

Office of Air Quality Planning and Standards

Integration of Energy Efficiency/Renewable Energy and Air Quality

Clean Air Act Advisory Committee November 17, 2011





Contents

- Draft roadmap on incorporating energy efficiency/renewable energy policies (EE/RE) and programs into State and Tribal Implementation Plans (SIPs/TIPs)
- Overview of the soon to be re-issued (and re-named) Ozone Flex Guidance
- Overview of efforts to quantify impacts of EE/RE policies and programs



Roadmap Introduction

- Historically, past EPA guidance has yielded few examples of EE/RE integration in SIPs
 - Variety of reasons
- OAR priority to provide a range of tools and information to assist agencies with incorporating EE/RE into SIPs/TIPs
- ► Foremost is the:
 - "Roadmap for Incorporating Energy Efficiency/Renewable Energy Policies and Programs into State Implementation Plans/Tribal Implementation Plans"

Reasons to Take Advantage of EE/RE Policies and Programs in Air Plans

- From 2006 to 2010, states increased their investments in electric EE programs significantly, committing over \$4 billion of ratepayer resources
- As of 2009, 30 states and DC had adopted renewable portfolio standards
- Greater need for emissions reductions to meet NAAQS
- More transparent and rigorous information available about the impacts of EE/RE



Purpose of the Roadmap

- Overcome past obstacles and issues by:
 - Clarifying existing EPA EE/RE guidance
 - Providing additional information on needed SIPs/TIPs documentation
 - Providing streamlined approaches and options
 - Addressing questions and issues state, tribal, and local agencies should consider



What's in the Roadmap

- Step-by-step flowchart to guide pathway selection around several key questions
- Detailed background and other information on:
 - Existing EPA EE/RE related SIP guidance
 - ▶ U.S. electric system
 - EE/RE policies and programs in the states
 - EE/RE emissions quantification approaches
 - Case examples of where EE/RE has been incorporated in SIPs

What's in the Roadmap

- Detailed information on documentation needed for four pathways available for EE/RE in SIPs/TIPs:
 - Baseline emissions projection pathway
 - SIP/TIP control strategy
 - Emerging/voluntary measures
 - Weight of evidence determination



Moving Forward - Next Steps

- Issuing next version of manual in January
 - Revised based on comments
 - Document is living and will be updated in the future as needed
 - Directed at agencies preparing SIPs/TIPs
- Will encourage states to use EE/RE manual as EPA re-issues a new version of the Ozone Flex Guidance



Why Should Areas be Interested in Reducing Ozone in the Near Term

- Provides cleaner air and public health protection sooner
- Responds to state/local government concerns about how to stay out of nonattainment
- ► For the 2008, 75 ppb ozone standard:
 - Make progress in areas close to the standard
- For any future revised ozone standard after the 2014 review:
 - Could better position some areas to avoid a future nonattainment designation
 - If eventually designated, could result in a lower classification
- Program framework, technical, and other assistance
- Early stakeholder group formation and involvement



Updating the Existing Program

► Eligibility:

- Attainment areas, including areas violating
- Maintenance areas
- Streamline program elements:
 - Letters of intent and commitment but no MOU unless area wants one
 - No periodic reporting
 - Encourage inclusion of information on emissions inventories and modeling



Updating the Existing Program

- Delete contingency measure requirements
- Include discussion of attainment and RFP baseline calculations and how to factor in early reductions



EE/RE Manual – Ozone Flex Connection

- Implement EE/RE (and other) measures in the near term to reduce emissions to help areas remain in attainment
- Manual will direct Flex areas to relevant portions of the manual (e.g., quantification methods)
- Will provide list of EE/RE policies and programs for Flex areas to consider



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