

# CSAPR Update

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March 23, 2016

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# Agenda

- Background/timeline
- Recent actions
- More to come



## Background - Why did EPA develop transport rules?

- EPA sets NAAQS and the states implement SIPs to get their sources to reduce emissions to meet the NAAQS.
- There is also a “good neighbor” provision in the CAA that says states must prevent sources within their borders from contributing significantly to a downwind state’s nonattainment.
- EPA developed the transport rules to require emissions reductions from sources in upwind states that contribute to downwind states’ nonattainment problems.
- 1998 – NO<sub>x</sub> SIP Call. 2005 – replaced by CAIR. 2011 – replaced by CSAPR.

## CSAPR Regulatory History

- **2011** – CSAPR is CAIR replacement for EGUs but doesn't include industrial NO<sub>x</sub> SIP call sources. Requires 28 states to reduce annual SO<sub>2</sub> emissions, annual NO<sub>x</sub> emissions and/or ozone season NO<sub>x</sub> emissions to assist in attaining the 1997 ozone and 2006 PM<sub>2.5</sub> NAAQS.
- **2012** – CSAPR vacated by DC Circuit. EPA did its analysis wrong, exceeded its statutory authority under the good neighbor provision because it required states to do extra.
- **2013** – EPA asks court to review the decision.

## CSAPR Regulatory History – cont.

- **2014** – Supreme Court reverses DC Circuit’s vacature of CSAPR. EPA issues rule re-aligning dates in CSAPR – 3 year extension to account for regulatory uncertainty brought about by legal actions.
- **2015** – Litigation continues... EPA issues NODA that details allowance allocations for new units and modeling information. EPA issues CSAPR update proposal, but it only addresses the 2008 ozone standard, not the recently lowered 2015 standard.
- **2016** – CIBO submits comments on 2015 update rule. EPA just issued another rule to confirm the 3 year compliance extension. Phase 1 allowances apply in 2015-2016; Phase 2 begins 2017.

## 2015 CSAPR Update Proposal

- Reduces coverage to 23 states since NO<sub>x</sub> levels have fallen in the East since original rulemaking.
- Rule proposes to continue to cover only EGUs because EPA is not sure they can get reductions from other sectors by 2017. EPA also uses a cost effectiveness threshold of \$3300/ton to exclude several industrial source categories. Asks for comment about whether industrial sources should be included in the future.
- CIBO agrees that additional NO<sub>x</sub> controls are not feasible for industrial sources by 2017. We also commented that EPA's controls analysis is flawed, in terms of feasibility, cost, and time to install.
- Many commented that the modeling analysis is flawed, so allowances not properly determined.

## More to Come...

- Northeast states say they cannot meet ozone NAAQS without reductions in interstate transport. They are trying to expand the ozone transport commission area and force additional controls on sources in additional states.
- Although NO<sub>x</sub> emissions are falling in the East, the NAAQS are not getting any less stringent. 2015 CSAPR update rule didn't address the more stringent 2015 ozone standard.
- Questions remain on possibility for future coverage of industrial NO<sub>x</sub> emitters under a regional transport rule, although EPA's current analysis says almost all areas of US will attain ozone standard by 2025.
- Regional haze rule update coming – next SIPs likely 2021.

Questions?



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