Archived: Thursday, May 31, 2012 3:40:18 PM

From: Albert Yockey

Sent: Thursday, October 06, 2011 3:19:29 PM

To: Mark Bailey; Bob Berry; Eric M. Robeson; John Talbert; Roger Hickman; Mark Hite;

David Crockett; James Haner; Marty Littrel

Subject: FW: EPA Announces Proposed "Revisions" to CSAPR Rule - More SO2 and

NOx Allocations Appears It is Delayed Till Jan. 1, 2014

Importance: Normal

Sent from my Windows Phone

----Original Message-----From: Mark McAdams

Sent: Thursday, October 06, 2011 2:56 PM To: Bill Blackburn; Bob Berry; Albert Yockey

Cc: Tom Shaw; Mark Bertram

Subject: EPA Announces Proposed "Revisions" to CSAPR Rule - More SO2 and NOx Allocations Appears

It is Delayed Till Jan. 1, 2014

Email not displaying correctly? View it in your browser. BREAKING NEWS

Breaking News:

EPA Announces "Revisions" in State SO2 and NOx Allowances under CSAPR

Roundtable Members:

The EPA has released proposed "technical revisions" in state SO2 and NOx allowances under the recently-finalized Cross-State Air Pollution Rule (CSAPR).

"The proposal revises some discrepancies affecting state budgets in Florida, Louisiana, Michigan, Mississippi, Nebraska, New Jersey, New York, Texas, and Wisconsin and new unit set-asides in Arkansas and Texas. This action revises unit-level allocations in Alabama, Indiana, Kansas, Kentucky, Ohio and Tennessee to better account for utility consent decrees. The proposal also amends the assurance penalty provisions thus increasing the opportunity for market-based compliance options until January 2014. Finally, the proposed rule revises typographical errors in the final CSAPR."

See the proposed rule changes here.

More background on CSAPR is available here.

See details, by state, below. The proposal will be open for public comment for 30 days from publication in the Federal Register.

STATE BUDGETS AND NEW UNIT SET ASIDES

Florida – This action would revise assumptions in the CSAPR analysis used to determine Florida's budget that did not reflect the unavailability of a nuclear unit. These revisions would result in an increase to Florida's 2012 ozone-season NOX budget with corresponding revisions to assurance levels and new unit set-asides.

Louisiana – This action would revise assumptions in the CSAPR analysis used to determine Louisiana's budget that did not account for operational requirements at specific units. These revisions would result in an increase to Louisiana's ozone season NOx budget with corresponding revisions to assurance levels and new unit set-asides.

Michigan – This action would revise an assumption in the CSAPR analysis used to determine Michigan's budget that included a selective catalytic reduction (SCR) control on a source in Michigan that did not have an SCR. This revision would result in an increase to Michigan's annual NOX budget with corresponding revisions to assurance levels and new unit set-asides. This revised assumption would also affect the calculation of Michigan's potential ozone season NOX budget if that state is included in the CSAPR ozone season NOX program as proposed in the Supplemental Notice of Proposed Rulemaking (76 FR 40662, July 11, 2011). EPA will address this issue, along with other public comments submitted on that rule, when the Agency finalizes it later this year.

Mississippi – This action would revise assumptions in the CSAPR analysis used to determine Mississippi's budget that did not account for operational requirements at specific units. These revisions would result in an increase to Mississippi's ozone season NOx budget with corresponding revisions to assurance levels and new unit set-asides.

Nebraska – This action would revise an assumption in the CSAPR analysis used to determine Nebraska's budget that included an SCR control on a source in Nebraska that did not have an SCR. This revision would result in an increase to Nebraska's annual NOX budget with corresponding revisions to assurance levels and new unit set-asides.

New Jersey – This action would revise assumptions in the CSAPR analyses used to determine New Jersey's budgets that included SCR and scrubber controls on a source in New Jersey that did not have either as well as an assumption that did not reflect operational requirements at specific units. This revision would result in an increase to New Jersey's annual SO2 budget, annual NOx budget, and ozone season NOx budget with corresponding revisions to assurance levels and new unit set-asides.

New York – This action would revise assumptions in the CSAPR analyses used to determine New York's budget that did not account for operational requirements at specific units. These revisions would result in an increase to New York's annual SO2 budget, annual NOx budget, and ozone season NOx budget with corresponding revisions to assurance levels and new unit set- asides.

Texas – This action would revise two assumptions in the CSAPR analysis used to determine Texas' SO2 budget. First, three flue gas desulfurization (FGD, or scrubber) controls were included on sources that did not have FGDs. Second, full flue gas treatment was assumed in existing scrubbers at five facilities. These technical adjustments would result in an increase to Texas' SO2 budget with corresponding revisions to assurance levels and new unit set-asides. In addition, this action would revise assumptions that did not reflect operational requirements at specific units. This revision would result in an additional increase to Texas' ozone season NOx and annual NOx budgets with corresponding revisions to assurance levels and new unit set-asides.

Wisconsin – This action revises an assumption in the CSAPR analyses used to determine Wisconsin's SO2 budget that included a scrubber control in 2014 on a source in Wisconsin that is not expected to have a scrubber online by 2014. This revision would result in an increase to Wisconsin's SO2 budget with corresponding revisions to assurance levels and new unit set- asides. In addition, this action would revise an assumption that included an SCR control on a source in Wisconsin that did not have an SCR and result in an increase to Wisconsin's annual NOX budget with corresponding revisions to assurance levels and new unit set-asides. This revised assumption would also affect the calculation of Wisconsin's potential ozone season NOX budget if that state is included in the CSAPR ozone season NOX program as proposed in the Supplemental Notice of Proposed Rulemaking (76 FR 40662, July 11, 2011). EPA will address this issue, along with other public comments submitted on that rule, when the Agency finalizes it later this year.