

# [***Exelon supports voluntary option for carbon emissions compliance***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5FBK-RFM1-JD3Y-Y1KB-00000-00&context=1516831)

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**Body**

-- Kathleen Barrón, Exelon (NYSE: EXC) senior vice president of federal regulatory affairs and wholesale market policy, said that well-designed carbon reduction rules can be a driving force to modernize the US's aging electric system, maximize the use of clean energy, and support economic growth.

Barron was testifying before the Federal Energy Regulatory Commission (FERC) at a technical conference to discuss EPA's proposed Clean Power Plan.

The plan does not require making a choice between greenhouse gas regulation and affordable, reliable energy, Barron said, but on existing market structures to incentivize investment in clean energy sources.

Exelon supports the call of a number of organizations for EPA to give states a way to comply with the Clean Power Plan by imposing a cost on carbon ***emissions***. Barrón called on FERC to help facilitate this compliance option.

The proposal, referred to in Exelon's testimony as the "Reliability Dispatch Safe Harbor," builds on existing, proven market mechanisms, in which grid operators dispatch power plants in order of their cost to operate. Under the Reliability Dispatch plan, EPA would determine a single, nationwide adder for carbon ***emissions*** that would result in ***emission*** reductions commensurate with the Clean Power Plan's overall goals.

Carbon-emitting power generators in states that opt into the plan would include the carbon fee as a variable cost of operating and the state would be deemed in compliance with EPA's interim target. The additional carbon value would reflect the true cost of operating high-emitting plants, resulting in more clean energy sources being dispatched to the grid based on their lower true cost. High-emitting plants would still be called on when needed in order to meet demand, ensuring that reliability is not compromised, Barrón said.

To reduce the price impacts of compliance, states could require grid operators to return the collected carbon adders to utilities and other electricity suppliers, who would refund them to consumers, effectively capping the cost of the program.

Exelon is a leading competitive energy provider. Headquartered in Chicago, it does business in 48 states, the District of Columbia and Canada. Follow Exelon on Twitter @Exelon.

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