

# Draft 111(d) Rule: Issues on Which EPA is Seeking Comment

JULY 23, 2014

EPA is seeking comments on ALL ASPECTS OF ITS 111(d) PROPOSAL.

EPA is offering the opportunity to comment on the proposed BSER, the proposed methodology for computing state goals based on application of the BSER, and the state-specific data used in the computations. Once the final goals have been promulgated, a state would no longer have an opportunity to request that the EPA adjust its CO<sub>2</sub> goal. The final state-specific CO<sub>2</sub> goals would reflect any adjustments, as appropriate, based on comments provided to the EPA to address any data errors in the analysis for the proposed goals.

In this paper, we identify issues regarding which the EPA is specifically seeking comment. We have grouped the issues into eight major categories:

- 1. Best system of emission reduction (BSER)
- 2. Building Block 1
- 3. Building Block 2
- 4. Building Block 3
- 5. Building Block 4
- 6. State Goals
- 7. State Plans/Compliance
- 8. Other

### **Best System of Emission Reduction (BSER)**

#### EPA is seeking comment on: Reference An alternative to its proposed (Option 1) approach to setting BSER that has a less Proposal at stringent set of emission performance levels (lower deployment of the four building 34839 blocks) over a 5-year compliance timeframe (2025). Application of only the first two building blocks as the basis for the BSER, while noting Proposal at that this approach achieves fewer CO<sub>2</sub> reductions at a higher cost. 34836 Different combinations of building blocks and different levels of stringency for each Proposal at building block. 34839 How BSER should be applied in Indian Country, particularly for building block 4; EPA Proposal at seeks data sources for setting renewable energy and demand-side EE targets. 34855

| Whether there are special considerations affecting small rural cooperative or municipal utilities that might merit adjustments to the BSER proposal, and, if so, possible adjustments that should be considered.                             | Proposal at<br>34886 |
|--|----------------------|
| Whether natural gas co-firing or conversion should be part of the BSER. EPA also requests comment regarding whether—and if so, how—it should consider the cobenefits of natural gas co-firing in making that determination.                  | Proposal at<br>34876 |
| All aspects of applying CCS to existing resources, though it does not anticipate finalizing CCS as a component of BSER in this rulemaking.   | Proposal at 34876    |
| Whether EPA should consider construction and use of new NGCC capacity as part of the basis supporting the BSER. Further, EPA seeks comment on ways to define appropriate state-level goals based on consideration of new NGCC capacity.      | Proposal at<br>34877 |
| Whether heat rate improvements for oil-fired steam EGUs, gas-fired steam EGUs, NGCC units, and simple-cycle combustion turbine units should be identified as a basis for supporting the BSER, with particular reference to U.S. territories. | Proposal at<br>34877 |

Whether trading programs or other similar approaches should be considered as the

On an alternative BSER that uses building block 1 plus reduction in utilization of

affected EGUs, which is estimated using building blocks 2-4: Could measures in

be built in the future, as discussed in Section VI.C.5.c?

addition to those in building blocks 2, 3, and 4 support the showing that reduced utilization is "adequately demonstrated," including additional NGCC capacity that may

## **Building Block 1**

BSER.

**EPA** is seeking comment on:

| EPA is taking comment on all aspects of its findings related to heat rate improvements, but specifically asks for comment on:   | Reference                       |
|---|---------------------------------|
| Whether building block 1 (heat rate improvements) should include potential improvements at more than just coal plants.  | Proposal at<br>34856<br>(fn 95) |
| Whether EPA should use 6% (as opposed to 4%) as a reasonable estimate of heat rate improvement that could be achieved at coal plants through use of best practices to reduce hourly heat rate variability.  | Proposal at<br>34860            |
| Whether EPA should use 4% (as opposed to 2%) as a reasonable estimate of heat rate improvement that could be achieved at coal plants through equipment upgrades. (Combined with the previous issue, this would mean the total estimated potential from heat rate improvements would be 10%, rather than the proposed 6%.) | Proposal at<br>34860            |
| The quantitative impacts on the net heat rates of coal-fired steam EGUs of operation at loads less than the rated maximum unit loads.   | Proposal at 34862               |

