US ERA ARCHIVE DOCUMENT





EPA Workshop for Environmental Justice Communities
November 4 - 5, 2015



### **State Plans**



#### Clean Power Plan Timeline

Summer 2015

• August 3, 2015 - Final Clean Power Plan

1 Year

 September 6, 2016 – States make initial submittal with extension request or submit Final Plan

3 Years

 September 6, 2018 - States with extensions submit Final Plan

7 Years

• January 1, 2022 - Compliance period begins

15 Years

January 1, 2030 - CO<sub>2</sub> Emission Goals met



#### **Two State Plans Designs**

States are able to choose one of two state plan types:

**Emission Standards Plan** – state places federally enforceable emission standards on affected electric generating units (EGUs) that fully meet the emission guidelines

- can be designed to meet the CO<sub>2</sub> emission performance rates or state goal (rate-based or mass-based goal)

**State Measures Plan** - state includes, at least in part, measures implemented by the state that are not included as federally enforceable emission standards

- must achieve the state CO<sub>2</sub> mass-based goal for emissions from the affected EGUs
- includes federally enforceable measures as a backstop



#### **State Plan Development**

- Many states are discussing plans that would enable them to collaborate with other states, including multi-state plans or linking plans through common administrative provisions (i.e. "trading ready")
- In the CPP, EPA is finalizing state plan designs that suit state needs
  - o Pathways for existing programs to reduce carbon emissions, individual state plans and multi-state trading approaches
- EPA is proposing model trading programs a state may implement, or
   EPA would implement as a federal plan
  - o Invites comment on mass and rate based model trading programs for EGUs
  - o Invites comment on idea that all types of state plans can participate in trading



#### Two Broad Categories of State Plans

Mass-based

Rate-based



#### Many CO<sub>2</sub> Reduction Opportunities

- Heat rate improvements
- Fuel switching to a lower carbon content fuel
- Integration of renewable energy into EGU operations
- Combined heat and power
- Qualified biomass co-firing and repowering
- Renewable energy (new & capacity uprates)
  - Wind, solar, hydro
- Nuclear generation (new & capacity uprates)
- Demand-side energy efficiency programs and policies
- Demand-side management measures
- Electricity transmission and distribution improvements
- Carbon capture and utilization for existing sources
- Carbon capture and sequestration for existing sources



#### **CPP: Plan Implementation Timeline**

Submittals	Dates
State Plan OR initial submittal with extension request	September 6, 2016
Progress Update, for states with extensions	September 6, 2017
State Plan, for states with extensions	September 6, 2018
Milestone (Status) Report	July 1, 2021

Interim and Final Goal Periods <sup>1</sup>	Reporting
Interim goal performance period (2022-2029) <sup>2</sup>	
- Interim Step 1 Period (2022-2024) <sup>3</sup>	July 1, 2025
- Interim Step 2 Period (2025-2027) <sup>4</sup>	July 1, 2028
- Interim Step 3 Period (2028-2029) <sup>5</sup>	July 1, 2030
Interim Goal (2022-2029) <sup>6</sup>	July 1, 2030
Final Goal (2030)	July 1, 2032 and every 2 years beyond

<sup>&</sup>lt;sup>1</sup> State may choose to award early action credits (ERCs) or allowances in 2020-2021, and the EPA may provide matching ERCs or allowances, through the Clean Energy Incentive Program. See section VIII.B of the final rule preamble for more information.

<sup>2</sup> The performance rates are phased in over the 2022-2029 interim period, which leads to a glide path of reductions that "steps down" over time. States may elect to set their own milestones for Interim Step periods 1, 2, and 3 as long as they meet the interim and final goals articulated in the emission guidelines.

<sup>&</sup>lt;sup>345</sup> State required to compare EGU emission levels with the interim steps set forth in the state's plan. For 2022-2024, state must demonstrate it has met its interim step 1 period milestone, on average, over the three years of the period. For 2025-2027, state must demonstrate it has met its interim step 2 period milestone, on average, over the three years of the period. For 2028-2029, state must demonstrate it has met its interim step 3 period milestone, on average, over the two years of the period. See section VIII.B of the final rule preamble for more information.

