**MEMORANDUM**

**Date:**  11/10/14

**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 Advanced Energy Board of Directors Meeting held on 06/17/2014

**Summary:**

EPA Region 4 provided an overview of the Clean Power Plan to attendees at the Advanced Energy Board of Directors Meeting on 06/17/2014 in Raleigh, NC. The Clean Power Plan for Existing Power Plants was proposed on June 2, 2014.

**Attendees:**

 **EPA**

Ken Mitchell/EPA R4

**External Stakeholders**

Dr. Robert Koger, Advanced Energy

Other Board Members and guests

**Attachments**

**Advance Questions for Discussion of the Clean Power Plan with Advanced Energy Board of Directors**

**Meeting held on 06/17/2014 in Raleigh, NC**

* Upon release of the proposed greenhouse gas rule, EPA publicly stated the rule would result in reducing carbon emissions from existing power plants by 30% over 2005 levels.  Upon review, the rule proposes state-specific carbon intensity (emission rate vs. tonnage) goals based on 2012 levels.    Can you send a few moments clarifying these two statements?
* One of the consistent themes throughout EPA’s stakeholder meetings, including those with state regulators, was the desire that EPA recognize and give credit for early action taken to reduce CO2 emissions.  NC has retired or will have retired half of its coal fleet by 2018.   Will N.C. get credit for this early action?   How will the proposed rule address retirements prior to 2012? And between 2012 and the first compliance requirement of 2020?
* Will this rule force additional coal retirements?
* EPA set state goals, including North Carolina’s, based on assumptions that utility customers will participate in energy efficiency programs at ever increasing levels.  History has shown that despite utility incentives, not all customers have chosen to participate.  In fact, in NC, large industrials have the legal option to opt out of such programs.  How does EPA intend to address these concerns?
* The proposed rule does not allow states to use all of its nuclear generation, an emissions free resource, to count towards meeting the goal.  Why not?
* Obviously, states will play a vital role in enforcing the EPA guidance through their individual implementation plans.  Outside of the formal comment process, will EPA be engaging in any stakeholder dialogues (with states or other affected parties) prior to finalizing the rule?
* What criteria will EPA use to evaluate the state implementation plans?
* Would congress have to expand EPA’s authority to allow electric vehicles to count toward the goal?
* This just cites some confusion over the 2012 base for renewables and energy efficiency.  I don’t know if you can add any more to this except to say that they were incorporated into the overall state by state picture. (Question in relation to the following article: UTILITIES: Early movers fret EPA climate rule won't fully credit early investments (Tuesday, June 10, 2014); Jean Chemnick and Hannah Northey, E&E reporters)
* The only point I see of interest here is the comment that each of the 4 bases are severable.  In other words, if the courts were to overturn one of them, the rest would apply and just make it possibly more difficult to meet the requirements. (In relation to the following article: REGULATION: Questions of jurisdiction, responsibility may foreshadow legal trouble for new EPA power plant rule (Friday, June 6, 2014); Nathanael Massey, E&E reporter)
* I assume that you will give an overview (30 percent by 2030) of the rule including the 4 “building blocks”.  Can you discuss how the “requirements for each state varies and how they depend on several factors.  Can you cite NC specifically?  Also, it appears that energy efficiency and renewables can count toward meeting the goal but it looks like in figuring the goals, everything done in these areas up to 2012 have already been considered by EPA in setting the state by state requirements.  Might want to state that (assuming this is the case) so that there will not be any confusion.