Nordic Energy
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ENERGY MATTERS ELECTRIC NEWSLETTER

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A new study from the National Association of Manufacturers finds major new U.S. Environmental Protection Agency rules could cost manufacturers hundreds of billions of dollars and eliminate millions of American jobs, noted the Republican majority on the House Energy and Commerce Committee in a Nov. 30 statement. The NAM report analyzes the cumulative cost of new major EPA rules affecting the nation's power sector, including the Utility Maximum Achievable Control Technology (MACT) Rule, the Boiler MACT Rule, the Coal Ash Rule, the Coal Combustion Residuals Rule, the Cooling Water Intake Structures Rule, the Cross-State Air Pollution Rule and the anticipated new National Ambient Air Quality Standards for Ozone.

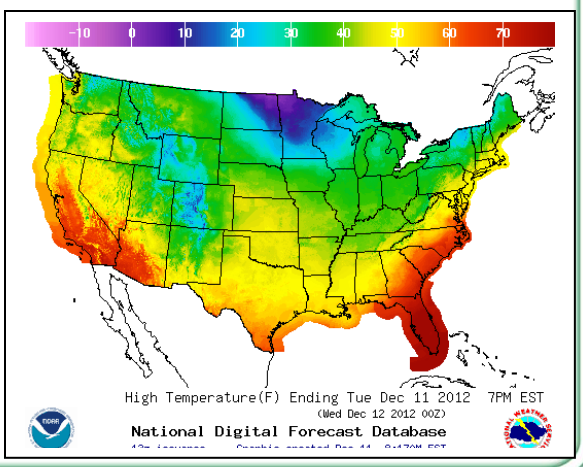
The report finds compliance costs for the six regulations could total up to $111.2billion by EPA estimates and up to $138.2billion by industry estimates. Total capital expenditures are projected at $174.6bn to $539.3bn according to EPA data, and from $404.5bn to $884.5bn according to industry. "EPA's expansion of red tape is strangling job creators and American consumers at a time when they can least afford it. This report offers further evidence that EPA's policies will hinder our economic recovery and the growth of American manufacturing," said Energy and Power Subcommittee Chairman Ed Whitfield, R-Ky. "Rather than burdening American businesses with high compliance costs and uncertainty, we need commonsense policies that will foster investment and help bring manufacturing jobs back to America." The GOP majority on the Energy and Commerce Committee, in an effort to beat back EPA, has been advancing legislation like the Energy Tax Prevention Act, the TRAIN Act, the EPA Regulatory Relief Act, and the Coal Residuals Reuse and Management Act. Study cites impact of higher electricity prices on the economy "One immediate and incontrovertible impact of these new regulations would be an increase in electricity prices," said the NAM study.
Utilities would incur costs of up to $142 billion in the short run to comply with only three of the dozens of EPA rules and would likely pass most of these costs through to their customers in the form of higher prices. Residential consumers would be affected directly, but electricity is also an intermediate good for business. It is consumed at the commercial and industrial levels in the course of producing and providing goods and services. As consumers of more than 28 percent of electricity production, manufacturers in the United States would see production costs rise. "That would lead to higher prices of manufactured goods and services, resulting in lost sales at home and abroad.

Electricity Pricing – Dec 11, 2012

	On-Peak	Off-Peak
2013	$.03959	$.02595
2014	$.04115	$.02690
2015	$.04251	$.02839

LMP Electric Price

Time Period	Average per Kwh
Dec, 2011	$.02971
Jan, 2012	$.03043
Feb, 2012	$.02963
Mar, 2012	$.02894
April, 2012	$.02659
May, 2012	$.02816
June, 2012	$.03089
July, 2012	$.04303
Aug, 2012	$.03112
Sep, 2012	$.03034
Oct, 2012	$.02829
Nov, 2012	$.03327
Dec 1 – Dec 10	$.03086

Extended Temperature Forecast: Chicago Area

	Tue	Wed	Thu	Fri	Sat
High	38	45	47	47	45
Low	28	31	32	38	39