<sup>&</sup>lt;sup>6</sup> State required to compare EGU emission levels with the interim goal set forth in the state's plan. For 2022-2029, state must demonstrate it has met its interim goal, on average, over the eight years of the period.



#### **Information and Resources**

How can I learn more?

After two years of unprecedented outreach, the EPA remains committed to engaging with all stakeholders as states implement the final Clean Power Plan

- For more information and to access a copy of the rule, visit the Clean Power Plan website: http://www2.epa.gov/carbon-pollution-standards
- Through graphics and interactive maps, the **Story Map** presents key information about the final Clean Power Plan. See: http://www2.epa.gov/cleanpowerplan
- For community-specific information and engagement opportunities, see the **Community** Portal:
- For additional resources to help states develop plans, visit the CPP Toolbox for States: http://www2.epa.gov/cleanpowerplantoolbox
- For a graphical and detailed walk through of the EGU category-specific CO<sub>2</sub> emission performance rate and state goals, see State Goal Visualizer: http://www2.epa.gov/cleanpowerplantoolbox
- EPA provides webinars and training on CPP related topics at the air pollution control learning website.
  See: <a href="http://www.apti-learn.net/lms/cpp/plan/">http://www.apti-learn.net/lms/cpp/plan/</a>



# EPA Region 6 State Plan Progress



#### Region 6 States CPP Websites

- Several Region 6 States have websites on the CPP
  - AR:
    - https://www.adeq.state.ar.us/air/planning/cpp/
    - https://www.adeq.state.ar.us/air/planning/cpp/materi als.aspx
  - NM:
    - https://www.env.nm.gov/aqb/CPP.htm
  - OK:
    - http://www.deq.state.ok.us/aqdnew/RulesAndPlanning/cleanpower111d/index.htm



New Mexic Environmen	o nt Departm	ent	(50:	5) 827-2855 MAII	N // 1-800-219- Environmental	
Water Waste H	ealth & Safety	Cleanups	Permits & Licenses	Services &	Assistance	More
Air Quality Bur	eau	NIMED Home	Air Quality Bureau >			
10.2200						
AQB Home		NMED Home > E	All Quality Buleau			
AQB Home My Air	~	MMED Home > E	an Quality Bureau			
	· ·	NMED HOME > E	air Quality Bulledu			72-13
My Air	· · · · · · · · · · · · · · · · · · ·		Power Pla	n		Tr.
My Air Permitting		Clean	Power Pla			72-73 C7-1-
My Air Permitting Compliance and Enforcement	~	Clean				Tre-78
My Air Permitting Compliance and Enforcement Planning	× ×	Clean Under Section On August	Power Pla on 111(d) of the Clea	an Air Act		
My Air Permitting Compliance and Enforcement Planning Monitoring	× ×	Under Section Under Section On August regulate carbon of EPA promulgated Quality Bureau s	Power Pla on 111(d) of the Clea 3, 2015, the U.S. EPA releadioxide (CO2) emissions fror d the final rule after consider taff are currently reviewing	sed the final Clea n existing fossil f ing millions of st the rule and acco	uel-fired electric akeholder comm mpanying techn	generators. ents. NMED Air ical support
My Air Permitting Compliance and Enforcement Planning Monitoring Public Notices	× ×	Under Section  Under Section  On August regulate carbon of EPA promulgated Quality Bureau sidocuments in ord	Power Pla on 111(d) of the Clea 3, 2015, the U.S. EPA releadioxide (CO2) emissions from the final rule after consider	an Air Act sed the final Clea n existing fossil f ing millions of st: the rule and acco	uel-fired electric akeholder comm mpanying techn ach in the comin	generators. ents. NMED Air ical support



Skip to Main Content

Oklahoma Department of Environmental Quality

RULES & REGULATIONS

PUBLICATIONS & FORMS | PROGRAMS

air quality • water quality • land protection • state environmental laboratory services • environmental complaints & local services



Clean Power 111(d) Plan



Air Quality Index

No Ozone or PM Watch In Effect

Air Quality Home

Rules & Planning Home

Air Rules

Multimedia

What's New

**Forms** 

Education

Clean Diesel/Funding

Contact AQD

AQD Site Index

#### Federal Clean Power Plan & Oklahoma's §111(d) Plan

The Air Quality Division, in cooperation with the Oklahoma Secretary of Energy & Environment and the Oklahoma Corporation Commission, is working to involve the public, state electrical utilities, and other stakeholders during the development process under EPA's Clean Power Plan.

