From: demstatescaucus@googlegroups.com on behalf of Ian Walton <walton@dga.net>

Sent: Friday, May 30, 2014 11:06 AM Caucus_list_policy Caucus

Subject: FW: messaging around rates research **Attachments**: 06012014 Rates Messaging FNL.docx

Follow Up Flag: Follow up Flag Status: Flagged

All – please find attached some talking points from the CAC you might find helping related to the upcoming 111d rule announcement. Also, please make sure you RSVP by tomorrow to Gabe for the staff conference call on Sunday at 6pm ET regarding the announcement. Here is the info for it:

The White House Office of Intergovernmental Affairs would like to invite <u>your staff</u> to participate in a conference call on Sunday, June 1st at 6:00 p.m. EDT with Dan Utech, Special Assistant to the President for Energy and Climate Change, Rohan Patel, Deputy Director of Intergovernmental Affairs and EPA staff. During the call, the White House and EPA will provide a preview of the Administration's forthcoming carbon standards announcement. There will be an opportunity for discussion on the call.

Please RSVP to gamo@who.eop.gov by Saturday, May 30th at 12:00pm EDT if your Governor plans to join.

WHAT: Conference call with Democratic governors' staff

WHEN: Sunday, June 1st

6:00 p.m. EDT

CALL IN: We will provide the call-in number and passcode to confirmed staff.

This invitation is intended for GOVERNORS' STAFF. The call is closed press and not for attribution.

From: Melissa Roy [mailto:mroy@advocacy-advisors.com]

Sent: Friday, May 30, 2014 7:52 AM

To: Ricketts, Sam (GOV); CAROL Dan * GOV

Cc: Ian Walton

Subject: messaging around rates research

Hey there - enclosed please find the talking points memo based on our recent online rates research conducted by Hart Research.

I also want to make sure you saw the WaPo piece earlier this week rebutting the National Mining Association Ads claiming rate increases due to the new EPA rules. http://www.washingtonpost.com/blogs/fact-checker/wp/2014/05/23/a-bogus-claim-that-electricity-prices-will-nearly-double-because-of-clean-coal-technology/

Please contact me with any questions.

Thanks! Melissa

Undermining the Rates and Jobs Attacks on the Carbon Pollution Standard for Power Plants

The war on carbon pollution standards for power plants is engaged. Already, polluter allies like the US Chamber and National Mining Association are working to undermine the EPA's expected carbon pollution safeguards with misleading ads the <u>Washington Post awarded "4 pinocchios"</u> and a "jobs" analysis the <u>EPA called "the same tired play from the same special interest playbook."</u>

Research indicates that many voters' default belief is that electricity bills will go up. In order to overcome that reality, we must strongly and consistently sow doubts about our opponents motives when responding to any criticism of the Climate Action Plan or its components. Doing so will achieve the following:

- Undercut their credibility on projecting huge rate increases;
- Lay the foundation for contradicting their (inevitable) job loss argument;
- Prevent our most vulnerable support groups (independents, younger women, moderate Democrats) from turning against the Plan.

The key to success is a visible adversary. In this case, that adversary is power companies, though this line of messaging easily could be adapted to encompass the coal industry or any other dirty energy advocate.

The Best Response to the Job Loss Attack is Flipping it Back on the Companies.

We tested two possible responses to the inevitable attack that the Climate Action Plan will eliminate jobs in communities where power plants will close down. Of the two, the response that turns the attack back at the power companies is the most effective.

• The CEOs of these power companies have a choice: they can modernize these power plants and clean up their pollution or close them down and eliminate jobs.

The second argument informs the audience that market forces are driving the closure of plants. This argument is also effective, and is perfectly appropriate to make.

• Coal-fired power plants are closing not because of clean air protections, but because natural gas is a less expensive fuel source than coal.

Questioning the Motives of the Polluters is Effective.

Polluters will attack the Climate Action Plan and, in particular, the carbon pollution standard with claims of higher electric bills for consumers and job losses in their communities. The central concept we should counter with is that the power companies who oppose the Climate Action Plan are monopolies that are protecting their profits at the expense of consumers' health and pocketbooks.

Implicate Companies When Responding to Rates Attacks.

Messages that target companies resonate well, including:

- Big power companies are monopolies, and we can't let them take advantage of us--having pollution limits
 to protect the public health should be part of the basic services they provide, not something they can
 charge more for.
- Big power companies are using pollution limits as an excuse to raise rates—and we shouldn't let them get away with it.

- Big power companies always overestimate the cost of pollution limits. They'd rather poison the air than lose a penny in profits. They must be forced to do the right thing—and they shouldn't be able to charge us more for it.
- Power companies being against new pollution limits has nothing to do with concern for their customers and everything to do with protecting their profits.

Voters Understand the Polluters are not Looking Out for Them.

The research offered respondents to highlight in each of these statements any words or phrases that they found to be especially persuasive. These phrases resonate and should be leveraged as often as possible. These phrases communicate to voters that their own interests are not a priority – the corporation's interests are. The phrases that garner the most attention are:

- "we can't let them take advantage of us"
- "using pollution limits as an excuse to raise rates"
- "protecting their profits"

Don't Let Rates Attacks Stand Without Responding With Expected Savings From Efficiency.

Denying rate increases strains credibility with many audiences. Better to acknowledge some rate increase while countering with other cost-saving elements of the Plan, especially efficiency measures. MOST IMPORTANT POINT TO CONVEY IS THAT FOR COSUMERS THIS WILL BE A NET NEUTRAL/SAVINGS IN THEIR MONTLY BILL.

• The EPA estimates that wholesale electricity rates may start to rise in the year 2020 by 5% to 10%, depending on what state you live in. But at the same time, the plan's new energy efficiency standards for new buildings, cars, and appliances mean that consumers will not need to use as much electricity.
Because consumers will be using less electricity, their monthly bills will stay about the same or go down slightly.

Voters Do Not Believe the Plan Will Have an Impact on Grid Reliability.

Research indicates voters are more concerned about rates than reliability. In fact, those concerned about reliability are split between those who think the grid will be more reliable and those who believe the grid will be less reliable.

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