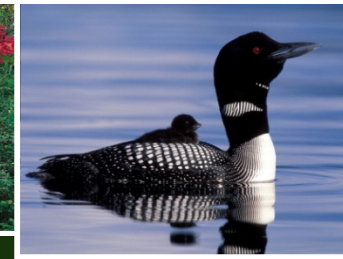




Energy

Environment

CAIR AND THE FUTURE



NACAA Fall Membership Meeting
October 21, 2008
Sam Napolitano, US EPA

Human Health

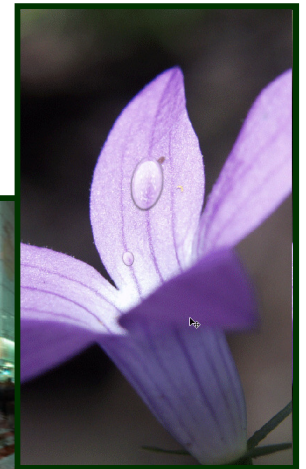
EPA's Direct Response to July 11, 2008 CAIR Court Decision

- Support short-term legislative fix.
- File rehearing request of Court case filed September 24.
- Prepare to reinstate NO_x SIP Call's NO_x Budget Trading Program (NBP).
- Consider host of air program adjustments.



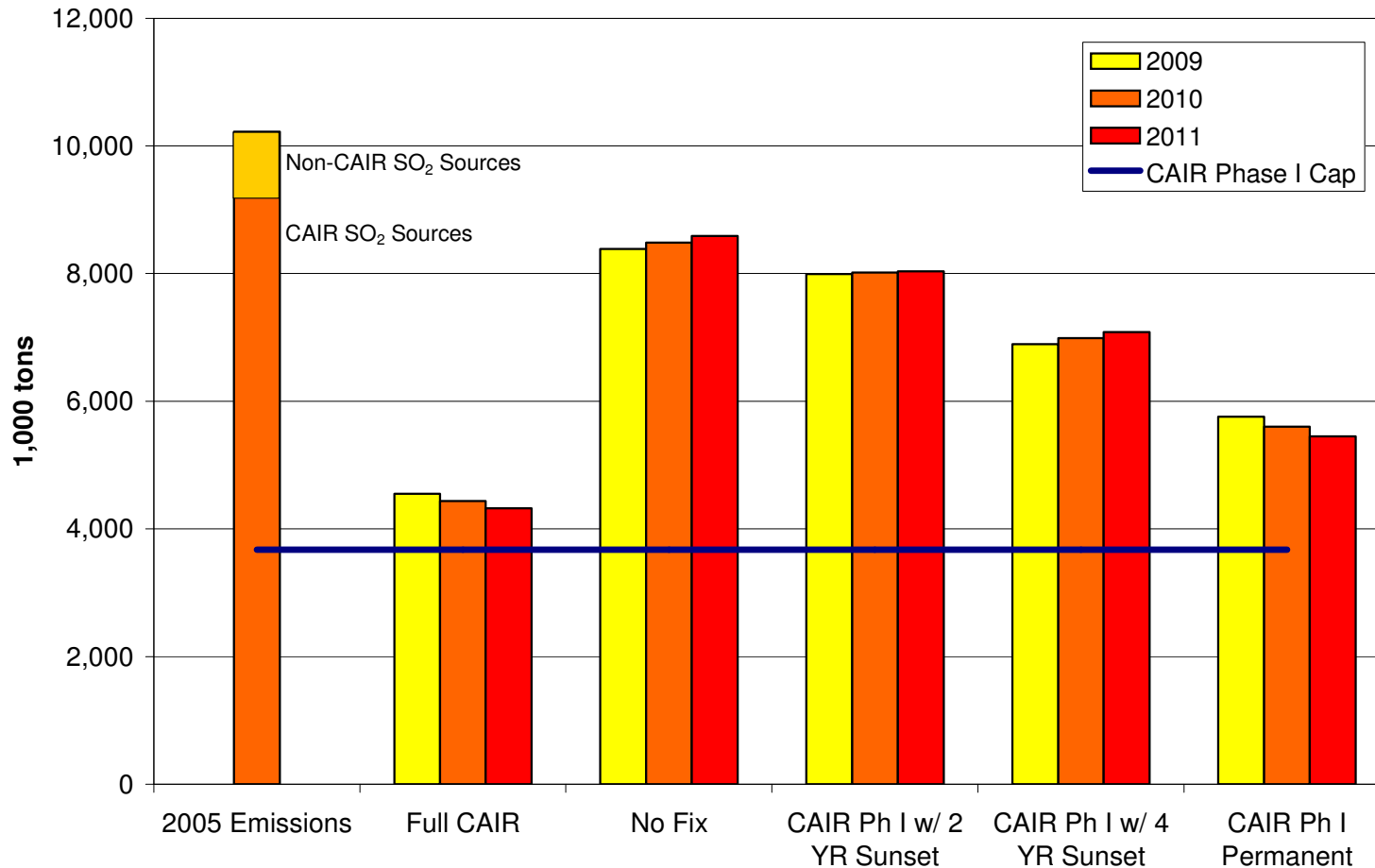
Further Considerations

- **How we can support Congressional action on multi-pollutant legislation in the next session.**
