NARUC Summer Policy Summit

Navigating Long-Term Resource Planning in a Dynamic Regulatory Climate

Committee on Electricity

REPEAL/REPLACE TRACKING: Where are we on the repeal / replacement of grid-threatening EPA regulations?

2024

PROPOSED

- **Regional Haze:** Individual SIPs
- **April:** Proposed Secondary NAAQS Nox, SO2, PM
- **Aug:** Proposed SIP Requests for Mod Nonatt under 2015 Ozone NAAQS
- **Nov:** NSPS Combustion Turbines
- **Dec:** GHG NSPS Existing CTs

FINAL

- **April:** Final MATS RTR
- **April:** Final CCR Legacy Imp. Rule
- **June:** Final GHG NSPS (111b and 111d)

2024

- **Sept:** Supp FIP 2015 Ozone NAAQS
- **Oct:** CCR Permit Program
- **Oct.:** Latest CCR Deadline for (f)(1) capacity extension
- **Nov:** Removal of Affm Defense CCA 111/112
- **Dec:** SIP requirements for mod nonatt under 2015 ozone NAAQS

2025

- Secondary NOx, SO2, PM NAAQS
- **Oct:** NESHAP CTs
- **Nov:** NSPS Combustion Turbines
- **Dec:** ELG compliance deadline
- CCRMU reporting

2026

- State 111 Plans GHG NSPS + Existing EGUs
- CSAPR Group 3 state budgets reductions
- Final CCR Closure
- CCR Legacy Impoundment Requirements

2027

- CSAPR Group 3 state budgets reduce by 20% on average
- ~~Compliance with Final MATS RTR~~
- Proposed Primary NOx NAAQS?
- Lead NAAQS?
- Proposed NSR PM2.5 and Ozone SILs
- Final SSM policy restatement?
- Final Ozone NAAQS reconsideration?

2028+

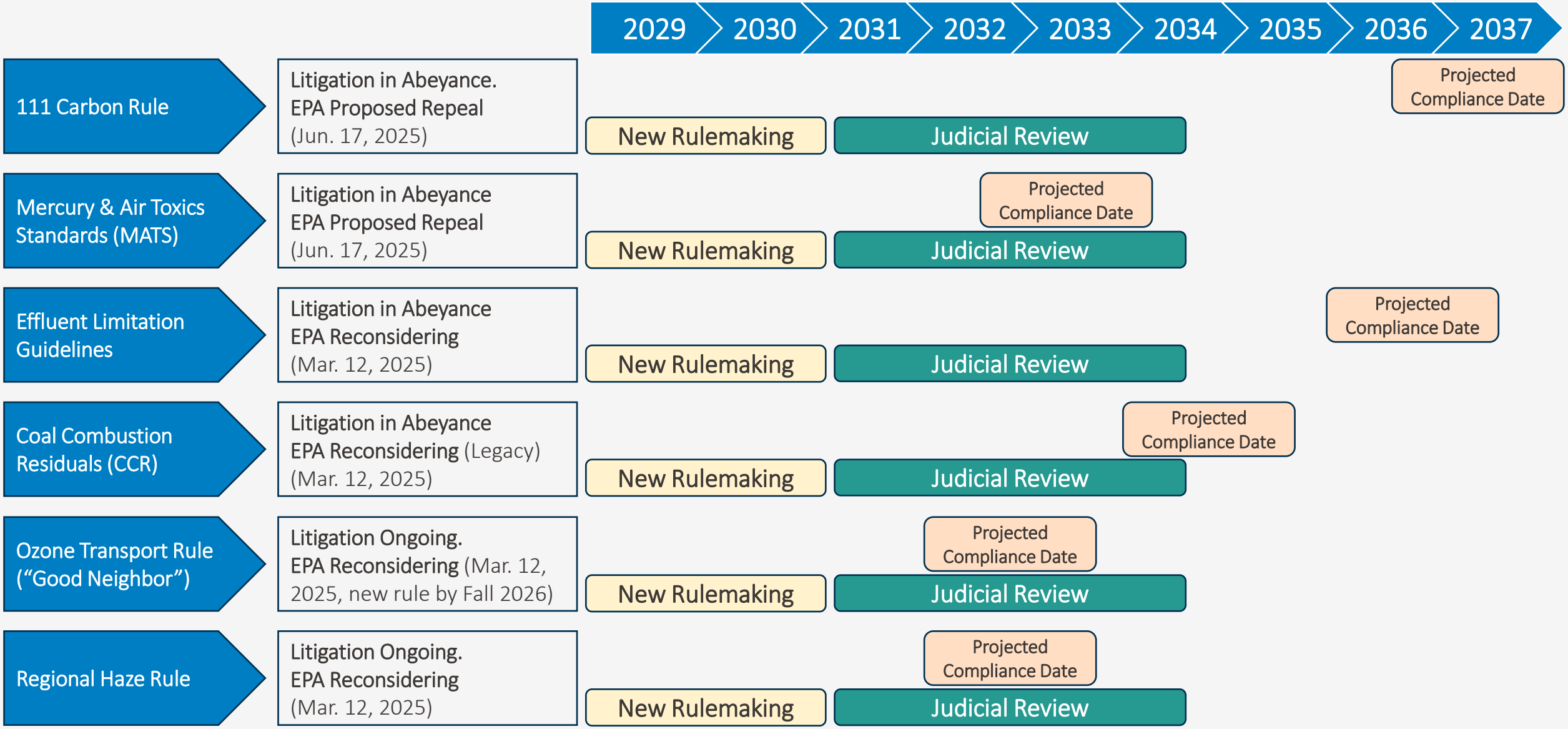
- **Regional Haze:** 2nd Planning Period Ends (2019-2028)
- CCR Closure Complete (f)(2) More than 40 acres
- Deadline for ELG Units Opting to Retire
- Proposed GHG 111(d) Coal and New Gas Unit Compliance Date

