



## OZONE TRANSPORT COMMISSION

### Statement of the Ozone Transport Commission Concerning Multi-Pollutant Emission Control of Electrical Generating Units

Connecticut

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The Ozone Transport Commission (OTC) was established under Sections 176A and 184 of the federal Clean Air Act (CAA) to ensure the development and implementation of regional strategies to reduce ground-level ozone to healthful levels. The health effects of ground-level ozone are well documented and in spite of significant reductions to date achieved through our NO<sub>x</sub> MOU of 1994, the EPA NO<sub>x</sub> SIP call effective in 2003, and expected reductions to be further achieved by federal and state programs over the next decade, a significant portion of the ozone problem continues to be, and is expected to remain, nitrogen oxides (NO<sub>x</sub>) transported into and generated within our region by electrical generating units (EGUs).

A cost-effective and technically constructive method of reducing the emission of pollutants from EGUs is to address all EGU emissions at the same time (the multi-pollutant approach) and the Commission has pursued this policy through its Multi-pollutant Statement of Principles at its March 4, 2003 Meeting, Resolution 03-01 from the Fall Meeting in November, 2003, its Multi-pollutant Position of January 27, 2004, its Statement on Implementing Regional Emission Limits to Achieve Multi-Pollutant Reductions (04-01), and Resolution 05-01 regarding an integrated control of ozone adopted at the OTC Annual Meeting of June 8, 2005.

Over the past two years, Commission and state staff have met with stakeholders to evaluate methods of further reducing this sector's contribution to NO<sub>x</sub> emissions, considering and modeling various control scenarios and programs. This work continues.

The Commission has also reached out to other states, and participated actively in state-sponsored "super-regional" state collaborative discussions designed to broadly address this sector throughout the eastern United States.

At this meeting of the Commission (the OTC Annual Meeting, June 6-7, 2006), the Commission has heard of the progress to date on enhancements to strengthen the federal CAIR program addressing EGUs as well as other sectors, and of the additional information that high-demand day operation of EGUs is a particularly significant and troublesome contribution to NO<sub>x</sub> on days when the air quality can least afford the emission contribution from the sector.

Accordingly, the member states of the Commission direct staff and its workgroups to continue to formulate a program beyond CAIR to address the emissions from this sector. In conjunction with these ongoing efforts, staff should also evaluate and recommend options to address emissions associated with the high electrical demand days during the ozone season. In doing so, the OTC supports and remains committed to the concept of cap and trade programs as a primary means of achieving economical emission reductions from the electrical generation sector on both an annual and seasonal basis, but recognizes that an overlay program addressing the peak-demand days may also be required. Staff

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should complete its evaluation and recommendations for a program beyond CAIR that includes strategies to address the base, intermediate and peak load emissions from this sector in the most comprehensive and cost-effective manner possible, so as to maximize public health, environmental and economic benefits while ensuring an adequate electrical capacity and reliability for the region. This program should be developed soliciting active involvement and participation of Public Utility Commissions, Regional Transmission Organization staff, EPA, the utility industry and other stakeholders.

Staff is directed to provide this program structure and a model rule no later than the Fall Meeting of the Commission in November of 2006.

Adopted by the Commission on June 7, 2006

  
Robert Golledge, Commissioner, MA DEP  
Chair