basic Case



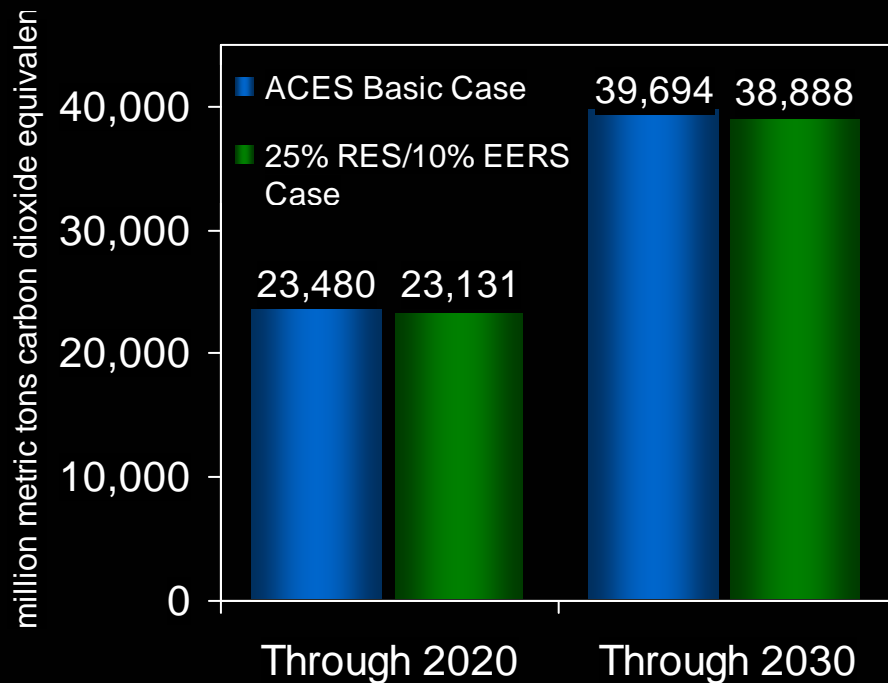
Electricity Generation under 25% RES/10% EERS



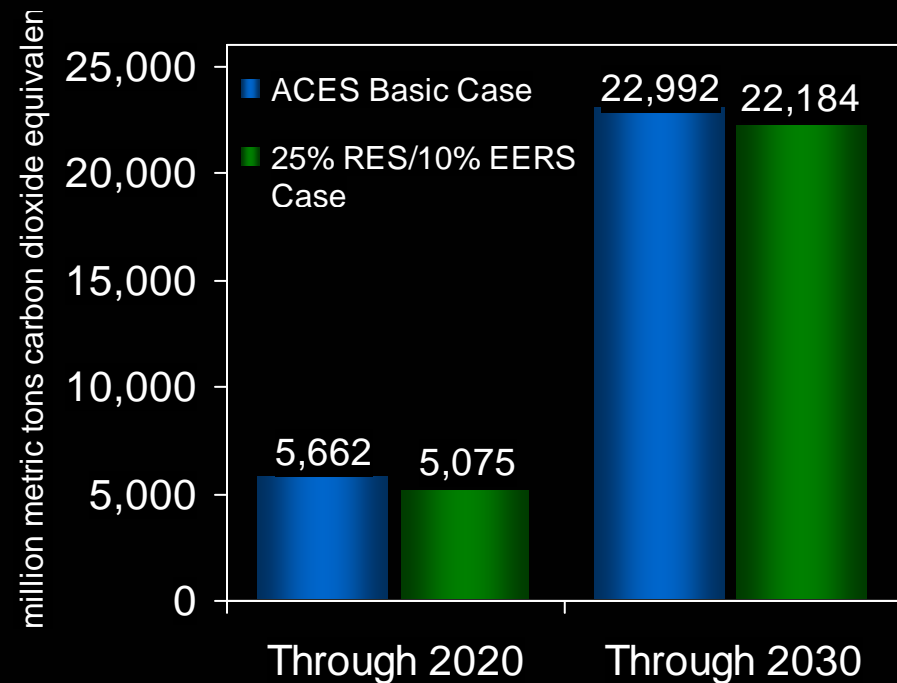
- 23% more renewable energy generation
- Doubles electricity savings (12% vs 6%)
- Avoids “need” for 50 new nuclear reactors

Higher RES/EERS delivers greater reductions in power sector carbon emissions

Cumulative Power Sector Emissions



Cumulative Carbon Offsets



805 million metric tons (2 percent) fewer power sector carbon emissions through 2030

808 million metric tons (3.5 percent) fewer carbon offsets through 2030

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