

**FACT SHEET**  
**CARBON POLLUTION STANDARDS FOR FOSSIL FUEL-FIRED POWER PLANTS**  
**FINAL RULE**  
**STATE PLANS**

*On April 25, 2024, the U.S. Environmental Protection Agency (EPA) announced final carbon pollution standards for existing coal-fired and new gas-fired power plants that will secure important climate benefits and protect public health. These rules will significantly reduce greenhouse gas (GHG) emissions from existing coal-fired power plants and from new natural gas turbines, ensuring that all long-term coal-fired plants and base load new gas-fired plants control 90% of their carbon pollution. Existing coal-fired power plants are the largest source of GHGs from the power sector. New natural gas-fired combustion turbines are some of the largest new sources of GHG being built today and these final standards will ensure that they are constructed to minimize their GHG emissions.*

*Consistent with EPA’s traditional approach to establishing pollution standards under the Clean Air Act, the final limits and emission guidelines are based on proven pollution control technologies that can be applied directly to power plants and can achieve substantial reductions in carbon pollution at reasonable cost. Emission guidelines for the longest-running existing coal units and performance standards for new base load combustion turbines are based on the use of carbon capture and sequestration/storage (CCS) – an available and cost-effective control technology that can be applied directly to power plants.*

**State Plans for Existing Fossil-Fuel Fired Steam Generating Units**

- Under section 111(d) of the Clean Air Act, states must submit plans to EPA that provide for the establishment, implementation, and enforcement of standards of performance for existing sources. EPA determines the degree of emission limitation and compliance dates for existing sources in the emission guidelines and state plans must generally establish standards and schedules that are at least as stringent as EPA’s determinations. However, in certain cases states may provide variances for individual existing sources based on a unit’s remaining useful life and other factors (RULOF).
- Affected EGUs that meet the applicability requirements of the final rule must be addressed in the state plan. For each affected EGU, the state plan must include a standard of performance, measures for the implementation and enforcement of that standard, a compliance schedule, and the applicable increments of progress. If the unit plans to permanently cease operations and is relying on a commitment to do so for purposes of determining its compliance obligations under the state plan, that commitment must also be included in the state plan.
- EPA’s general implementing regulations for emission guidelines under CAA section 111(d) (at 40 CFR part 60 subpart Ba: Adoption and Submittal of State Plans for Designated Facilities, also referred to as “subpart Ba”) apply for state plans under these emission guidelines, except in the few circumstances in which EPA has expressly superseded them.
- Eligible tribes may, but are not required to, seek approval to develop and implement a plan under CAA section 111(d) for designated facilities within their borders in a manner similar to a state.

- Additional details about state plans and the state plan development process include the following.

#### State Plan Submission Deadline

- EPA is requiring that states submit plans to EPA within 24 months after publication of the final emissions guidelines.

#### Meaningful Engagement

- EPA’s general implementing regulations for emission guidelines under CAA section 111(d) (also referred to as “subpart Ba”) were finalized in November 2023 and apply to these emission guidelines. Subpart Ba includes provisions for meaningful engagement with pertinent stakeholders.
- The general implementing regulations for CAA section 111(d) in subpart Ba require states to submit, with each state plan and plan revision, documentation that they have conducted meaningful engagement with pertinent stakeholders and/or their representative in the plan (or plan revision) development process. This includes (1) a list of pertinent stakeholders as identified by the state, (2) a summary of the engagement conducted, (3) a summary of stakeholder input received, and (4) a description of how stakeholder input was considered in the development of the plan or plan revisions. Pertinent stakeholders may include, but are not limited to, communities, including those disproportionately burdened by pollution and climate change impacts as well the energy communities and workers who have powered our nation for generations; industry; reliability coordinators; and small businesses.
- Meaningful engagement procedural requirements are intended to help ensure that the perspectives, priorities and concerns of affected communities are considered in the process of establishing and implementing standards of performance for existing EGUs, including decisions about compliance strategies and compliance flexibilities that may be included in a state plan.
- President Biden’s Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization has identified [investments](#) from the Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA) that provide a once-in-a-generation opportunity to transform energy communities by investing in infrastructure, deploying new technologies that can help clean up the electric power sector, supporting energy workers and spurring long-term economic revitalization.

#### Compliance Dates for Sources

- There are two different compliance dates under the emission guidelines, reflecting the varying degrees of stringency and the time needed to plan for installation of controls.
- EPA is finalizing a compliance date of January 1, 2032, for the long-term coal-fired subcategory. The Agency is finalizing a compliance date of January 1, 2030, for units in the medium-term coal-fired subcategory as well as for natural gas- and oil-fired steam

generating units. Units that plan to permanently cease operation before January 1, 2032, are exempt from the emission guidelines.

- For affected EGUs in the medium-term subcategory, states must include sources' plans to cease operating before January 1, 2039, as enforceable commitments in their plans.
- Compliance must be demonstrated annually. For units with a compliance date of January 1, 2030, the first compliance period will be January 1, 2030, through December 31, 2030. For units with a compliance date of January 1, 2032, the first compliance period will be January 1, 2032, through December 31, 2032. Sources that retire before January 1, 2032 are not subject to the emissions guidelines.