Reference

Proposal at 34892

Proposal at

34890

## **Building Block 2**

| EPA is seeking comment on all aspects of its findings related to redispatch, but specifically asks for comment on:  | Reference            |
|---|----------------------|
| Whether the regional or state scenarios should be given greater weight in establishing the appropriate degree of redispatch to incorporate into the state goals for $CO_2$ emission reductions, and in assessing costs. | Proposal at<br>34865 |
| Whether EPA should consider a higher utilization rate (up to 75%) for NGCCs.  | Proposal at          |

## **Building Block 3**

| EPA is seeking comment on all aspects of its findings related to RE and nuclear, but |        |
|--|--------|
| specifically asks for comment on:  | Refere |

| specifically asks for comment on:  | Reference            |
|--|----------------------|
| Renewables   |                      |
| Treatment of Alaska and Hawaii as separate regions for setting RE targets. (Their RE targets are based on the lowest regional RE target among the continental U.S. regions, and their growth factors are based upon historical growth rates in their own RE generation).   | Proposal at<br>34867 |
| Whether the approach for quantifying the RE generation component of each state's goal should be modified to include a floor based on reported 2012 RE generation in that state (four states' 2029 RE goals are below their 2012 RE generation).  | Proposal at<br>34869 |
| Whether the RE approach should be modified so that the difference between a state's RE generation target and its 2012 level of corresponding RE generation does not exceed the state's reported 2012 fossil fuel-fired generation.   | Proposal at<br>34869 |
| Whether to include 2012 hydropower generation from each state in that state's "best practices" RE quantified under this approach, and whether and how the EPA should consider year-to-year variability in hydropower generation if such generation is included in the RE targets quantified as part of BSER.   | Proposal at<br>34869 |
| An alternative to the proposed method of calculating RE targets, based on two sources of information: A metric representing the degree to which the technical potential of states to develop RE generation has already been realized, and IPM modeling of RE deployment at the state level under a scenario that reflects a reduced cost of building new renewable generating capacity. The questions in the previous three rows also apply to this alternative. | Proposal at<br>34870 |
| Other possible "techno-economic" approaches to quantifying RE potential (see TSD).   | Proposal at<br>34870 |

34866

| EPA is seeking comment on all aspects of its findings related to RE and nuclear, but |
|--|
| specifically asks for comment on:  |

#### Reference

| Ν | U | CL | E/ | ٩R |
|---|---|----|----|----|
|---|---|----|----|----|

Whether it is appropriate to reflect completion of under-construction nuclear units in the state goals and alternative ways of considering these units when setting state goals

Proposal at 34871

If so, how should EPA do so—for example, according to EGU owners' announcements, the issuance of permits, projections of new construction by the EPA or another government agency, or commercial projections? What specific data sources should EPA consider for those permits or projections?

Proposal at 34871

#### **Building Block 4**

implementation of state demand-side EE policies.

EPA is seeking comment on all aspects of its data and methodology for demand side energy efficiency programs—as well as on the level of reductions proposed as best practices suitable for representation consistent with the BSER—but specifically asks for comment on:

#### Reference

34875

| Increasing the annual incremental savings rate to 2.0 percent and the pace of improvement to 0.25 percent per year to reflect an estimate of the additional electricity savings achievable from state policies not reflected in the 1.5 percent rate and the 0.20 percent per year pace of improvement, such as building energy codes and state appliance standards. | Proposal at<br>34875 |
|--|----------------------|
| Alternative and/or data sources (other than EIA Form 861) for determining each state's current level of annual incremental electricity savings.  | Proposal at 34875    |
| Alternative approaches and/or data sources for evaluating costs associated with  | Proposal at          |

### **State Goals**

EPA is seeking comment on all aspects of the proposed form of the state goals and the goal computation procedure, but specifically asks for comment on:

