**MEMORANDUM**

**Date:**  11/21/14

**From:** Ken Mitchell/EPA Region 4

**To:** Clean Power Plan for Existing Power Plants; Docket Id: OAR–2013-0602

**Subject:** Discussion of the Clean Power Plan with the Georgia Environmental Protection Division

**Summary:**

Region 4 provided information on the Clean Power Plan to the Georgia Environmental

Protection Division on August 13, 2014. The Clean Power Plan for Existing Power Plants was

proposed on June 2, 2014.

**Attendees:**

 **EPA**

Beverly Banister/EPA R4

Carol Kemker/EPA R4

Jeaneanne Gettle/EPA R4

Ken Mitchell/EPA R4

David McNeal/EPA R4

David Solomon/EPA OAQPS

Lisa Conner/EPA OAQPS

Elineth Torres/EPA OAQPS

Julia Miller/EPA OAP

Erika Wilson/EPA OAP

Erich Eichmann/EPA OAP

Matt Clouse/EPA OAP

Other EPA Staff

**External Stakeholders**

Albert Pierce/GA EPD

Karen Hays/GA EPD

Mary Walker/GA EPD

Keith Bentley/GA EPD

Jud Turner/GA EPD

**ATTACHMENT**

**Advance Questions for Discussion of the Clean Power Plan with the Georgia Environmental Protection**

**Division on 8/13/14**

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| --- | --- |
| **Subject** | **Question**  |
|  |  |
| **Dispatch to Natural Gas CC** | Dispatch is currently performed based on economics. What regulatory mechanism does EPA anticipate states using to require utilities to give priority to CO2 emissions over cost? Implementation of a minimum dispatch requirement for NGCC would have significant impacts on our publically-owned utilities and their customers (Oglethorpe Power and MEAG Power).   |
| **Renewable generation – basis for SE target of 10 %** | The SE target of 10% was set based on the NC standard, which covers both RE and EE generation as opposed to RE only. Is the basis for the 10 % assignment technically correct?  |
| **Renewable generation – credit to generator or purchaser** | Who gets credit for renewable power purchased out-of-state?  The state purchasing or the state with the generation?  Has EPA changed their position on the answer previously given (which was the state purchasing the power gets the credit)? How are wind and solar quantified for calculation of emissions performance? Are there enforceable compliance mechanisms other than an RPS or EERS? |
| **Modeling** | Can EPA’s modelers work with our modelers so that we can evaluate the modeling runs that EPA did? We would like to see the output files in an understandable format and be walked through the modeled compliance scenario. |
| **Mass-based goal** | SE states have requested a webinar from EPA Region 4. The current discussion of methodology in TSD is inadequate. Does EPA plan to calculate an equivalent mass goal for each state and when might we expect to see it? If EPA is not doing the conversion calculation, when will EPA provide detailed guidance? |
|  | Is switching from rate-based goal to mass-based goal allowed? How and when and how often? Would you have to submit a plan revision every time you switched?  |
| **Plan flexibility** | Many aspects of the energy infrastructure and technology will undoubtedly change between now and 2030. States will need some mechanism to adapt our plan to accommodate those changes relatively quickly (i.e. not a 2 year review process). How does EPA envision this working? |
| **Emissions Performance Level (60.5740)** | Rule 60.5770(a)(3): *(a)(3) The conversion must represent the tons of CO2 emissions that are projected to be emitted, in the absence of emissions standards contained in the plan, if the affected EGUs were to perform at an average lb CO2 /MWh rate equal to the rate-based goal for the state identified in Table 1 of this Subpart.* * Georgia’s rate-based goal is 834 while our coal emissions rate (after HR improvement) and NGCC emissions rate are 2157 and 841 lbs/MWh, respectively.  Even if we dropped coal generation to 0, we would be left with an equivalent emissions rate of 841.  This would fail the equivalency test in paragraph (a)(3).  No state that operates coal-fired EGUs and has a goal below 900 lbs/MWh would be able to meet the requirement as stated. Please clarify.
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**Other questions:**

1. How can a state account for or adjust in the event that a zero emission IPP either shuts down or does not reach expected capacity say in 2025?
2. Does EPA have a planned approach for dealing with some type major disruption in the energy markets that may occur in the future? Same question for an unexpected shutdown of an existing nuclear plant?
3. What does a federal state plan look like?
4. If two or more states request the two year extension to develop a multistate program and despite good faith efforts, the plan is not completed, how will EPA react and what will the path forward be for the states involved?
5. A state plan will be based on achieving certain levels of HRI, natural gas dispatch, RE, EE, assumed capacity factors for various fuel types and other methods that reduce carbon. Will the state be held accountable to meet each component of the plan or simply to meet the final goal?
6. Why did EPA include an interim goal, and why is it so close the final goal? Can states propose an alternative interim goal as long as the final goal is reached in 2030?
7. Can a new source be included as an affected unit for 111(d)?