ANNOUNCED TO BE REVISITED

FORMALLY PROPOSED RULE TO REVISE

~~FINALIZED EXTENSION OF DEADLINES~~

What if a future administration wants to revert to Biden EPA rules?



IMPORTANT LEGAL DISTINCTION RE: "ENDANGERMENT"

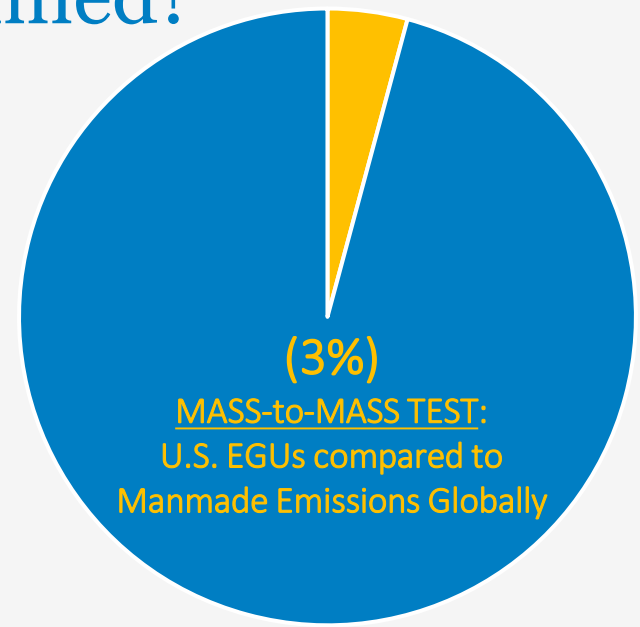
- "Cause or Contribute" under Clean Air Act § 202(a)(Tailpipe Emissions): *The Administrator [of EPA] shall by regulation prescribe (and from time to time revise) in accordance with the provisions of this section, standards applicable to the emission of any air pollutant from any class or classes of new motor vehicles or new motor vehicle engines, which in his judgment* ***cause, or contribute to, air pollution*** *which may reasonably be anticipated to endanger public health or welfare.*

- "Significantly Contribute" under § 111(b)(1)(A)(Stationary Sources): *The Administrator [of EPA] shall include a category of sources [e.g., power plants] in such list [of sources regulated under the 111 NSPS] if in his judgment it* ***causes or contributes significantly to air pollution*** *which may reasonably be anticipated to endanger public health or welfare.* (emphasis added)

How Should "Significant Contribution" be determined?

