

Gulf Coast Power Association
Commissioner Donna L. Nelson
October 7, 2009

**LOOKING TO THE PAST,
PLANNING FOR THE
FUTURE**

October 2008

- A CNBC study ranked Texas as “America’s Top State for Business.”
- Texas is home to more Fortune 500 companies than any other state
- For the third year in a row, CEO Magazine named Texas the “Best State to do Business”
- In the past five years, Texas has created 1.2 million jobs
- Last year alone, Texas created half of all the jobs that were created in the US

October 2009

"Texas is a state where a dream can be put to work." - Governor Rick Perry

WISERTrade
"No. 1 Exporting State for Seven Straight Years"

ERNST & YOUNG
"No. 1 in U.S. for Attractiveness in Renewable Energy Investments"

FT
FINANCIAL TIMES
"No. 1 in 'State of U.S. Economy' Report"

CNBC
"America's No. 1 State for Economy"

TIME
"No. 1 in Projected Job Growth"

FORTUNE
"Most Fortune 500 & 1000 Corporate Headquarters"

SITE Selection
www.siteselection.com
"No. 1 for Corporate Site Selectors"

Texas leads the nation in homebuilding with more than 63,900 homebuilding permits in the last 12 months, more than California and Florida combined.
(John Burns Real Estate Consulting, July 2009)

Texas was ranked as the 2009 Best Business Climate by Business Facilities magazine.
(Business Facilities, July 2009)

Texas ranks as the No. 1 state for Projected Job Growth from 2009 to 2019.
(TIME, May 25, 2009)

For the fourth year in a row, CEOs rated Texas as the #1 state for business and job growth.
(Chief Executive Magazine, March 2009)

Two Texas metros topped the list for Corporate Facility Project Attraction in Site Selection's annual Governor's Cup competition with Houston ranked No. 1 and Dallas ranked No. 2.
(Site Selection, March 2009)

Texas is home to the top five U.S. metros in "The Healthiest Housing Markets for 2009" report. Rankings include: Houston (1), Austin (2), Fort Worth (3), San Antonio (4) and Dallas (5).
(Builder Magazine, February 2009)

Texas is the No. 1 relocation destination in the U.S. for the fourth year in a row based on Allied Van Lines' 41st Annual Magnet Report, which tracks U.S. migration patterns.
(SIRVA, Inc., January 2009)