#### Compliance Date Extension Mechanism

- EPA received extensive comment requesting a mechanism for states to extend the compliance date for affected EGUs installing a control technology to address situations in which the owner or operator of the affected EGU encounters a delay outside of their control. Commenters noted that an extension mechanism could provide greater regulatory certainty for owners and operators of affected EGUs.
- In response, EPA is including provisions that allow states to include a mechanism to extend the compliance date for certain affected EGUs. This mechanism is only available for sources that are installing controls and in situations in which an affected EGU encounters a delay in implementation of a control technology due to factors outside its control, where it would be unable to achieve compliance by the date specified in the emission guidelines but is working toward compliance.
- States have the option of providing a compliance date extension of up to 1 year where an affected EGU has demonstrated such an extension is needed for installation of controls.
- The affected EGU must provide documentation of the circumstances that precipitated the delay (or the anticipated delay) and demonstrate that those circumstances were or are entirely beyond the control of owner or operator. These situations may include, but are not limited to, permitting-related delays or delays in delivery or construction of parts necessary for implementation of the control technology.

#### Presumptive Standards of Performance

- For each subcategory, EPA has determined a BSER and degree of emission limitation and is providing a corresponding methodology for establishing presumptively approvable standards of performance. Consistent with the emission guidelines' focus on at-the-source controls that result in cleaner operation, the presumptive standards of performance are rate-based emission limitations (*i.e.*, limitations on the amount of a regulated pollutant that can be emitted per unit of output, per unit of energy or material input, or per unit of time).
- The standards of performance that states establish in their plans must generally be no less stringent than EPA's presumptive standards.
- A state plan will need to identify each affected EGU in the state and specify into which subcategory each affected EGU falls. The state would then use the corresponding

methodology for the given subcategory to establish the presumptively approvable standard of performance for each affected EGU.

- Using the methodology provided by EPA to establish presumptively approvable standards of performance will provide certainty for states, as well as transparency and a streamlined process for state plan development.
- The methodology for establishing baseline emission performance is identical for each affected EGU in a given subcategory but will result in a value that is unique to each affected EGU.
- Standards of performance must be established as either a rate or, in certain circumstances, a mass of emissions. EPA is providing safeguards to ensure that all standards of performance, whether the presumptive standard or those demonstrated using compliance flexibilities (see below), achieve equivalent emission reductions and provide for the cleaner operation of affected EGUs.
- States also have the authority to apply standards of performance that are more stringent than EPA's presumptive standards of performance.

#### Remaining Useful Life and Other Factors (RULOF)

- In general, the standards of performance that states establish must be no less stringent than the presumptively approvable standards of performance in the emission guidelines. However, under certain circumstances, EPA's implementing regulations for section 111(d) of the Clean Air Act allow states to provide variances for individual EGUs based on remaining useful life and other factors.
- The use of RULOF is applied in limited circumstances at particular facilities that the EPA did not consider in the emission guidelines, where those fundamental differences between the circumstances of a particular facility and the information the EPA considered make it unreasonable for the facility to achieve the applicable presumptive standard of performance or meet the compliance schedule in the emission guidelines.

#### Increments of Progress and Reporting Milestones

- The final rule includes increments of progress (IoPs) for affected EGUs in the long- and medium-term coal-fired subcategories and reporting requirements for affected EGUs that plan to permanently cease operations and are relying on a commitment to do so for purposes of determining their compliance obligations.
- These IoPs will serve as clear, transparent, and enforceable implementation checkpoints between state plan submittal and the compliance. Likewise, reporting obligations promote transparency, which will in turn aid in timely compliance assurance.

#### Publicly Accessible Websites

- Each state plan must require owners and operators of affected EGUs to establish publicly accessible websites to which all reporting and recordkeeping information for each affected EGU subject to the state plan will be posted. Although this information will also be required to be submitted directly to EPA and the relevant state regulatory authority, EPA is

interested in ensuring that the information is made accessible in a timely manner to all stakeholders.

### Compliance Flexibilities

- States may, but are not required to, include compliance flexibilities, such as emission trading, averaging, and unit-specific mass-based compliance, in their state plans.
- EPA believes that the use of compliance flexibilities, within the parameters specified in the emission guidelines, can create an incentive for overperformance and may also provide some additional operational flexibility to states and affected EGUs in achieving the required level of emission reduction.
- The parameters that EPA is specifying are designed to ensure that any use of compliance flexibilities in state plans maintains the level of emission reduction of EPA's BSER determination:
  - Specifically, affected EGUs in the medium- and long-term coal-fired subcategories may participate in compliance flexibilities.
  - In addition, EPA is requiring the use of a backstop emission limitation, or backstop rate, in conjunction with mass-based compliance approaches (i.e., for both unit-specific mass-based compliance and mass-based emission trading).
  - If a state chooses to incorporate compliance flexibilities into their state plans, the state must demonstrate that the plan achieves a level of emission reduction equivalent to each source individually achieving their rate-based standard of performance. The state must also document and justify any assumptions underlying the calculation of the aggregate standard of performance, mass limit, or mass budget.

### **For More Information**

- Interested parties can download a copy of the final rule from [Greenhouse Gas Standards and Guidelines for Fossil Fuel-Fired Power Plants](#)