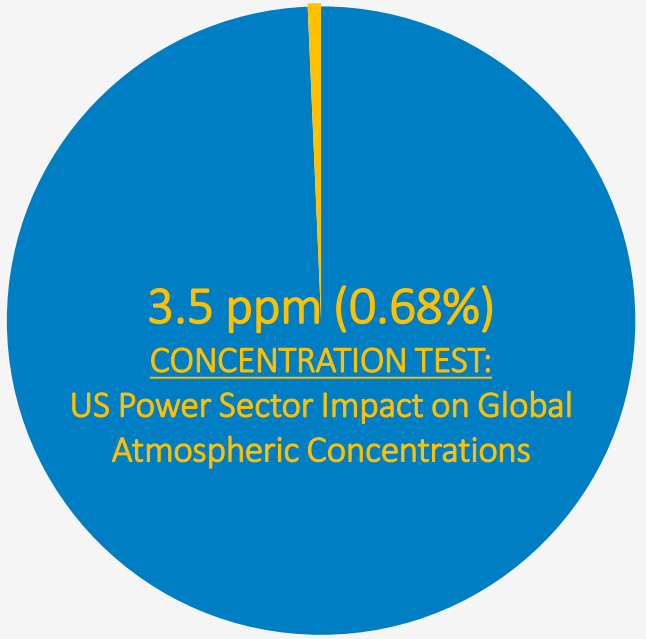
Currently proposed by EPA: U.S. power fleet mass emissions vs. global mass emissions

- Recognizes that climate change is a global, not U.S.-only phenomenon so compares globally
- U.S. power sector represent 3% of global anthropogenic (manmade) mass emissions



Ultimately, materiality should be assessed based on concentrations, not a mass-to-mass comparison:

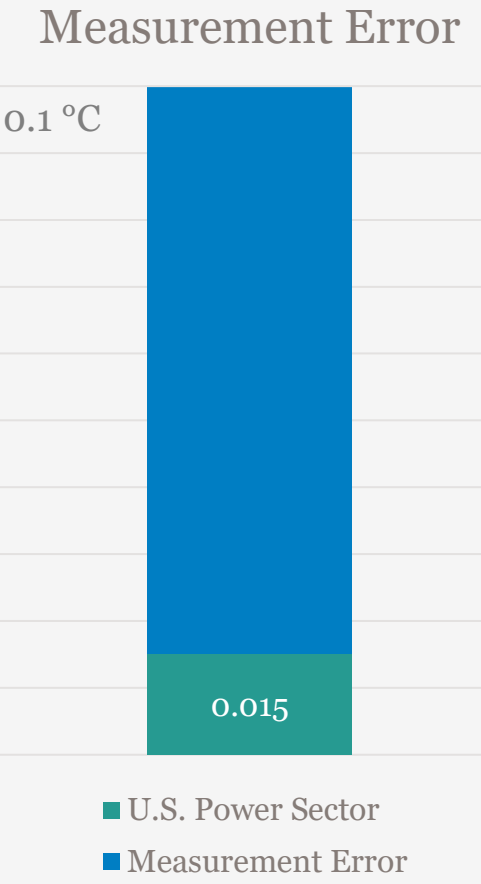
- Greenhouse gas effect & ocean acidification are driven by atmospheric **concentrations**
- Concentrations more tethered to statutory phrase "air pollution" [that endangers] in Clean Air Act



Source: https://www.texaspolicy.com/the-materiality-of-u-s-co2-emissions-on-global-climate/

Impact of Domestic Decarbonization on Global Temperatures

- The annual variation and measurement error in global surface temperature is approximately ±0.1°C.
- MAGIC model: 2050 temperature impact of eliminating U.S. power sector emissions is 0.015°C
- Impact of decarbonizing entire US economy by 2030
  - CO_2 reduction of 11.4 ppm (2.29% of global) in 2050
  - MAGIC model: 2050 global temp impact of 0.052 °C



SOURCES:

https://www.texaspolicy.com/the-materiality-of-u-s-co2-emissions-on-global-climate/; see also:
We Need a Fresh Approach to Climate Policy. It's Time for Climate Realism | Council on Foreign Relations

Net zero CO_2 emissions by 2030	2050 CO_2 (ppm)	2050 % Change	2050 Temp. Diff. (°C)	2040 % Change	2040 Temp. Diff. (°C)	2030 % Change	2030 Temp. Diff. (°C)
SSP2-4.5	498.8						
No U.S. Electricity	495.4	0.68%	0.015	0.45%	0.009	0.16%	0.002
No U.S. Emissions	487.4	2.29%	0.052	1.52%	0.030	0.55%	0.008