

1 **COMMITTEE: NATURAL RESOURCES AND**
2 **INFRASTRUCTURE**
3 **POLICY: RESOLUTION CONCERNING U.S. EPA**
4 **PROPOSED GREENHOUSE GAS EMISSION**
5 **STANDARDS FOR NEW AND EXISTING**
6 **FOSSIL-FUELED PLANTS**
7 **TYPE: RESOLUTION**
8 **SPONSOR: REPRESENTATIVE SUE WALLIS - WYOMING**

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10 WHEREAS, the U.S. Environmental Protection Agency (EPA) on SEPTEMBER 20,
11 2013 proposed New Source Performance Standards (NSPS) for greenhouse gases
12 (GHG) that establish limits for carbon dioxide (CO₂) emissions from new fossil fuel fired
13 electric generating units which would require new coal units to employ at least partial
14 carbon capture and storage (CCS) technology; and
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16 WHEREAS, President Obama’s Interagency Task Force on Carbon Capture and
17 Storage August 2010 report determined that CCS technologies “are not ready for
18 widespread implementation primarily because they have not been demonstrated at the
19 scale necessary to establish confidence for power plant application”; and
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21 WHEREAS, the examples and rationale utilized by EPA to establish the proposed GHG
22 NSPS do not adequately demonstrate that CCS is the best system of emission
23 reduction as required by the Clean Air Act; and
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25 WHEREAS, the U.S. Department of Energy’s (DOE) National Energy Laboratory has
26 found that the application of currently researched CCS technology to new coal-fired
27 power plants could increase the cost of electricity produced by such plants by 80

28 percent, which would severely impact industrial, commercial and especially residential
29 consumers; and

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

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

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42 WHEREAS, NCSL strongly supports a diversified fuel mix; and

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

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48 WHEREAS, in 2012 CO2 emissions from U.S. coal-based electric generation were 23
49 percent below 2005 levels according to the U.S. EPA Clean Air Markets Acid Rain
50 Program database; and are continuing to decrease due to retirements of units that are
51 uneconomic to retrofit to comply with other EPA regulations and operate due to market
52 conditions; and

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

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

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

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65 NOW, THEREFORE BE IT RESOLVED, that NCSL urges the Administration and
66 Congress to establish a national energy policy that encourages access to and removal
67 of impediments to all available domestic sources of energy so that it is affordable and
68 reliable;

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70 BE IT FURTHER RESOLVED, that NCSL urges the EPA to establish greenhouse gas
71 NSPS standards for fossil-fuel electric generating units, that provide separate standards
72 for coal-fueled electric generating units that starts with more efficient units such as ultra-
73 supercritical and other technologies which will optimize the economic and equitable
74 utilization of all types of domestic fuel sources – recognizing the fact that additional time
75 is needed for carbon capture and storage to be a demonstrated best system of
76 emissions reduction; and

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78 BE IT FURTHER RESOLVED, NCSL urges the EPA, DOE, and Congress to support
79 industry efforts to focus on a smaller number of CCS technologies with the greatest
80 promise for significant revolutionary technology advances rather than a large number of
81 technologies that will likely yield incremental technology cost and performance
82 improvements; and

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84 BE IT FURTHER RESOLVED, NCSL urges the EPA to closely consult with the
85 states as it develops greenhouse gas emission guidelines under Clean Air Act section
86 111(d) for existing power plants recognizing each state's authority under the Act to set
87 source performance standards based on:

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- 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 NCSL will provide comments to EPA that reflect the findings and resolved provisions of this resolution and NCSL urges other states/organizations 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 Legislative/ORGANIZATION] 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.