- **Regulatory action if Court does, or does not issue mandate. Critically important for EPA to work with States now.**



SO₂ Emissions from the Power Sector in the Short-term (2009-2011)*

Potential Annual SO₂ Emissions under Various Quick Fix Options in 2009-2011 for the CAIR Region*

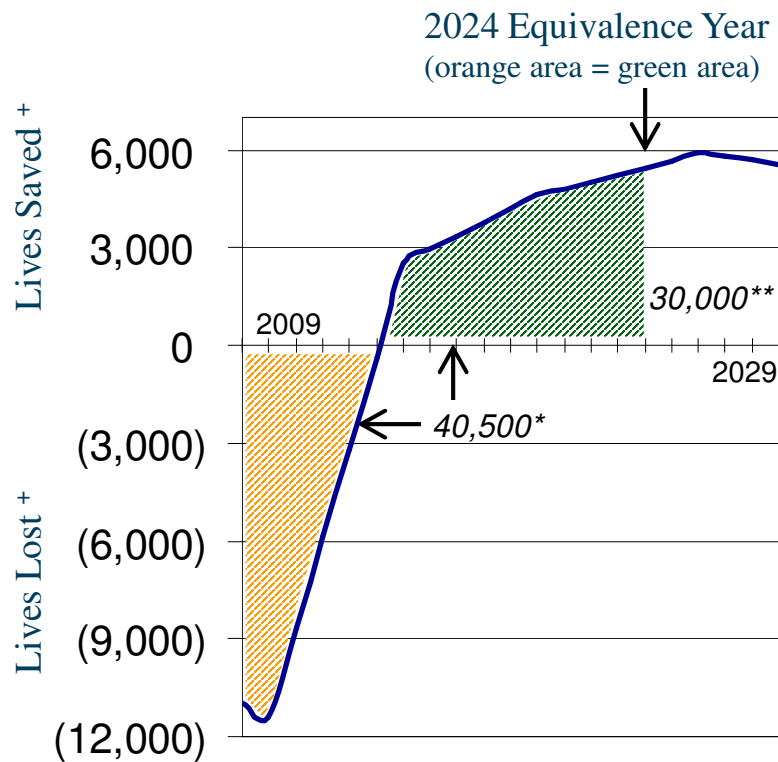


•This chart does not factor in independent actions from States or industry to provide added controls without other direct federal requirements. Clean Air Act requirements could result in new control measures to attain the NAAQS for PM_{2.5} and ozone.

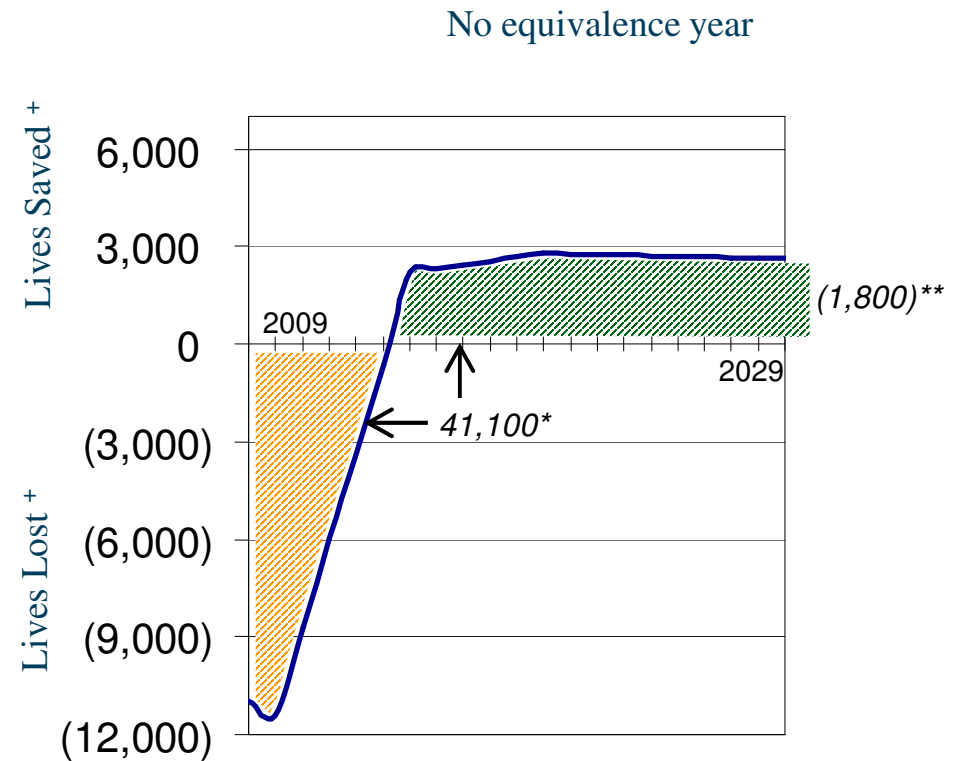
Source: EPA initial analysis of options for CAIR “quick fix”, August 2008.