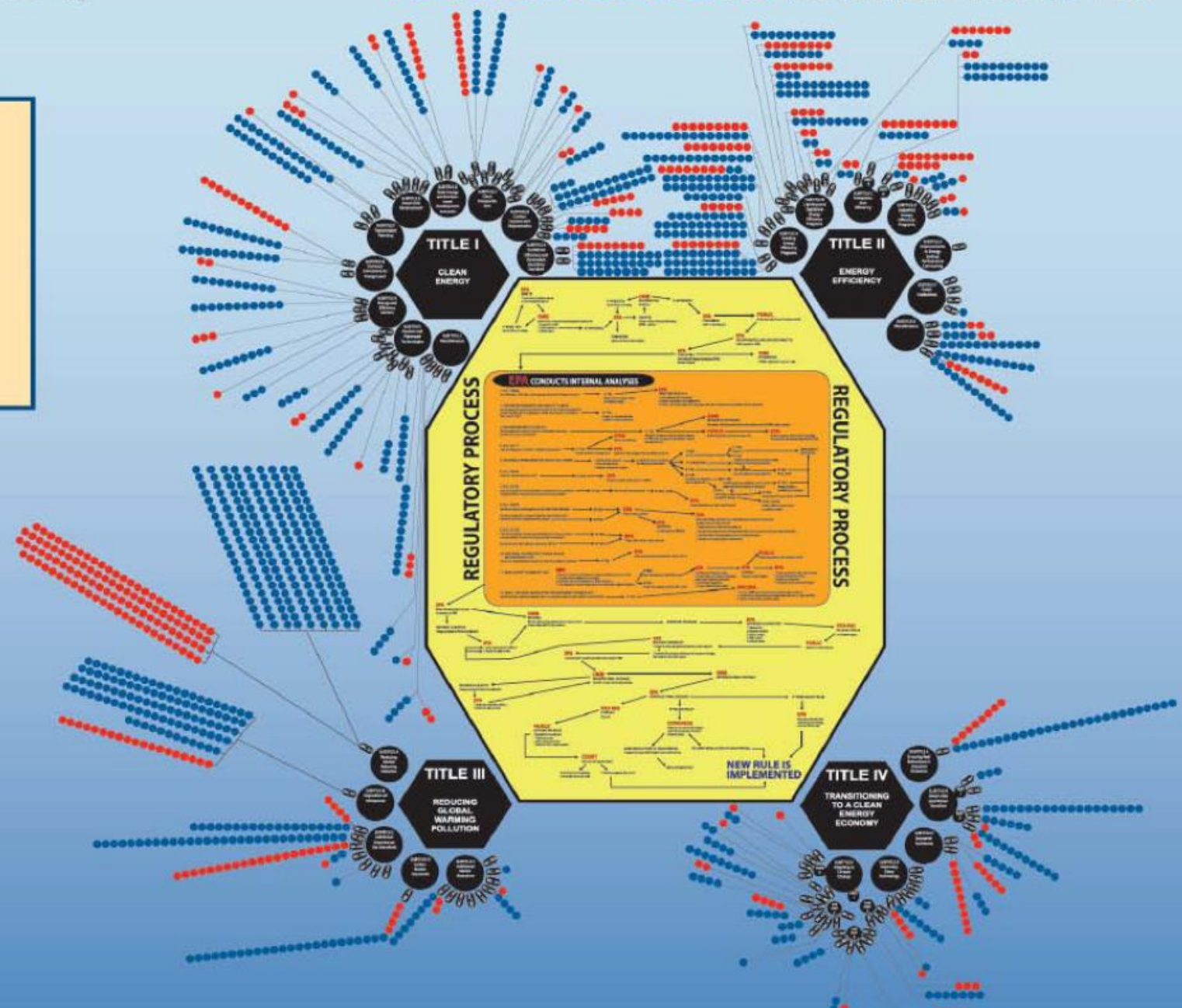
TEXAS
WIDE OPEN FOR BUSINESS

AMERICAN CLEAN ENERGY AND SECURITY ACT OF 2009 (H.R. 2454)

REGULATIONS & MANDATES

TOTAL

- 397
- 1060



Cost of Waxman-Markey

- Gasoline prices ↑58%
- Average household electric rates ↑90 percent

Cost of Waxman-Markey

From Heritage Foundation (Macro impacts 2012-2035):

- \$9.4 trillion lost GDP
- \$5.7 trillion additional taxes
- 2.5 million lost jobs
- Manufacturing: -1.4 million jobs in 2035

Cost of Waxman-Markey to Texans

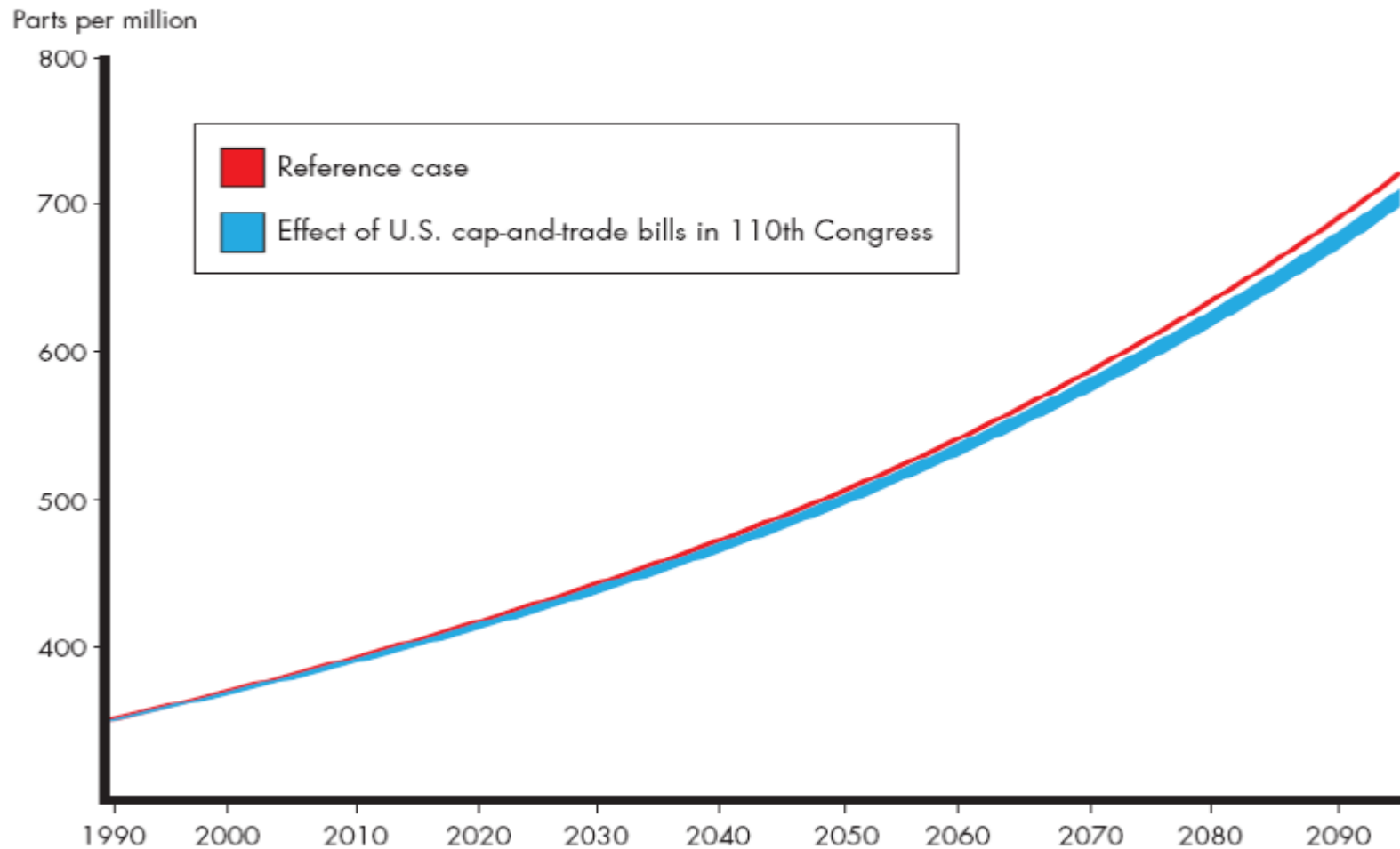
From Heritage Foundation (Macro
impacts 2012-2035):