#### Reference

| Its proposed state goals, and says "A state may demonstrate during the comment period that application of one of the building blocks to that state would not be expected to produce the level of emission reduction quantified by the EPA because implementation of the building block at the levels envisioned by the EPA was technically infeasible, or because the costs of doing so were significantly higher than projected by the EPA."  | Proposal at<br>34893   |
|--|------------------------|
| However, if weakening the goal, a state must show that the difference can't be made up in another of the building blocks; OR, if the state finds that one of the building blocks just won't yield the reductions EPA calculated, the state would have to look to make up those reductions elsewhere before EPA would change its target. EPA wants comments on this approach.   | Proposal at<br>34893   |
| The Option 2 state goals (set using the Option 2 BSER approach with less stringent building blocks but nearer-term compliance (2025)) or combinations of the lesser and more stringent building blocks.  | Proposal at<br>34898   |
| Its proposal to set goals for Indian Country based on the collection of EGUs located in that area of Indian Country.   |                        |
| How BSER would apply in American Territories (PR, US VI, Guam), on appropriate alternatives for territories that do not have access to natural gas, and on ways to determine appropriate RE and demand side EE targets using other data sources.   | Proposal at<br>34893   |
| Whether the goals and reporting requirements for existing EGUs should be expressed in terms of gross generation instead of net generation for consistency with existing reporting requirements and with the proposed requirements under the GHG standards of performance for new EGUs.   | Proposal at<br>34894-5 |
| The state-specific historical data to which the building blocks are applied in order to compute the state goals, and the data used to develop the state-specific data inputs for building blocks 3 and 4 (see Goal Computation TSD and Abatement TSD).   | Proposal at<br>34896-7 |
| As an alternative approach to calculating building block 2, step 3, whether EPA should decrease generation from the coal-fired steam group first, then the oil/gas-fired steam group, instead of decreasing them proportionately (as proposed).  |                        |
| As an alternative approach to calculating building block 4, step 5, whether EPA should scale up the estimated reduction in the generation by affected EGUs in net electricity exporting states to reflect an expectation that a portion of the generation avoided in conjunction with the demand-side EE efforts of other, net electricity-importing states would occur at those EGUs, analogous to the proposed adjustment for net electricity importing states described in step 5; or whether EPA should instead make no adjustment in step 5 for either net electricity-importing or net electricity-exporting states. | Proposal at<br>34897   |
| Whether, and if so how, the EPA should incorporate greater consideration of multi-<br>state approaches into the goal-setting process; and whether, and if so how, the<br>potential cost savings associated with multi-state approaches should be considered in<br>assessing the reasonableness of the costs of state-specific goals.   | Proposal at<br>34899   |

## **State Plans/Compliance**

EPA is seeking comment on all aspects of its proposed state plan approach, but specifically asks for comment on:

| R | ef | er | er | ıce |
|---|----|----|----|-----|
|   |    |    |    |     |

| specifically usion to comment of   | Reference              |
|--|------------------------|
| Other potential mechanisms for fostering multi-state collaboration.  | Proposal at<br>34900   |
| EPA's proposed approach of letting states decide whether to submit plans that hold the affected EGUs fully and solely responsible for achieving the emission performance level (EGU Sole Obligation Approach) OR to submit plans that rely in part on measures imposed on entities other than affected EGUs to achieve the balance of that level (Portfolio Approach). | Proposal at<br>34901   |
| Whether EPA can reasonably interpret CAA section 111(d)(1) to allow states to adopt plans that require EGUs and other entities to be legally responsible for actions required under the plan that will, in aggregate, achieve the emission performance level.  Appropriateness and policy ramifications of the "State Commitment Approach."                            | Proposal at 34901      |
| A variation of this plan in which full obligation for emission performance level is on EGUs, but states credit EGUs with (and take responsibility for) the amount of emission reductions expected from RE or EE measures.  | Proposal at<br>34902   |
| The extent to which measures such as RE and demand-side EE may be considered "implement[ing]" measures in state plans if they are not directly tied to emission reductions that affected sources are required to make through emission limits, and if they are requirements on entities other than the affected sources.   | Proposal at<br>34903   |
| Whether EPA must interpret section 111(d) to require sole responsibility for achieving the emission performance level to be on affected EGUs; and, if so, whether there is a way, nonetheless, to allow states to rely on the Portfolio Approach to some extent and/or for some period of time.  | Proposal at<br>34903   |
| Applicability of state 111(d) plans to sources that are subject to plan requirements, even if they undertake modification or reconstruction, making those sources subject to BOTH 111(d) and 111(b) standards.   | Proposal at<br>34903-4 |
| Whether it should require an additional plan submittal in 2025 (or another year?) showing whether plan measures would maintain the final-goal level of emission performance over time.   | Proposal at<br>34905   |
| The appropriate start date for the performance period for the interim goal.  | Proposal at<br>34905   |
| The proposed and other approaches to specifying performance periods for state plans.   | Proposal at 34906      |
| Whether there are other types of state plans that would be self-correcting.  | Proposal at<br>34907   |
| Whether states should be required to adopt legal authority and/or adopt regulations for correcting future deficiencies as part of their state plan development process, rather than having the option to wait until a deficiency is discovered.  | Proposal at<br>34907   |
| What conditions should trigger corrective measures. Is 10% appropriate? Would somewhere in the range of 5 to 15% be better? What about the 8% for plans without contingency measures? Would 5 to 10% be better?  | Proposal at<br>34907   |