No CAIR Fix; New SO₂ Emission Caps in 2013 or 2015

No CAIR Quick Fix / SO₂ 2013/2017

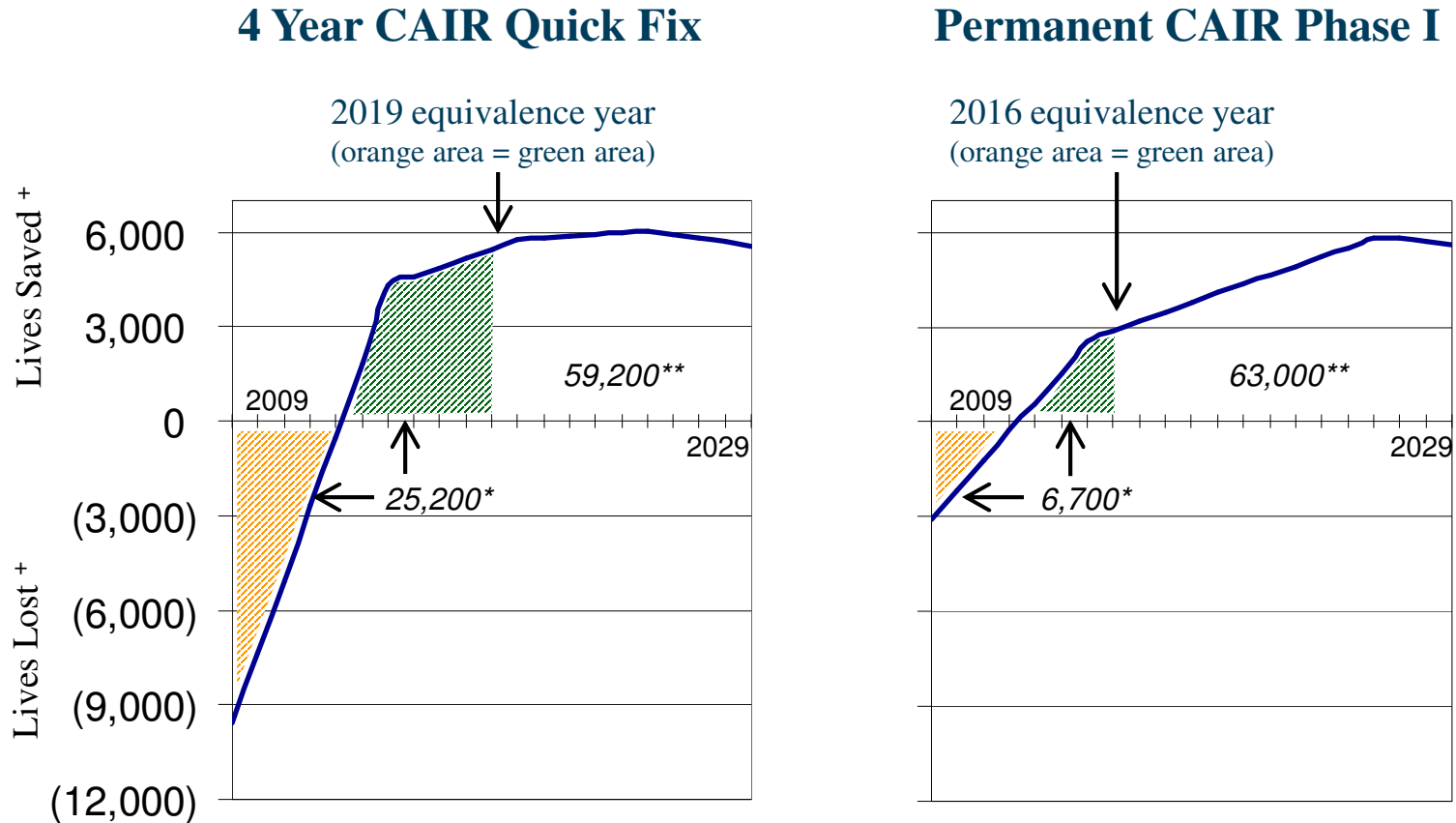


No CAIR Quick Fix / SO₂ 2015/2019



* Equivalence Benefits – Lives lost without full CAIR equal lives saved due to new SO₂ legislation
 ** Added Benefits – Net lives saved due to new SO₂ legislation
 † Lives – The term lives is used as shorthand meaning incidences of premature mortality avoided (a lost life is actually a lost incidence of premature mortality avoided)