#### What Greenhouse Gas Standards has EPA Proposed?

For New Power Plants: On January 8, 2014, the U.S. EPA published proposed New Source Performance Standards (NSPS) under §111(b) of the Clean Air Act (CAA) for new fossil-fuel fired power plants (i.e., units constructed after the proposal date), which would set carbon pollution limits for individual units in terms of pounds of Carbon Dioxide per megawatt-hour or lbs CO<sub>2</sub>/MWh. (79 FR 1429) The comment period for this proposal closed on May 9, 2014. [Note that EPA also withdrew their previous (March 2012) NSPS proposal.] EPA is evaluating the comments received, and has indicated that the NSPS will be finalized in early 2015. DEQ submitted comments on the proposal on May 9, 2014.

For Existing Power Plants: On June 2, 2014, EPA proposed emissions guidelines under CAA §111(d) to reduce carbon pollution (also in terms of lbs CO<sub>2</sub>/MWh) from existing power plants. (79 FR 34728) The comment period for this proposal closed on December 1, 2014. EPA has indicated that it will evaluate the comments received, and finalize a rule in June 2015. DEQ submitted comments on the proposal on

Clean Power 111(d) Plan

Regional Haze Planning

Advisory Sign-Up



#### **Region 6 CPP Team**

- Rob Lawrence: Team leader
  - (214) 665-6580, <u>lawrence.rob@epa.gov</u>
- Kathleen Aisling: AR, LA, and TX
  - (214) 665-6404, <u>aisling.Kathleen@epa.gov</u>
- Clovis Steib: NM and OK
  - (214) 665-7566, <u>steib.clovis@epa.gov</u>



# State Engagement Example Minnesota Pollution Control Agency

#### MPCA Clean Power Plan Meetings: 2015

- Stakeholder "Kickoff" Meeting February 20<sup>th</sup> to explore state's objectives in developing a 111(d) plan.
- Webinar March 12<sup>th</sup> on Rate vs. Mass
- Meeting March 18<sup>th</sup> on Policy Pathways
- Webinar April 15<sup>th</sup> with Midcontinent Independent System Operator (MISO)
- Meeting April 29<sup>th</sup> on Trading Ready Approaches



#### MPCA Clean Power Plan Meetings: 2015

- Webinar May 18<sup>th</sup> on Tracking
- Meeting June 26<sup>th</sup> on Differentiating Rates and Allocating Allowances
- Meeting July 17<sup>th</sup> on Interactions with Wholesale Markets
- Webinar September 17<sup>th</sup> Reviewing Final Model Rule and Model Rules
- Meeting October 8<sup>th</sup> gathering reactions to the final CPP and proposed model rules

Kuskie, Melissa (MPCA) < Melissa.Kuskie@state.mn.us



#### State Rulemaking: Request for Comment

On August 3, 2015, the MPCA published a "request for comment" on possible rules for compliance with the Clean Power Plan

- Initial step of state rulemaking process
- Signaled consideration of possible rules, not a particular direction of rulemaking
- Seeks input on objectives for a state plan and potential considerations of methods for meeting state targets
- Comment period remains open

Kuskie, Melissa (MPCA) <Melissa.Kuskie@state.mn.us>



## Engagement plans

- Initial outreach
- General stakeholder meetings
- Community events
- Updates at regularly-scheduled meetings
- Equity analysis
- Availability for meetings
- Open door policy

Kuskie, Melissa (MPCA) 
Melissa.Kuskie@state.mn.us>

