

## **Resolution Concerning EPA Proposed Greenhouse Gas Emission Standards for New and Existing Fossil-Fueled Power Plants**

**WHEREAS**, the U.S. Environmental Protection Agency (EPA) on SEPTEMBER 20, 2013 proposed New Source Performance Standards (NSPS) for greenhouse gases (GHG) that establish limits for carbon dioxide (CO<sub>2</sub>) emissions from new fossil fuel fired electric generating units; and

**WHEREAS**, EPA is proposing two standards for fossil fuel-fired utility boilers and IGCC units of 1,100 pounds of CO<sub>2</sub> per gross megawatt-hour (lbs CO<sub>2</sub>/MWh gross) over a 12-operating month period or 1,000-1,050 lbs CO<sub>2</sub>/MWh gross over an 84-operating month period, both of which would require new coal units to employ at least partial carbon capture and storage (CCS) technology; and

**WHEREAS**, EPA is proposing two standards for natural gas-fired stationary combustion units of 1,000 lbs CO<sub>2</sub>/MWh gross for units greater than 850 million British thermal units per hour (mmBtu/hr) and 1,100 lbs CO<sub>2</sub>/MWh gross for units less than or equal to 850 mmBtu/hr, neither of which would require the use of any CCS technology; and

**WHEREAS**, President Obama's Interagency Task Force on Carbon Capture and Storage August 2010 report determined that CCS technologies "are not ready for widespread implementation primarily because they have not been demonstrated at the scale necessary to establish confidence for power plant application"; and

**WHEREAS**, the examples and rationale utilized by EPA to establish the proposed GHG NSPS do not adequately demonstrate that CCS is the best system of emission reduction as required by the Clean Air Act; and

**WHEREAS**, the U.S. Department of Energy's (DOE) National Energy Laboratory has found that the application of currently researched CCS technology to new coal-fired power plants could increase the cost of electricity produced by such plants by 80 percent, which would severely impact industrial, commercial and especially residential consumers; and

**WHEREAS**, the most efficient coal-fired power plants, such as those that use the widely demonstrated and commercially available ultra supercritical technology, represent the best system of emission reduction, but alone would be insufficient to achieve EPA's proposed performance standard; and

**WHEREAS**, the effective CCS requirement results in a barrier to the construction of new coal-fired power plants that when combined with an already anticipated increased use of natural gas in the chemical, industrial, and transportation sectors, will likely lead to increased gas demand and an overreliance on a single type of fuel for future base-load power generation creating an unacceptable risk to electricity reliability; and

**WHEREAS**, {state} strongly supports a diversified fuel mix; and

**WHEREAS**, the price of natural gas as a feedstock in the chemical sector will likely increase making American- made products less competitive in the global marketplace; and

**WHEREAS**, President Obama’s June 25, 2013, Memorandum for the Administrator of the Environmental Protection Agency concerning power sector carbon pollution standards directed the Administrator, “in light of the information conveyed in more than two million comments on [the proposed new source greenhouse gas standards] and ongoing developments in the industry, ...to issue a new proposal by no later than September 30, 2013;” and

**WHEREAS**, the new proposal does not correct deficiencies in the standards originally proposed by U.S. EPA; AND

**WHEREAS**, in 2012 CO2 emissions from U.S. coal-based electric generation were 23 percent below 2005 levels according to the U.S. EPA Clean Air Markets Acid Rain Program database; and

**WHEREAS**, CO2 emissions from electric generation are continuing to decrease due to retirements of units that are uneconomic to retrofit to comply with other EPA regulations and operate due to market conditions; and

**WHEREAS**, total CO2 emissions for the U.S. have been decreasing and are on track to meet the administration's target of 17 percent below 2005 levels by 2020; and

**WHEREAS**, EPA’s proposed requirements do not sufficiently recognize that accumulation of carbon in the atmosphere is a global issue and global action is required to address it; and

**WHEREAS**, the President has directed EPA to address emissions on modified, reconstructed and existing power plants "through direct engagement with states, as they will play a role in establishing and implementing standards for existing power plants”;

**NOW, THEREFORE BE IT RESOLVED**, that {state} urges the Administration and Congress with input from federal agencies to establish a national energy policy that encourages access to and removal of impediments to all available domestic sources of energy so that it is affordable and reliable;

**BE IT FURTHER RESOLVED**, that {state} urges the Environmental Protection Agency to establish greenhouse gas NSPS standards for fossil-fuel electric generating units, that provide separate standards for coal-fueled electric generating units that starts with more efficient units such as ultrasupercritical and other technologies which will optimize the economic and equitable utilization of all types of domestic fuel sources – recognizing the fact that additional time is needed for carbon capture and storage to be a demonstrated best system of emissions reduction; and

**BE IT FURTHER RESOLVED**, that {state} urges the U.S. Environmental Protection Agency, U.S. Department of Energy, and the Congress to support industry efforts to focus on a smaller number of CCS technologies with the greatest promise for significant revolutionary technology advances rather than a large number of technologies that will likely yield incremental technology cost and performance improvements; and

**BE IT FURTHER RESOLVED**, that {state} urges the USEPA to closely consult with [STATE] and all of the states as it develops greenhouse gas emission guidelines under Clean Air Act section 111(d) for existing power plants recognizing each state's authority under the Act to set source performance standards based on:

- a. each state's power generation mix
- b. historical and future changes in each state's emission profile compared to a baseline period
- c. cost effective emission reductions using the best system(s) of emission reduction adequately demonstrated for the affected facility
- d. practical, reasonable and realistic state-specific implementation schedules,
- e. the cost and reliability of electricity and the economic vitality of the state(s), and
- f. any other state specific needs.

**BE IT FURTHER RESOLVED**, that {state} will provide comments to EPA that reflect the findings and resolved provisions of this resolution and {state} urges other states to do likewise; and

**BE IT FURTHER RESOLVED**, that copies of this resolution are to be transmitted to the President of the United States, the U.S. Environmental Protection Agency, the U.S. Department of Energy, the National Governor's Association, the National Association of Regulatory Utility Commissioners, National Association of State Energy Officials, the Environmental Council of the States, the Association of Consumer Counsel and other relevant organizations, all governors, all state utility regulatory commissions, state energy officials, all state environmental commissioners and all states' legislative leadership and {state} staff is directed to advocate for the provisions in this resolution, inform the states on the status of the resolved actions, and collaborate with the aforementioned parties to educate and achieve the goals in this resolution.