Quick Fixes w New SO₂ Emissions Caps in 2013 and 2017



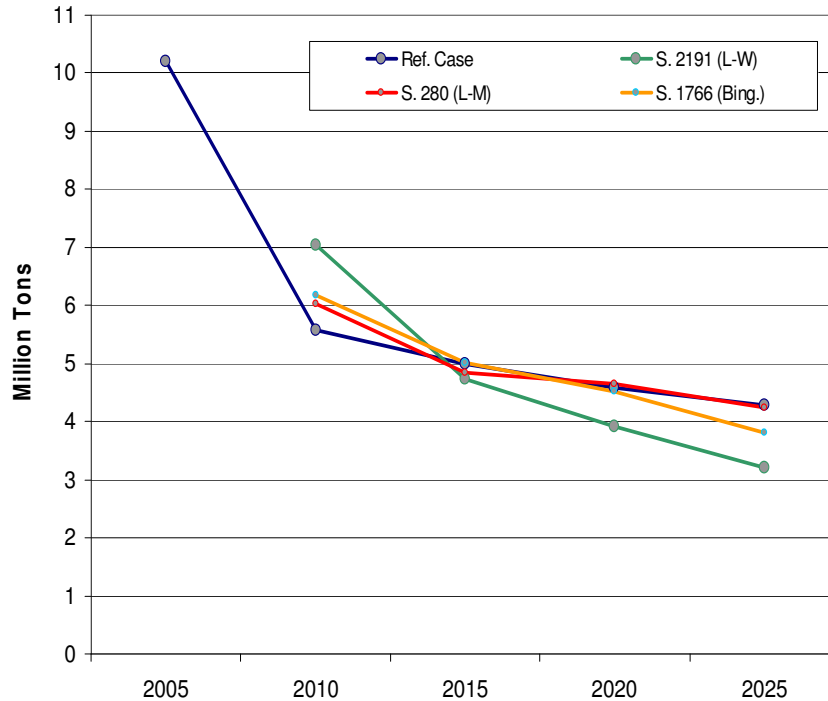
* Equivalence Benefits – Lives lost without full CAIR equal lives saved due to new SO₂ legislation

** Added Benefits – Net lives saved due to new SO₂ legislation

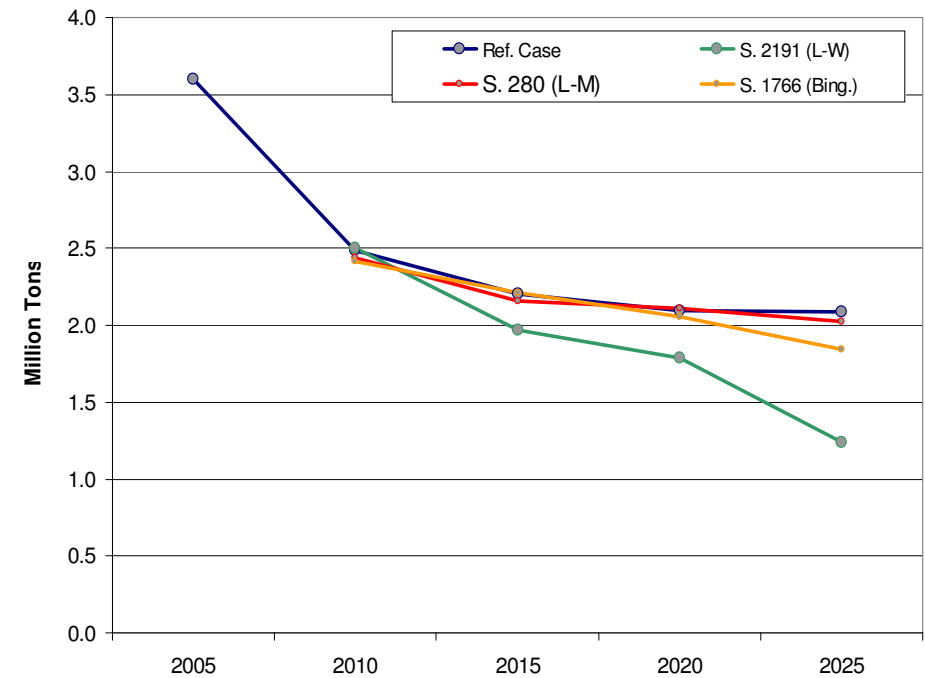
+ Lives – The term lives is used as shorthand meaning incidences of premature mortality avoided
(a lost life is actually a lost incidence of premature mortality avoided)