#### EPA is seeking comment on all aspects of its proposed state plan approach, but specifically asks for comment on:

#### Reference

| •••••••••••••••••••••••••••••••••••••••   | Reference                    |
|---|------------------------------|
| How the milestones and emission performance checks would work in the context of the alternative 5-year compliance timeframe.  | Proposal at<br>34907         |
| How EPA should handle the consequences of failing to meet interim or final goals. Should consequences include the triggering of corrective measures in the state plan, or in plan revisions, to adjust requirements or add new measures? Should corrective measures be required to achieve additional emission reductions to offset any emission performance deficiency that occurred during a performance period for the interim or final goal? What should the process be for invoking requirements for implementation of corrective measures in response to a state plan performance deficiency? | Proposal at<br>34908         |
| Whether EPA should promulgate a mechanism under CAA section 111(d) similar to the SIP call mechanism in CAA section 110.  | Proposal at 34908            |
| Whether EPA should require continued improvement after the target year, instead of just maintenance.  | Proposal at 34908            |
| What a state would need to require in its plan to show that performance will be maintained after 2030, for plans that rely in part on end-use EE programs and measures.   | Proposal at<br>34908, fn 281 |
| An alternative in which the state plan would be required to include projections demonstrating that emission performance would continue to meet the final goal for up to 10 years beyond 2030. This approach could be implemented through a second round of state plan analysis and submittals in 2025 to make the demonstration and strengthen or add measures if necessary.  | Proposal at<br>34908         |
| Whether EPA should set BSER-based goals for affected EGUs that extend further into the future, and if so, what those levels of improved performance should be over what time period.  | Proposal at<br>34908         |
| Whether the $111(b)(1)(B)$ requirement that NSPSs be updated every 8 years should also apply to $111(d)$ .  | Proposal at<br>34908         |
| For the alternative state goals, EPA requests comment on whether a state plan should provide for emission performance after 2025 solely through post-implementation emission checks that do not require a second plan submittal, or whether a state should also be required to make a second submittal prior to 2025 to demonstrate that its programs and measures are sufficient to maintain performance.  | Proposal at<br>34909         |
| The criteria EPA is using to determine whether a plan is "satisfactory" under 111(d)(2)(A).   | Proposal at<br>34909         |
| The appropriateness of existing EPA guidance on enforceability of measures in state plans in the context of 111(d).   | Proposal at<br>34909         |
| All aspects of enforceability of state plans and how to ensure compliance, including under different state plan approaches considered in this rulemaking.   | Proposal at<br>34910         |
| Whether RTOs should help implement multi-state plans and demonstrate emission performance across existing RTOs/ISOs.  | Proposal at<br>34910         |
| The scope of reporting requirements for each affected entity in a state plan.   |                              |

