#### Clean Air Act Section 111 National Association of State Energy Officials

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# 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

#### 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
- Focus on these elements when developing the standards
  - Stakeholder engagement on program design
    - > States
    - Leaders in the power sector
    - Labor leaders
    - Non-governmental organizations
    - Tribal officials
    - Members of the public
  - Flexibilities in the program design
    - Market-based instruments, performance standards, others
  - Costs
    - > Tailor regulations and guidelines to reduce costs
  - Continued importance of relying on a range of energy sources
  - Other regulations that affect the power sector

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## 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
- Technology-based regulations
- 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

- 1. Using the Clean Air Act authority, issue carbon pollution standards for new power plants
  - New proposal by September 20, 2013
  - Proposal is currently under interagency review
    - Informed by the more than 2.5 million comments received on the April 2012 proposal
    - Will reflect recent developments and trends in the power sector
  - Will follow the agency's open and transparent review process, including public comment and a public hearing



- 2. Using the Clean Air Act authority, issue carbon pollution standards for modified and reconstructed power plants
  - Will follow the agency's open and transparent regulatory process
    - Proposal: June 2014
    - Final: June 2015



# 3. Using the Clean Air Act authority, 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 regulatory process to develop guidelines and review state plans
  - Proposed guidelines: June 2014
  - Final guidelines: June 2015
  - State plans due: June 2016



## 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