Item #3 MWAQC-TAC Meeting October 8, 2013

Summary of EPA's Proposed Greenhouse Gas Rule

EPA proposed on September 20th Clean Air Act standards to reduce carbon pollution from new power plants in order to improve public health and combat climate change. EPA will also issue proposed standards for existing power plants by June 1, 2014.

Under the proposal, any new plant that runs on coal would be permitted to emit only about half as much carbon dioxide as an average coal plant puts into the air today. Since power plants account for roughly one-third of all domestic greenhouse gas emissions, the rule will provide significant reduction in carbon pollution in the country.

While the proposed rule for new power plants will be directly enforced by EPA, the proposed rule for existing power plants will be enforced by states. Therefore, states will have choices in meeting the standards. States will be encouraged to use renewable energy sources (wind, etc.) and could reduce electricity demand by employing energy efficiency measures.

The proposed rule will encourage future power plants to use low carbon fuels such as, natural gas. Utilities will also likely seek greater share of power from renewables such as, wind. Utilities might also push for a system that allows then to take credits within their systems even if those systems extend beyond state lines.

Since the new coal based power plants will have to incur additional costs to limit carbon dioxide output or develop new methods of cleansing emissions, the industry is likely to challenge it in court.

EPA is inviting comments on the above proposal within a period of 60 days following publication in the Federal Register (which has not yet occurred).

EPA Listening Session - Thursday, November 7

9:00 am-8:00 pm EST

U.S. EPA Headquarters

William Jefferson Clinton East, Room 1153 (Map Room)

1201 Constitution Ave. NW,

Washington, DC 20460

carbonpollutioninput@epa.gov (until November 8, 2013)