## EPA is seeking comment on all aspects of its proposed state plan approach, but specifically asks for comment on:

#### Reference

| Whether states participating in a multi-state plan should also be given the option of  |
|--|
| providing a single submittal—signed by authorized officials from each participating    |
| state—that addresses common plan elements. Individual participating states would       |
| also be required to provide individual submittals that provide state-specific elements |
| of the multi-state plan. Under this approach, the combined common submittal and        |
| each of the individual participating state submittals would constitute the multi-state |
| plan submitted for EPA review.   |
| Or, an approach where all states participating in a multi-state plan separately make   |

Proposal at 34910-11

Or, an approach where all states participating in a multi-state plan separately make individual submittals that address all elements of the multi-state plan. These submittals would need to be materially consistent for all common plan elements that apply to all participating states, and would also address individual state-specific aspects of the multi-state plan.

Proposal at 34911

Two options for calculating a weighted average, rate-based CO<sub>2</sub> emission performance goal for multiple states:

Proposal at 34911

- First option: The weighted average emission rate goal for a group of participating states is computed using each state's emission rate goal from the emission guidelines and the quantity of electricity generation by affected EGUs in each of those states during the 2012 base year that the EPA used in calculating the state-specific goals.
- Second option: The weighted average emission rate goal for a group of participating states is computed using each state-specific emission rate goal and the quantity of projected electricity generation by affected EGUs in each state. The calculation would be performed for the 2020 2029 period to produce a multi-state interim goal, and for 2030 to produce a multi-state final goal. This projection of electricity generation by affected EGUs would be for a reference case that does not include application of either the state-specific rate-based emission performance goals for the participating states or the requirements, programs, and measures included in the multi-state plan.

Proposal at

34912

Whether, to assist states that seek to translate the rate-based goal into a mass-based goal, the EPA should provide a presumptive translation of rate-based goals to mass-based goals for all states, for those who request it, and/or for multi-state regions. As another alternative, the EPA could provide guidance for states to use in translating a rate-based goal to a mass-based goal for individual states and for multi-state regions. This could include information about acceptable analytical methods and tools, as well as default input assumptions for key parameters that will likely influence projections, such as electricity load forecasts.

Proposal at 34912

The amount of emission rate improvement or emission reduction that the corrective measures included in the plan must be designed to achieve, and whether the emissions guidelines should establish a deadline for implementation of corrective measures.

The process for setting mass-based emission goals, including the options summarized

in the previous row for EPA's and the states' roles in the translation process.

Proposal at 34912

Longer or shorter averaging times for emission standards included in a state plan. (EPA is proposing no longer than 12 months.)

Proposal at 34913

| EPA is seeking comment on all aspects of its proposed state plan approach, but   |                      |
|--|----------------------|
| specifically asks for comment on:  | Reference            |
| Whether an emission reduction becomes duplicative (and therefore cannot be used for demonstrating performance in a plan) if it is used as part of another state's demonstration of emission performance under its CAA section 111(d) plan.   | Proposal at 34913    |
| Two possible adjustments to the Part 75 Relative Accuracy Test Audit (RATA) requirements for steam EGU stack gas flow monitors that can affect reported CO <sub>2</sub> emissions. The first possible adjustment would be to require use of the most accurate RATA reference method for specific stack configurations, while the second possible adjustment would be to require a computation adjustment when an EGU changes RATA reference methods. | Proposal at<br>34914 |
| Whether EGUs producing both electric energy output and useful thermal output should be required to report both.  | Proposal at 34914    |
| The proposal for reporting of net rather than gross energy output, and on the proposed protocols for net energy output under 40 CFR Part 75 that would allow the ECMPS to be used for purposes of meeting the net energy output reporting requirement.   | Proposal at<br>34914 |
| A range of two-thirds to 100 percent credit for useful thermal output in the final rule, or other alternatives to better align incentives with avoided emissions.  | Proposal at<br>34914 |
| Its proposal that state plans must include a record retention requirement of ten years; EPA requests comment on this proposed timeframe.   | Proposal at<br>34914 |
| The appropriate frequency of reporting of the different proposed reporting elements, considering both the goals of minimizing unnecessary burdens on states and ensuring program effectiveness; and, particularly, whether full reports containing all of the report elements should only be required every two years, and whether they should be submitted electronically.  | Proposal at<br>34914 |
| Additional circumstances for which an extension of time for submitting a complete plan would be appropriate (beyond legislative schedule and multi-state coordination), and what justifications should not be permissible.   | Proposal at<br>34915 |
| Any additional elements that a state must include in its initial submittal to qualify for a date extension; specifically, whether the guidelines should require a state to have taken significant, concrete steps toward adopting a complete plan for the initial plan to be approvable.   | Proposal at<br>34916 |
| Whether, for complete state plans under these guidelines, the agency may use two approval mechanisms provided for in CAA sections 110(k)(3) and (4): first, a partial approval/partial disapproval; and second, a conditional approval.  | Proposal at<br>34916 |
| Whether EPA should interpret the CAA as providing the flexibility to approve a plan on the condition that the state commits to curing the minor deficiencies within one year. Any such conditional approval would be treated as a disapproval if the state fails to comply with its commitment.  | Proposal at<br>34917 |
| Whether, when substantively changing measures in an approved plan, the required new projections of emission performance—including the projection methods, tools, and assumptions used—should match those used for the projection in the original demonstration of plan performance; or, whether they should be updated to reflect the latest data and assumptions, such as assumptions for current and future economic                               | Proposal at 34917    |