Projected SO₂ and NO_x Emissions under CAIR/CAVR and Alternative Climate Legislation

Nationwide SO₂ Emissions



Nationwide NO_x Emissions

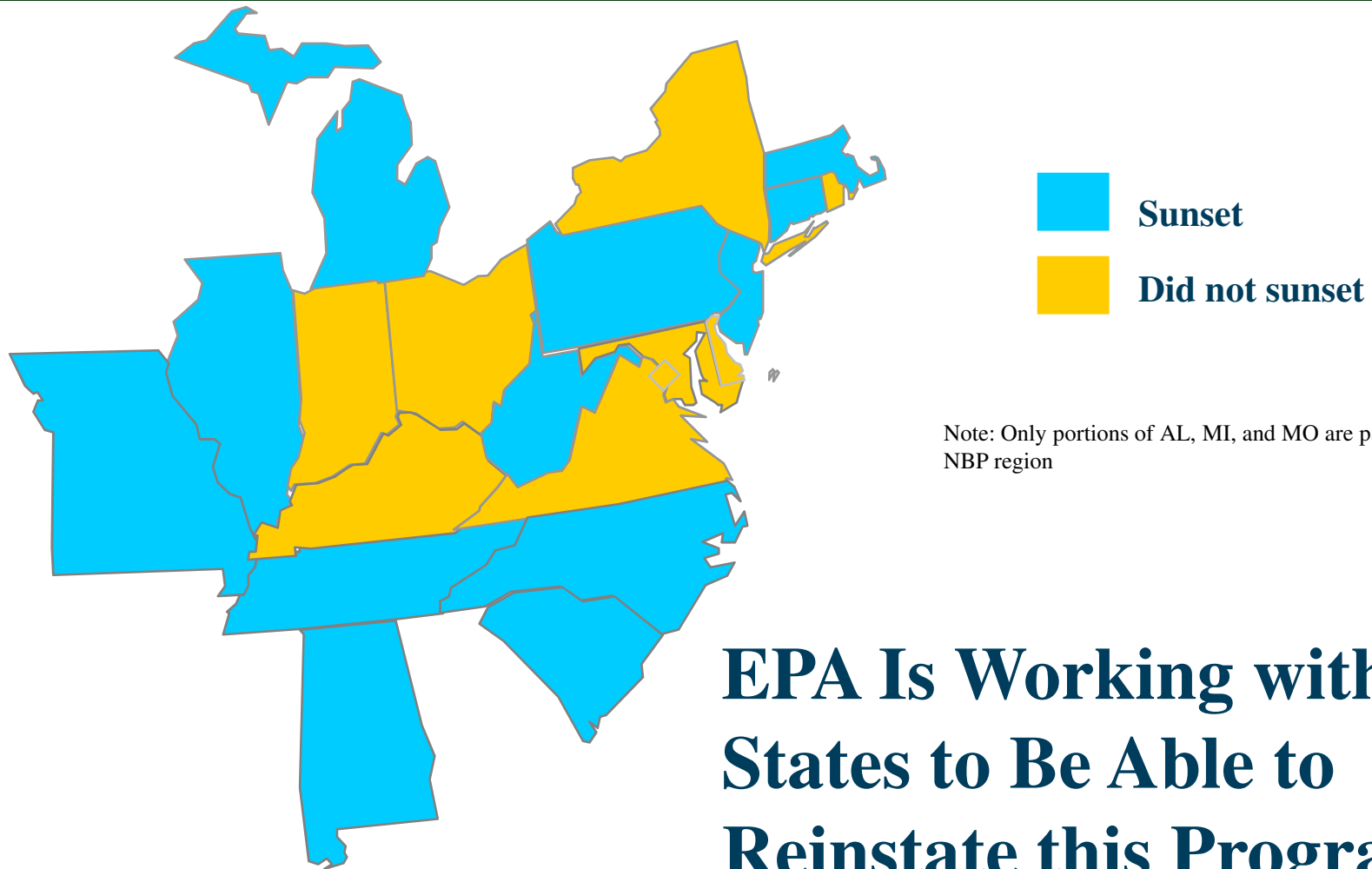


Note: Reference case is CAIR/CAVR. S.2191 is Lieberman-Warner bill, S.280 is Lieberman-McCain bill, and S.1766 is Bingaman bill. Emissions generally reflect sources covered by the Acid Rain Program and CAIR, which includes emissions from sources greater than 25 MW in capacity.

Source: EPA 2008 analyses of climate legislation.

- **When pursuing air emissions reductions from the power sector, its important to recognize the role mandatory green house gas reductions in the US could have.**

