

Department of Natural Resources & Environmental Control

“Listening Session” on EPA’s Proposal to Reduce Carbon Pollution From Existing Power Plants



November 5, 2014

Welcome



- The purpose of this session is for DNREC to hear your thoughts on EPA's proposal to regulate carbon emissions from existing power plants.
- Any feedback you provide will be considered by DNREC in formulating its comments to the EPA. All statements made tonight are being recorded.
- Note that providing feedback to DNREC is not the same as sending your comments to EPA.
- DNREC will present a brief overview of the EPA proposal, and will then open the floor to hear from you.

Overview of EPA's Proposed Approach

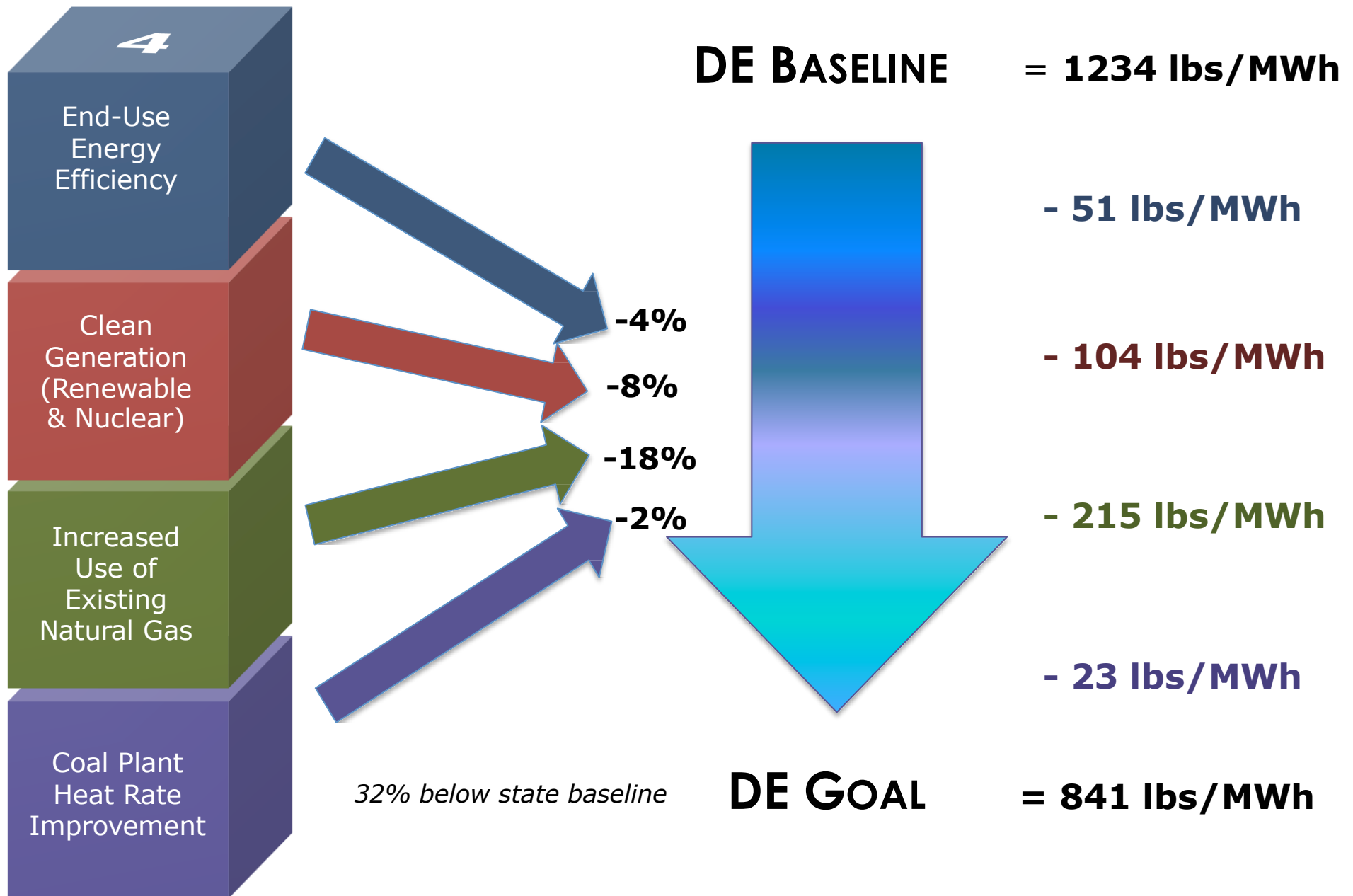


- EPA estimates that by 2030, their proposal will reduce nationwide carbon dioxide (CO₂) emissions from the power sector by approximately 30% from 2005 levels.
- EPA indicates their proposal:
 - Considers a wide variety of ways to reduce carbon pollution that are commercially available, technically feasible, and cost effective.
 - Builds on actions states, cities and businesses across the country are already taking to address the risks of climate change.
 - Will spur investment in cleaner and more efficient technologies, creating jobs and driving innovation.

Overview of EPA's Proposed Approach (continued)

- The main requirement of the EPA proposal is for States to develop and submit to the EPA a plan to meet a numerical carbon emission rate goal.
 - Individual or multi-state plans
 - Submit to EPA June 2016 or request a 1-2 year extension
 - Rate-based or mass-based metric
 - States choose policy design
 - Wide range of strategies may count towards compliance
- Proposal provides a flexible timeline—up to 15 years from guideline issuance—for all emission reduction measures to be fully implemented in 2030.
- EPA will issue a federal plan if no state plan is submitted/approved.

How EPA Established Delaware's Carbon Goal



Delaware's 111(d) Affected and RGGI Covered Facilities



111 (d) Facilities - 5

RGGI Facilities - 10

Facility
Calpine Edge Moor