conditions and technology cost and performance.

| EPA is seeking comment on all aspects of its proposed state plan approach, but   |                         |  |
|--|-------------------------|--|
| specifically asks for comment on:  | Reference               |  |
| Whether EPA should create a template for initial and complete state plan submittals, or whether a template would be more appropriate for initial plan submittals.  | Proposal at<br>34917    |  |
| Whether states should be allowed to submit plans electronically.   | Proposal at<br>34917    |  |
| Whether EPA should provide guidance on enforceability considerations related to requirements in a state plan for affected entities other than EGUs (and if so, which such entities).   | Proposal at<br>34917    |  |
| While EPA is proposing that reductions that occur as a result of programs that are adopted before the performance period count toward compliance as long as they were adopted after the proposal date, EPA is also taking comment on other cut-off dates, such as: the start date of the initial plan performance period; the date of promulgation of the emission guidelines; the end date of the base period for the EPA's BSER-based goals analysis (e.g., the beginning of 2013 for blocks 1–3 and beginning of 2017 for block 4, end-use energy efficiency); the end of 2005; or another date. Is there a rational basis for choosing a date that predates the base period from which the EPA used historical data to derive state goals? | Proposal at<br>34918    |  |
| As another option, should EPA recognize emission reductions that existing programs achieved prior to the start date of the plan performance period, such as: the date of promulgation of the emission guidelines; the date of proposal of the emission guidelines; the end date of the base period for the EPA's BSER-based goals analysis (e.g., the beginning of 2013 for blocks 1–3 and the beginning of 2017 for block 4, enduse energy efficiency); the end of 2005; or another date?   | Proposal at<br>34919    |  |
| Different approaches for providing crediting or administrative adjustment of EGU CO <sub>2</sub> emission rates for EE and RE measures.  | Proposal at<br>34919-20 |  |
| How emission reductions at non-affected EGUs (i.e., new units) that are achieved as a result of EE or RE should be addressed in state plans.   | Proposal at<br>34920    |  |
| The suitability of current EM&V approaches for RE and EE in the context of approvable state plans, and whether harmonization should be required.   | Proposal at<br>34920    |  |
| EPA intends to establish guidance for acceptable quantification, monitoring, and verification of RE and demand-side EE measures for an approvable EM&V plan, and is seeking comment on critical features of such guidance, including scope, applicability, and minimum criteria, as well as the appropriate basis for and technical resources used to establish such guidance, including consideration of existing state and utility protocols, as well as existing international, national, and regional consensus standards or protocols.  | Proposal at<br>34920    |  |
| Its decision not to limit the types of RE and demand-side EE measures and programs that can be included in a state plan, provided that supporting EM&V is rigorous, complete, and consistent with EPA's guidance.  | Proposal at<br>34920    |  |
| How to account for $CO_2$ emission reductions from demand-side EE measures in state plans, and how to avoid double counting emission reductions using the proposed approach of counting only the reductions in generation that occur in the state from instate EE measures.  | Proposal at<br>34922    |  |

