

Reconsideration of Clean Air Interstate Rule

FACT SHEET

ACTION

- On November 22, 2005, the U.S. Environmental Protection Agency (EPA) agreed to reconsider certain aspects of its Clean Air Interstate Rule (CAIR). EPA issued the final CAIR on March 10, 2005
- Following promulgation of the final rule, the EPA Administrator received eleven petitions for reconsideration.
- Petitions for reconsideration were filed by:
 1. State of North Carolina;
 2. FPL Group;
 3. Florida Association of Electric Utilities;
 4. Entergy Corporation;
 5. Massachusetts Department of Environmental Protection;
 6. Integrated Waste Services Association;
 7. Texas Commission on Environmental Quality;
 8. Northern Indiana Public Service Corporation;
 9. City of Amarillo, Texas, El Paso Electric Company, Occidental Permian Ltd, and Southwestern Public Service Company d/b/a/ Xcel Energy;
 10. Connecticut Business and Industry Association; and
 11. Minnesota Power, a division of ALLETE, Inc.(Note: The complete petitions are available in the docket for the CAIR)
- EPA is granting reconsideration and seeking comment on the following four issues related to the final rule:
 1. claims that inequities result from applying the sulfur dioxide (SO₂) allocation methodology that states choosing to participate in the CAIR SO₂ trading program would use to allocate SO₂ emissions allowances to sources;
 2. EPA's use of fuel adjustment factors (1.0 for coal, 0.6 for oil, and 0.4 for gas) in establishing state nitrogen oxides (NO_x) budgets;
 3. certain inputs to the fine particle (PM_{2.5}) modeling used to determine Minnesota's inclusion in the CAIR region for PM_{2.5}; and
 4. EPA's determination that Florida should be included in the CAIR region
- EPA is not requesting comment on any other provisions of the final rule.
- EPA will hold a public hearing on the notice on December 14, 2005 in Washington, DC and will accept public comments on the reconsideration until January 13, 2006.

- EPA expects to take final action on reconsideration of these issues by March 15, 2006. By that date, EPA would finalize the process of reconsideration by issuing a final rule or proposing a new approach. EPA also expects, by March 15, 2006, to issue decisions on all remaining issues raised in the petitions for reconsideration.

BACKGROUND

- The final rule, “Rule to Reduce Interstate Transport of Fine Particulate Matter and Ozone (Clean Air Interstate Rule); Revisions to Acid Rain Program; Revisions to NOx SIP Call” was published in the *Federal Register* on May 12, 2005.
- The CAIR will achieve the largest reduction in air pollution in more than a decade. It requires 28 States and the District of Columbia to revise their state implementation plans to include control measures to reduce emissions of NOx and/or SO2 that significantly contribute to unhealthy levels of PM2.5 or 8-hour ozone in downwind states.
- Each State covered by CAIR may independently determine which emission sources to control and which control measures to adopt. The CAIR includes model rules for multi-state cap and trade programs for power plants that states may choose to adopt to meet the required emissions reductions in a flexible and highly cost-effective manner.
- In the CAIR, EPA determined that SO2 and NOx emissions from 23 states and the District of Columbia contribute significantly to downwind states inability to attain or maintain the PM2.5 national ambient air quality standard (NAAQS). Additionally, EPA determined that NOx emissions in 25 states and the District of Columbia contribute significantly to downwind states inability to attain or maintain the 8-hour ozone NAAQS.
- The rule specifies emissions reductions requirements for SO2 and NOx. The first phase of NOx reductions starts in 2009 (covering 2009-2014) and the first phase of SO2 reductions starts in 2010 (covering 2010-2014). The second phase of both SO2 and NOx reductions starts in 2015 (covering 2015 and thereafter).
- In August 2005, EPA agreed to reconsider the definition of “electric generating unit” or “EGU” as it relates to solid waste incinerators (and particularly municipal waste incinerators.) EPA also proposed a revised definition and took comment on the proposal.

HOW TO COMMENT

- All comments should be identified by Docket ID No. OAR-2003-0053 and submitted by one of the following methods:
 - Federal e-rulemaking portal (www.regulations.gov);
 - EDOCKET (www.epa.gov/edocket);

- E-mail (a-and-r-docket@epa.gov);
- Facsimile (202) 566-1741;
- Mail (Air and Radiation Docket and Information Center, Environmental Protection Agency, Mailcode: 6102T, 1200 Pennsylvania Avenue, NW, Washington, DC 20460); or
- Hand delivery (Air and Radiation Docket and Information Center, Environmental Protection Agency, Room B102, 1301 Constitution Avenue, NW, Washington, DC).

FOR MORE INFORMATION

- Information related to the Clean Air Interstate Rule is available on EPA's website at www.epa.gov/cair and in the rulemaking docket, Docket No. OAR-2003-0053.