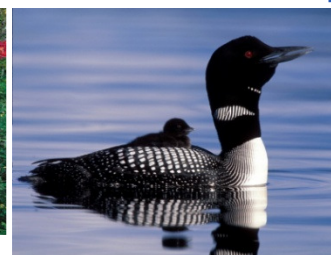
Status of NO_x SIP Call Program



EPA Is Working with States to Be Able to Reinstate this Program for 2009 Ozone Season.

Where We Are

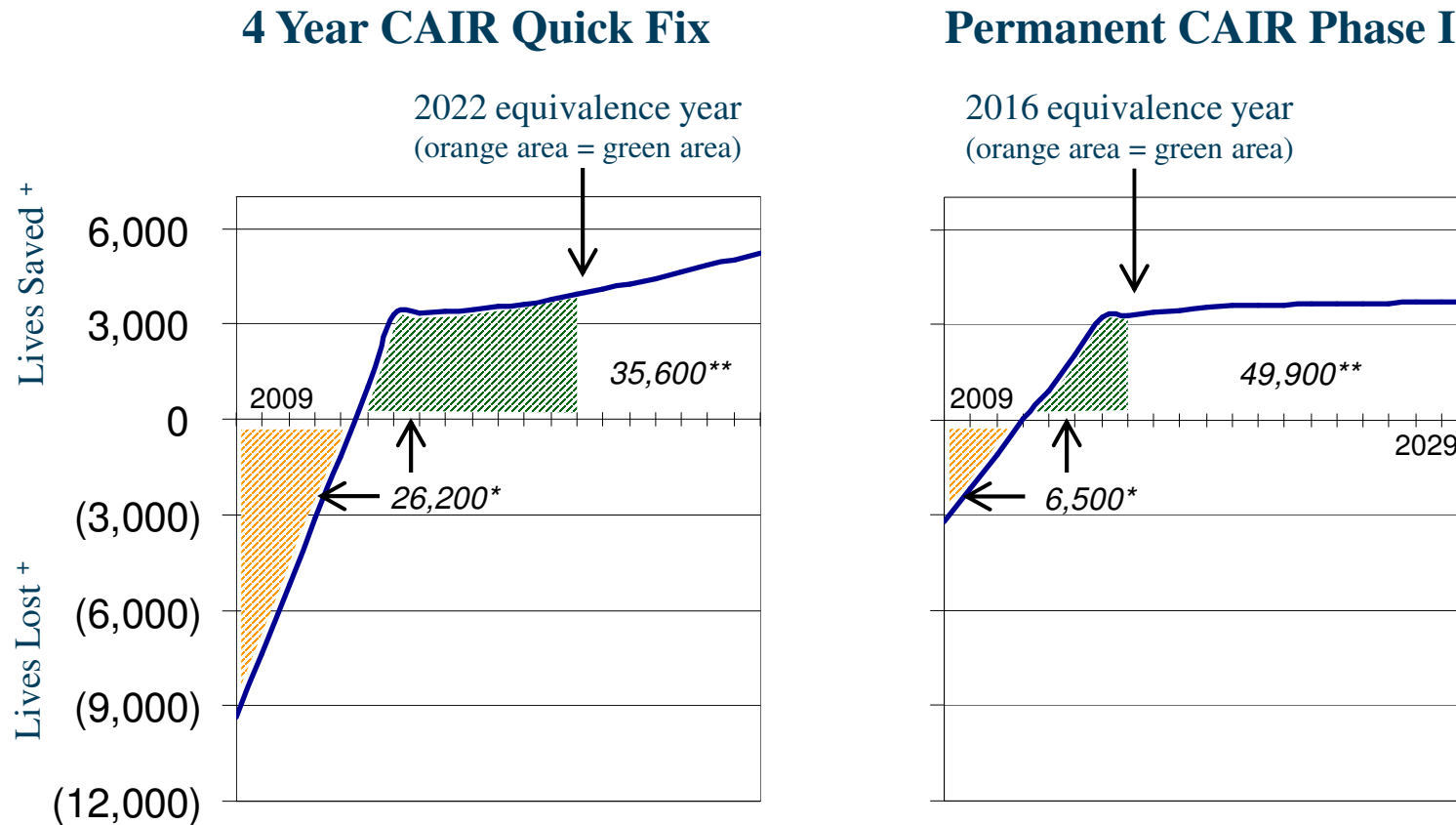
- **Await Court's response to rehearing petition.**
- **Await Congressional action.**
- **Recognize health and environmental benefits of new rulemaking, whether in response to CAIR Court decision or new legislation, could take 5-7 years to be realized.**
- **Remain committed to work with states to reduce air emissions and achieve health and environmental goals of CAA.**



