



## Policy Position: Climate Change

Central Iowa Power Cooperative (CIPCO) is doing its part to reduce greenhouse gas emissions, improve energy efficiency and increase renewable energy. Nearly 40 percent of the power provided to its members is generated from carbon-free resources, and nearly all of the electricity is generated within Iowa. CIPCO believes progress is underway and any additional responses to climate change must encompass a balanced, common-sense approach that ensures adequate, reliable and affordable electric service.

CIPCO asserts that any public policies to address climate change include the following principles:

- *All options must be considered.* Energy use has reached a critical point in our nation and around the world. There is no longer a single solution that will solve the problem. Any national policy must address both the supply side and demand side. Policymakers must look past political divides to evaluate realistic long-term solutions.
- *Maximize energy efficiency.* Similar to Iowa's recent action, utilities should undergo a complete assessment of potential for additional energy efficiency initiatives and estimate the cost and benefits while evaluating the effectiveness of existing programs.
- *Invest in clean energy technology and infrastructure.* Energy demand is growing and electric generation fleets are aging while environmental impacts are pressuring changes to the current sources of energy. Serious commitment and investment in new technologies are needed now for base load supply, specifically nuclear and carbon capture/storage for coal generation. In addition, financing streams are needed to provide loans for the construction of new base load generation.
- *Incentivize new electrical transmission infrastructure.* An aging transmission system, rapid growth in sources of renewable energy, and a need for greater capacity are all contributing factors to the need for investment and regional coordination to expand our nation's transmission system.
- *Adopt a fair and realistic carbon-reducing approach.* Solutions to carbon issues should be economy-wide by involving all contributing industries. Carbon costs should be applied uniformly and equitably across all geographic regions and emitting industries so as not to penalize entities that have already taken steps to reduce their carbon footprint. A straight carbon tax on all sources of emissions is more equitable and transparent than a cap-and-trade system that allows outside forces to influence the market.
- *Align timetable with technology developments.* Set limits on carbon emissions, but do so in a way that softens the impact to already soaring energy costs. Any action must include a realistic timeline that focuses on technology development to reduce carbon dioxide emissions without imposing unreasonable costs to consumers and businesses.

CIPCO believes we can and must find a balanced solution to addressing climate change that provides for a strong economy and a clean environment.