

Clean Air Act Section 111

National Association of Clean Air Agencies
Fall Membership Meeting

September 25, 2013

U.S. Environmental Protection Agency
Office of Air and Radiation



The President's Climate Action Plan

- ▶ Calls on the federal government to work with states, cities, industries, consumers and the international community to address one of the greatest challenges of our time
- ▶ Reinforces the federal commitment to:
 - ▶ Cut harmful pollution
 - ▶ Protect our country from the impacts of climate change
 - ▶ Lead an international effort to address a changing climate



Reducing Carbon Pollution from Power Plants

The President's Directive to EPA:

- ▶ Set flexible carbon pollution standards, regulations or guidelines, as appropriate, for power plants under section 111 of the Clean Air Act
- ▶ Engage with stakeholders to design a program for existing power plants
 - ▶ States
 - ▶ Leaders in the power sector
 - ▶ Labor leaders
 - ▶ Non-governmental organizations
 - ▶ Tribal officials
 - ▶ Members of the public



Clean Air Act Section 111

- ▶ Authorized in 1970
- ▶ Establishes a mechanism for controlling air pollution from stationary sources
 - ▶ Applies to sources for which the Administrator, in her judgment, finds “causes, or contributes significantly to, air pollution which may reasonably be anticipated to endanger public health or welfare”
 - ▶ Can apply to new, existing, modified and reconstructed sources
- ▶ More than 70 stationary source categories and subcategories are currently regulated under section 111
 - ▶ A full list of sources regulated under section 111 can be found in 40 CFR Part 60



EPA's Task: Using the Clean Air Act Authority

1. Issue carbon pollution standards for new power plants

- ▶ Proposal issued on September 20, 2013
 - Informed by the more than 2.5 million comments received on the April 2012 proposal
 - Reflects recent developments and trends in the power sector

2. Issue carbon pollution standards for modified and reconstructed power plants

- Proposal: June 2014
- Final: June 2015
- ▶ Will follow the agency's open and transparent review process, including public comment and a public hearing



EPA's Task Using the Clean Air Act Authority

3. Issue carbon pollution guidelines for existing power plants

- ▶ Issue federal guidelines for the states
 - ▶ Work in partnership with states
 - ▶ States will develop plans that set standards for existing sources
 - ▶ States use EPA guidelines as a reference
- ▶ Federal guidelines should build on states' leadership and experience with programs that reduce GHGs
- ▶ Will follow the agency's open and transparent review process, including public comment and a public hearing



Clean Air Act Section 111(d)

- ▶ Opportunity to build emissions controls into a source's design is greater for new sources than for existing sources
- ▶ President directed EPA to collaborate with diverse group of stakeholders to set flexible carbon pollution guidelines for existing power plants
 - ▶ Set through a federal-state partnership that includes federal guidelines and state plans
- ▶ Focus on these elements to design the guidelines
 - ▶ Stakeholder engagement on program design
 - ▶ Flexibilities in the program design
 - ▶ Costs
 - ▶ Continued importance of relying on a range of energy sources
 - ▶ Other regulations that affect the power sector
- ▶ Guidelines for currently operating sources are expected to be different from, and less stringent than, the standards the agency is proposing for future plants.



Next Steps: Actions and Timing

▶ Per the President's Directive

- ▶ EPA will issue proposed carbon pollution standards, regulations, or guidelines, as appropriate, for modified, reconstructed and existing power plants
 - By no later than June 1, 2014
- ▶ EPA will issue final standards, regulations or guidelines, as appropriate
 - By no later than June 1, 2015
- ▶ EPA will include in the guidelines addressing existing power plants a requirement that states submit to EPA the implementation plans
 - By no later than June 30, 2016



Ongoing Engagement

- ▶ Continue discussions
 - ▶ Within States - Connect with your stakeholders and state colleagues, especially energy regulators and energy offices
 - ▶ With EPA – Share your insights on important design considerations
 - Participate in meetings hosted by EPA Regions
 - To initiate separate meetings with EPA, contact Lora Strine strine.lora@epa.gov
 - Submit written design suggestions to carbonpollutioninput@epa.gov



Discussion Questions

- 1. What is your experience with programs that reduce CO₂ emissions in the electric power sector?**
- 2. How should EPA set the performance standard for state plans?**
- 3. What requirements should state plans meet, and what flexibility should be provided to states in developing their plans?**
- 4. What can EPA do to facilitate state plan development and implementation?**