APPENDIX

Annual Incidences of Lives Lost/Saved Relative to Full CAIR

Quick Fixes New SO₂ Emissions Caps in 2015 and 2019

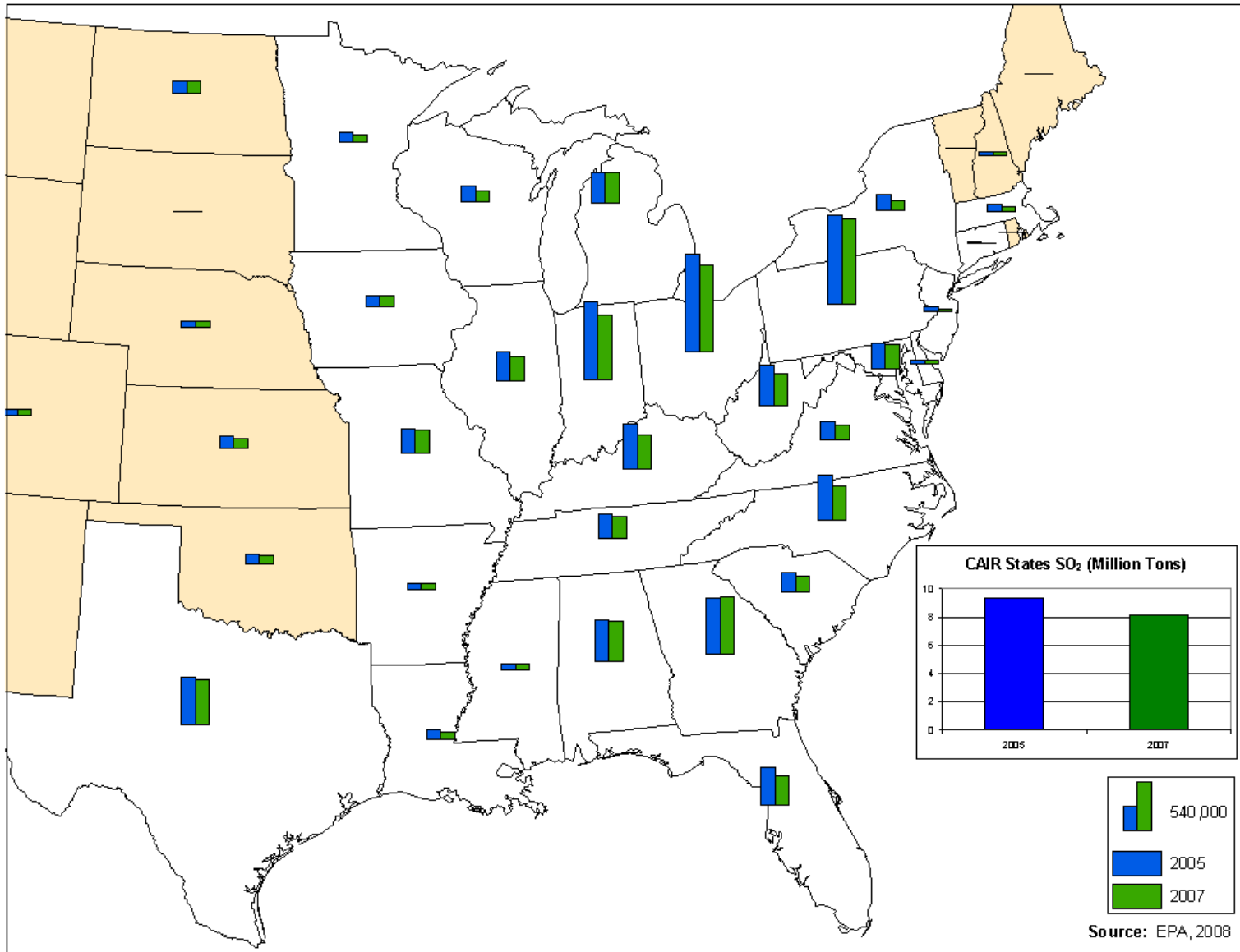


* Equivalence Benefits – Lives lost without full CAIR equal lives saved due to new SO₂ legislation

