# Clean Power Plan Proposal Update

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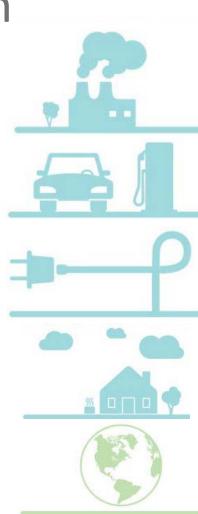
October 29, 2014 Associate Director, Sector Policies and Programs Division Office of Air Quality Planning and Standards Office of Air and Radiation U.S. Environmental Protection Agency





EPA Mitigation Actions Under President Obama's Plan

- Reducing carbon emissions from power plants
- Building a 21<sup>st</sup> century transportation sector
- Cutting energy waste in homes, businesses, and factories
- Reducing methane and HFCs
- Leading international efforts to address global climate change





## Clean Power Plan Summary

- EPA's proposed Clean Power Plan looks across our whole power sector to take important steps to boost our economy, protect our health and environment, and fight climate change.
  - By 2030, reduce nationwide carbon dioxide (CO<sub>2</sub>) emissions, from the power sector by approximately 30% from 2005 levels
  - Maintain an affordable, reliable energy system
  - Cut hundreds of thousands of tons of harmful particle pollution, sulfur dioxide and nitrogen oxides as a co-benefit
  - Provide important health protections to the most vulnerable, such as children and older Americans
  - Lead to health and climate benefits worth an estimated \$55 billion to \$93 billion in 2030
  - From soot and smog reductions alone, for every dollar invested through the Clean Power Plan American families will see up to \$7 in health benefits



## Keys to state planning and flexibility

#### **1.** State-specific numeric rate

The numeric goal puts states in charge of choosing costeffective strategies that reflect their particular circumstances and policy objectives. <u>States are not limited to measures EPA</u> used to set state goals.

- 2. States get to decide which mechanisms to use States can consider a broad range of regulatory and design options that would lead to emission reductions at power plants. States can collaborate and develop plans on a multistate basis.
- **3. 10- to 15-year time frame gives states flexibility** This much time provides opportunities to integrate state plans with existing power sector planning processes, tap into investments already under way to upgrade aging infrastructure, and explore innovative mechanisms to meet goals.



### Outreach

- Met with more than 300 groups before proposal and more than 300 groups since June 2014
- More than 1.4 million comments already received
- Webinars, conference calls and meetings with all 50 states, tribes and other stakeholders
- A week of public hearings in 4 cities total of 1,322 speakers presented testimony at the hearings, and an additional 1,450 people attended.
- Outreach to communities with environmental justice concerns continuing, including later this week with a day-long training workshop



## Notice of Data Availability (NODA)

- Issued on October 28, 2014
- Purpose:
  - Describe and seek comment on several ideas raised by multiple stakeholders that may go beyond those for which the agency sought comment in the June 18, 2014 proposal
  - Bring these ideas to the attention of other stakeholders and the public so that they have the opportunity to consider these ideas as they are formulating their comments on the proposal



## Notice of Data Availability

- Topics:
  - Glide path of emission reductions from 2020 to 2029
  - Certain aspects of the building block methodology
    - Stringency of building block 2
    - Methodology for building block 3 and how building block
      3 targets relate to compliance options
  - The way the state-specific CO<sub>2</sub> goals are calculated
    - Goal-setting equation
    - Alternatives to the 2012 data year
- Comment Period: December 1, 2014



Clean Power Plan Supplemental Proposal for Indian Country and Territories

- Issued on October 28, 2014
- Purpose:
  - Proposing Best System of Emission Reduction (BSER) and setting goals for certain areas where we had limited information in June 2014
  - For Indian country, proposing goals for each of the three areas of Indian country with affected EGUs:
    - Lands of the Navajo Nation, Ute Tribe of the Uintah and Ouray Reservation, and Fort Mojave Tribe
  - For territories, proposing goals for Puerto Rico and Guam only
- Topics:
  - Proposing that BSER is the same as for states
  - Proposing same methodology as for states to determine goals; applying four building blocks to 2012 data
    - Note that for building block 3 there are no renewable energy (RE) targets for Indian country and territories using the method proposed for states because 2012 non-hydropower RE generation for those areas is zero
    - We are taking comment on an adjustment to the proposed methodology, which results in a positive amount of RE for building block 3
- Comment period: December 19, 2014



#### Implementation Plan Guidelines for Indian Country and Territories

- Areas of Indian country with affected EGUs:
  - Tribes can choose to seek the authority to develop a plan, but are not required to do so
  - Pursuant to Tribal Authority Rule, EPA must promulgate such federal plan provisions as are necessary or appropriate if a tribe does not seek and obtain the authority to submit a plan
  - We are not proposing a determination regarding any tribe's eligibility to develop a plan or whether a federal plan is necessary or appropriate

#### • Territories:

- Proposing the same guidelines and timing for implementation plans as proposed for states
- Areas without affected EGUs (e.g., other tribal areas, Vermont, D.C., Canada):
  - Taking comment in proposal on allowing state or multi-jurisdictional plans to include energy efficiency, RE and new units located in areas without affected EGUs



#### www.epa.gov/cleanpowerplan

#### Thank you!

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