- Lower gross state product by \$26.128 million
- Reduce personal income by \$9.187 million
- Almost 100,000 lost jobs

ACESA acknowledges job losses

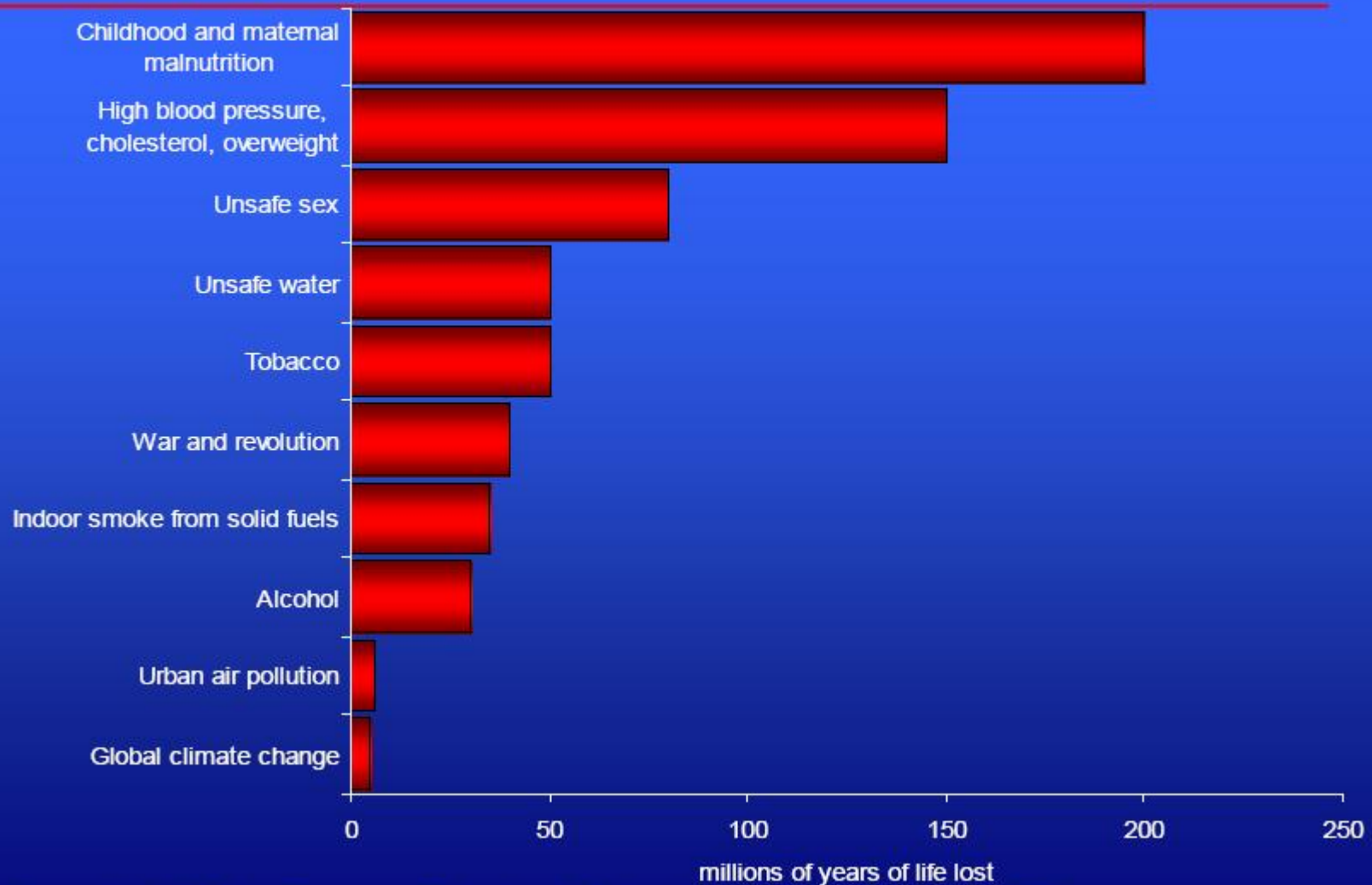
- ◎ ***Includes new program: “Climate Change Worker Adjustment Assistance” :***
 - 3 years of unemployment pay;
 - 80 percent of health care premiums;
 - \$1,500 to look for a new job and another \$1,500 to relocate for a new job;
 - “Additional employment services” like skills assessment, job counseling, and training.
- ◎ **The bill provides no support for those who are forced to close their small businesses.**

