

NEWS RELEASE

Office of Commissioner Brandon Presley MISSISSIPPI PUBLIC SERVICE COMMISSION NORTHERN DISTRICT

Presley: PSC Fighting EPA's Rate Hike-Causing Regulation

Jackson, Mississippi (September 22, 2011) - Today, Commissioner Brandon Presley announced that the Mississippi Public Service Commission will file suit against the U.S. Environmental Protection Agency in the Federal Court of Appeals for the District of Columbia no later than October 7, 2011 to challenge the federal agency's "Cross-State Air Pollution Rule" that Presley says will cost Mississippi consumers millions through higher power bills if not challenged.

"I've never met a rate hike that I like," Presley said. "It's common sense to not impose fees that will lead to utility rate hikes in these tough economic times. Mississippi families and small business owners struggling to make ends meet will be hit hard in their pocketbooks. I'm 100% against raising power and gas bills in this economy. We plan to fight and stop this rate hiking-causing regulation."

"We all want the cleanest air and water. And we must do that by finding win-win situations where we protect our natural resources without sticking it to Mississippians pocketbooks." Presley said.

In the PSC's regular monthly meeting last Thursday, Presley seconded a motion by Southern District Commissioner Leonard Bentz to file the suit to protect Mississippi consumers. The motion was adopted unanimously by the three person panel.

In July, the EPA issued the Cross-State Air Pollution Rule, which will require Mississippi utility companies to limit their nitric oxide (NOx) emissions even further and sooner, or face possible criminal penalties if the companies violate the rule knowingly or willingly. Under the new Rule, Mississippi utility companies must now reduce their emission by May 2012, moved up from 2014.

Options for the Utility companies include reducing emissions by upgrading equipment, purchasing credits or shutting down electric generating plants completely. The EPA estimates that the proposed rule will cost about \$800 million annually plus an additional \$1.6 billion per year for new equipment. The Rule is intended to improve air quality by reducing nitric oxide that is created when utility plants generate electricity, but will inevitably cost the customer.

Background: The "Clean Air Transport Rule," also once called the "The Clean Air Act," was renamed the "Cross-State Air Pollution Rule," It replaces a set of 2005 Bush administration regulations that were struck down by the courts.



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