** Added Benefits – Net lives saved due to new SO₂ legislation

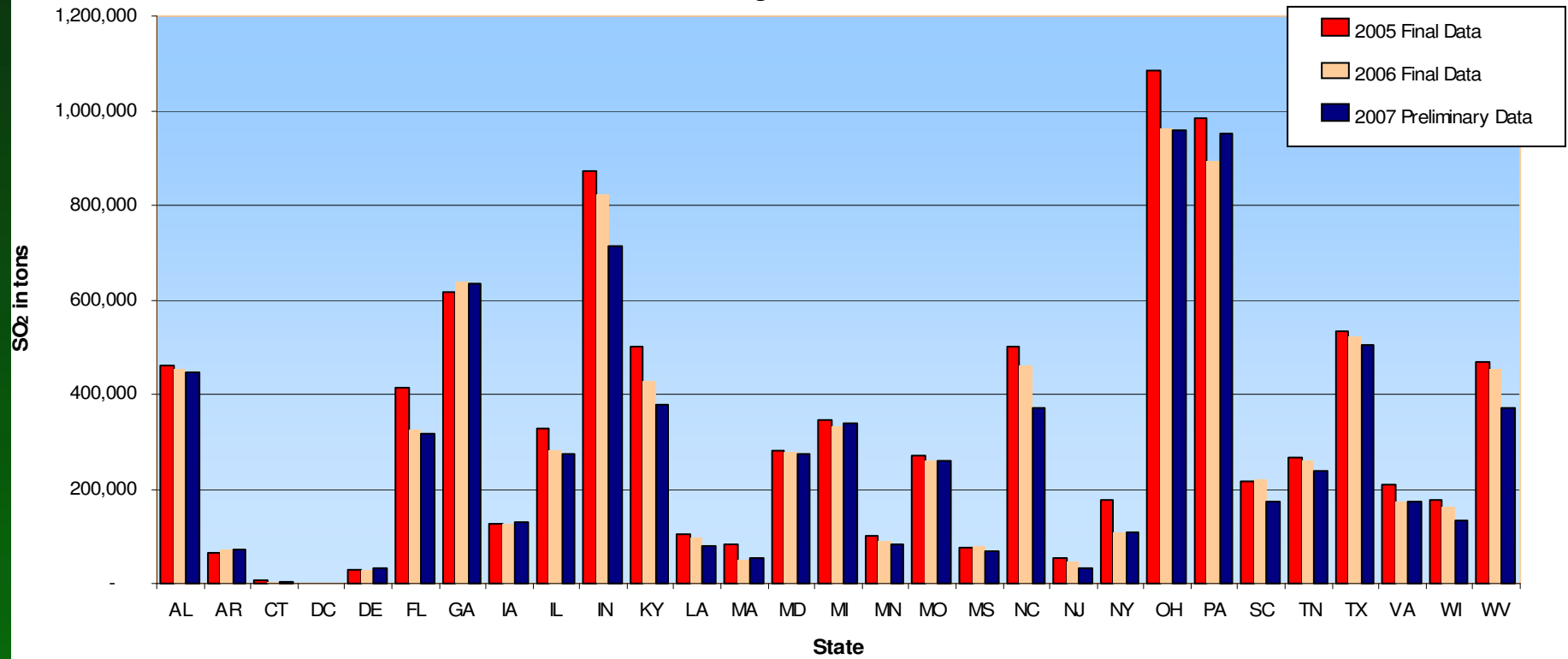
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CAIR SO₂ Reductions 2005-2007



CAIR EGU SO₂ Reductions by State

**Annual Sulfur Dioxide(SO₂) Emissions
under the Acid Rain Program in CAIR States for 2005-2007**



CAIR EGU NO_x Reductions by State

