



Press Release

The Cost of Clean Electricity Generation

ALLISON EDWARDS | JUNE 11, 2021

The Biden Administration's recent Nationally Determined Contribution (NDC) submission to the United Nations calls for all carbon emissions to be removed from electricity generation by 2035. In a new insight, AAF's Director of Energy Policy Ewelina Czapla examines a proposal, the Climate Leadership and Environmental Action for our Nation's (CLEAN) Future Act, which includes the same goal and could serve as a model for the administration's potential intentions moving forward. Czapla finds that meeting this goal would require approximately \$2 trillion of capital investment and would result in an additional \$1,075 per year cost for consumers.

An excerpt:

By approaching the administration's NDC goals with simple definitions and policy considerations from the CLEAN Future Act, it is possible to roughly estimate the cost of transitioning to "100 percent carbon pollution-free electricity" by 2035. The goal calls for approximately \$2 trillion of capital investment and annual operations and maintenance costs in addition to what is already spent in the industry to maintain existing assets. It would be necessary to increase investment in generation by 300 percent in the coming 14 years and potentially increase utility costs by \$1,075 per year by 2035.

[Read the analysis.](#)