Calpine Hay Road
Calpine Garrison Energy (currently under construction) 309 MW**
NRG Indian River
City of Dover - McKee Run
Calpine Christiana Substation
Delaware City Refinery
NRG Energy Center Dover
City of Dover - Van Sant
DEMEC - Warren F. Sam Beasley Power Station

**Not included in EPA's analysis - NEEDS database v513

Some Initial thoughts:



Support the framework that EPA has proposed

- Best System of Emission Reduction (BSER) is consistent with ongoing Delaware priorities and actions:
 - improving power plant efficiency,
 - shifting to lower carbon-intensive generation,
 - reducing pollution at affected sources through shifts to renewable energy, and
 - implementing demand-side energy efficiency.
- 30% level of reduction not sufficient to meet the challenge of climate change, and additional reductions will be required in the power sector and across multiple other sectors.
- Greater levels of cost-effective carbon pollution reductions from the power sector are achievable on this timeframe using the system described by EPA.
- Urge EPA not to reduce the overall level of carbon pollution reductions that would be achieved in the final rule.
- Support Flexibility elements of the rule.
- Support framework for multi-state plans and recognition of RGGI. Note: Delaware's participation in RGGI may substantially satisfy the requirements of the proposed EPA rule.

Federal Comment Deadline



- Comments due to USEPA Docket ID No. **EPA-HQ-OAR-2013-0602**
- No later than **December 1, 2014**.
- You can learn more about proposal details at USEPA's website - <http://www2.epa.gov/carbon-pollution-standards>, where they have posted the proposals, technical analyses, and other supporting information.

Feedback may be provided to DNREC by emailing to Valerie Gray of DNREC's Division of Air Quality @ valerie.gray@state.de.us, OR by US Mail to: DNREC Division of Air Quality, Attn. Valerie Gray, 655 S. Bay Road, Suite 5N, Dover, DE 19901. All feedback received by November 17, 2014 will be considered.

NOTE: Sending DNREC feedback is NOT the same as sending your comments to USEPA.