The recent Environmental Protection Agency rule to reduce carbon dioxide pollution will be good for business.

CO2 is the main driver of climate change, but unlike other air pollutants such as smog, mercury, arsenic and soot, CO2 has not been regulated. Coal-fired power plants produce 40 percent of the CO2 pollution in the United States. No industry has been given as much free rein to pollute our air in our country’s history. Now, thankfully, reasonable action has been taken.

Here are four reasons why the EPA power plant rules make sense and will be good for business:

1. **Will keep energy costs low.** Under the rule states can have a diversity of cost-effective options that can motivate innovation. Various scientific reports find that the EPA power plant rules could generate $35 billion in savings by 2020, saving businesses and customers money while also creating 275,000 jobs from solar installers, roofers, carpenters and others. Since 2009, the solar industry has increased tenfold.

Many states are uniquely positioned to achieve EPA’s proposed reductions. TVA, since 2005, has essentially already met the standard with reductions of carbon dioxide at approximately 30 percent primarily by coal plant closures. Colorado and Wisconsin are in a similar position. Several industry and scientific studies of major electrical grid systems, which collectively supply some 60 percent of the power to the United States, show that renewable energy provides systemwide cost savings to the tune of tens of billions of dollars each year.

2. **Will hasten transition to clean energy.** There is a natural attrition of the closure of existing electric coal plants and, according to Citigroup, new electrical generation by 2020 in the U.S. could come from renewable energy sources if recent price trends continue. The new EPA rules will level the playing field and encourage more investment in clean energy. Many states and large companies are finding renewable energy to be the cheapest option for electrical generation and investing in these renewables primarily because they are cost-effective sources of energy.

3. **Businesses are already paying the price from climate change.** More extreme weather and disorderly weather patterns such as precipitation, heat waves and drought are disrupting the supply systems and ability to produce timely goods and services. Transportation systems are compromised by flooding to roads, rivers and coastal infrastructure.
Nashville’s 2010 flood came within 2 inches of knocking out the last water treatment plant and shutting down the city’s water supply. Due to these events, insurance costs have risen across the business board. Crop yields have become less predictable and more price volatile.

Businesses are increasingly making the connection between carbon and climate disruption, recognizing the risks and understanding that reducing CO2 is essential for business operation. With 160-plus countries and 97 percent of climate scientists in agreement, it is clear that people and CO2 are the main cause of climate change and its resulting disruption. The recent National Climate Assessment clearly details the far-reaching consequences that climate change poses to our health and natural resources.

4. Business asserts itself as a world leader. This administration’s CO2 reductions announcement sends a clear message to the world that we are serious about the climate threat. These standards lay the foundation for climate action and stabilization for generations to come. Well-funded climate deniers will continue to sow the seeds of doubt, but in truth these rules are reasonable and long overdue. These rules simply make sense for our planet, our future and our business.

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