Global CO2 Concentrations: Carbon emissions are projected to rise over the next several decades



Source: American Council for Capital Formation, Dr. Margo Thorning

Contributors to Global Mortality in 2000: Putting Climate Change in Perspective

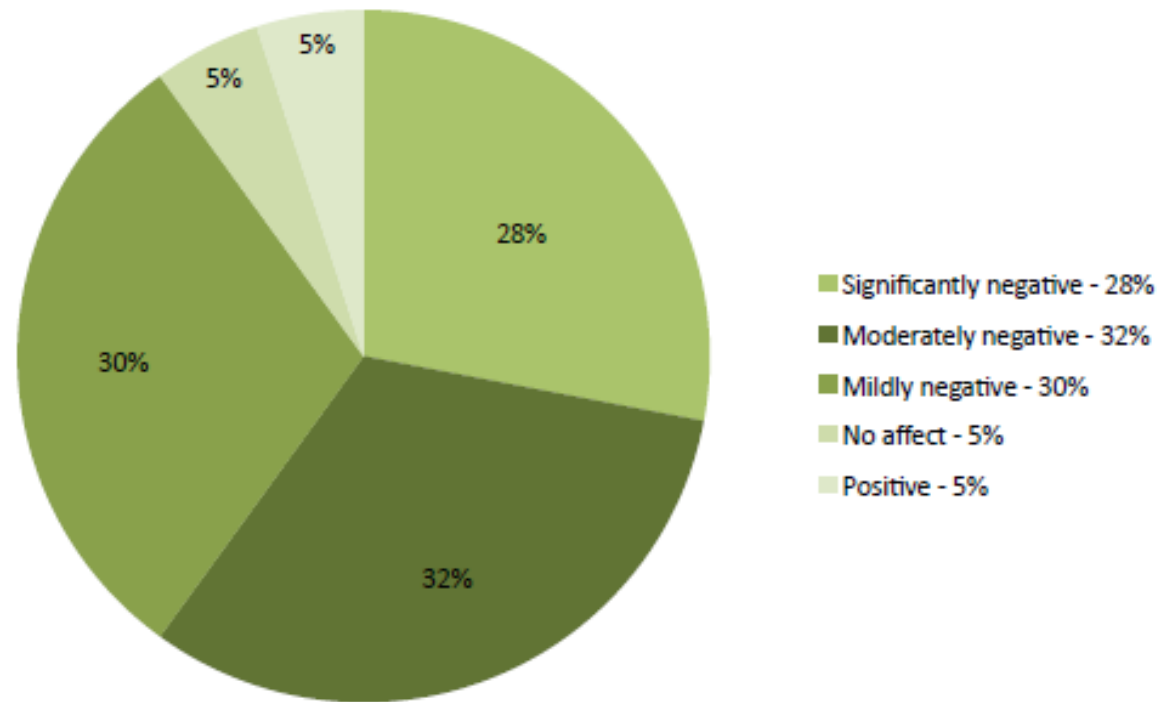


Source: John P. Holdren, "Science and Technology for Sustainable Well-Being," Science, May 2009.

Source: American Council for Capital Formation, Dr. Margo Thorning

How Energy Prices Affect Small Business

1. What has been the affect on your business of rising and/or volatile energy prices?



Source: National Small Business Association, 2009 Energy Survey of Small Business