

Obama's Energy Plan Will Cost Poor Hundreds of Billions To Stop 0.019 Degrees of Global Warming

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President Barack Obama's plan to fight global warming will raise energy prices and drag many low-income Americans into "energy poverty," according to a new study.

The so-called Clean Power Plan (CPP) would significantly increase the price of electricity in the U.S., and could cost the economy up to \$479 billion by 2031, according to a study by the Pacific Research Institute (PRI). The average American's electricity bill would rise by more than 10 percent as a result of climate regulations that would do nothing to address global warming.

Climate models created by the Environmental Protection Agency (EPA) and utilized by the Cato Institute show that it would only prevent an additional 0.019° Celsius of warming by the year 2100, an amount so small it cannot be detected.

"Energy poverty is already burdening too many families in the US," Dr. Wayne Winegarden, the PRI researcher who authored the study, told The Daily Caller News Foundation.

"The Clean Power Plan will significantly increase electricity costs for all families, but these costs will be more burdensome on lower income families," he said. "In some neighborhoods average annual expenditures on electricity would be 10 percent, or more, of the average families income."

The average American's electric bills have already gone up 10 percent since January, 2009, due in part to regulations imposed by Obama and government agencies.

The CPP would force states to develop plans to slash carbon dioxide (CO2) emissions produced from power plants with the goal of reducing emissions by 32 percent by 2030. The plan would probably eliminate most cheap coal power plants and replace them with much more expensive and unreliable sources like solar and wind if it survives current legal challenges. This would further increase the price of electricity, which causes the price of everything made using electricity to also spike, effectively raising the price of almost everything.

Such price increases hurt poorer people more than the rich since the poor tend to spend a higher proportion of their incomes on basic needs, like groceries, power bills, clothing, housing and gasoline than wealthier people. A 2009 study by the National Bureau of Economic

Research found green policies would increase the tax burden of the poorest households three times more than that of the richest households.

“The CPP will substantially worsen the problem of energy poverty for low income families across the country,” Winegarden said. “Families in the Southeastern part of the country will be burdened the most from the CPP.”

CPP would increase the cost of living for the poorest American families by an additional \$19 billion per year, equivalent to increasing their taxes by 166 percent, another study by the Manhattan Institute estimates. The tax increase would also raise taxes on other poor families by an extra \$25 billion, equal to a 33 percent tax increase. Living costs for the richest households would only increase by 4 percent.

Increases in the price of electricity also harm black Americans and other ethnic minorities far more than they harm the average household, according to a previous PRI study.

CPP is estimated to raise the average annual electricity bill from 2.9 percent to 3.8 percent of average household income. Minorities tend to have lower than average household income and thus spend a far higher proportion of their money on electricity and energy. PRI found the average black household in America will see its annual spending on electricity rise from 4.5 percent to 5.8 percent of income thanks to the CPP.

Lower-income black Americans will bear an even larger burden and could spend up to 26 percent of their household income on electricity.

A slew of impending and costly global warming policies will ultimately harm the world's poor, according to a growing number of academics.

Extreme global warming of 2.5 degrees Celsius by 2100 is estimated by economists to reduce the average person's buying power by a mere 1.3 percent. That's less than the average annual rate of economic growth. This means that existing environmental regulations already do more damage to the average person's buying power than the worst case global warming scenarios.

Even the Intergovernmental Panel on Climate Change assumes in its various scenarios that the people of 2100 will be between three and 20 times wealthier than people of today, despite assuming the worst possible impacts of global warming. Reducing emissions today for the benefit of people in 2100 is transferring money from the poor to the rich.