#### EPA is seeking comment on all aspects of its proposed state plan approach, but specifically asks for comment on:

| specifically asks for comment of   | on:  | Reference                  |
|--|--|----------------------------|
| the proposed RE approach of al reductions from RE measures in  | O <sub>2</sub> reductions from in-state RE measures, rather than llowing states to take into account all of the CO <sub>2</sub> mplemented by the state—whether they occur in state avoid double-counting reductions using the proposed  | Proposal at<br>34922       |
| whether EPA should develop gu  | ing EGU emission projections for state plans, and uidance that describes acceptable projection s for use in an approvable plan, as well as providing ting projections.   | Proposal at<br>34923       |
| Any additional emission reducti<br>targets, such as partial CCs, bio   | ion options that EPA has not used to set proposed mass, new NGCCs, etc.  | Proposal at<br>34923       |
| An alternative nuclear capacity the proposal date as the baseling  | baseline for compliance purposes, rather than using ne.  | Proposal at<br>34923       |
| emission reductions at affected<br>emissions added by the new NO<br>111(d)? Should the emissions fr                                    | Specifically, should the calculation consider only the I EGUs, or should the calculation also consider the new GCC unit, which is not an affected unit under section rom a new NGCC included as an enforceable measure in a plan using a Portfolio Approach) also be considered?                                   | Proposal at<br>34924       |
| units with CCS, based on exceed such units, should be allowed a  | reductions from new fossil fuel-fired boilers and IGCC ding the CAA section 111(b) performance standards for s a compliance option to help meet the emission der a CAA section 111(d) state plan.  | Proposal at<br>34924       |
|  | eat and power approaches warrant consideration as a EGU emissions, and whether the answer depends on the type of CHP in question.  | Proposal at<br>34924       |
| Whether there are circumstance   | es other than a major capital investment that could imposing unreasonable costs considering a facility's   | Proposal at 34926, fn. 305 |
| specific factors identified in the considered as a basis for adjust  | ining useful life of affected EGUs, and the other facility-<br>e existing implementing regulations, should not be<br>ing a state emission performance goal or for relieving a<br>p and submit an approvable plan that achieves that goal<br>on this position.  | Proposal at<br>34926       |
| have the option of including the jurisdictional plan with one or nadditional state). EPA is also see plans for Indian Country areas we | elop and implement a CAA section 111(d) plan should e EGUs located in its area of Indian Country in a multimore states (i.e., treating the tribal lands as an eking comment on whether it should develop federal with affected EGUs, and whether it should consider learby states on a multi-jurisdictional basis. | Proposal at<br>34854       |

## Other

| EPA is also seeking comment on:  | Reference                                  |
|--|--|
| Reliability and resource adequacy concerns.  |  |
| <ul> <li>Stakeholder proposals not included in the rule:</li> <li>Model Rule on Interstate Emissions Credit Trading and Price Ceiling</li> <li>Equivalency Tests (rate-based, mass-based, or market price-based test)</li> <li>Plant specific (inside the fenceline) approach</li> </ul>   | Proposal at<br>34847-8                     |
| Whether it should combine the two existing categories for affected EGUs (fossil-fuel-fired steam generating boilers and combustion turbines); and, specifically, whether combining the categories is, as a legal matter, a prerequisite for: (i) identifying, as a component of the BSER, redispatch between sources in the two categories (i.e., redispatch between steam EGUs and NGCC units), or (ii) facilitating averaging or trading systems that include sources in both categories, which states may wish to adopt.  | Proposal at<br>34892                       |
| Its proposed approach to partially quantifying demand-side energy efficiency employment impacts, that is, the use of energy-sector model projections of the first-year costs required for states to attain the goal of demand-side efficiency improvements set by building block four, which it then multiplies by the jobs per additional dollar figure to get projected employment impacts for demand-side energy efficiency activities. EPA also wants comment on other data, identification of related studies and peer reviewed articles, and other methods related to quantifying demand-side EE employment impacts. | RIA at 6-28,<br>and<br>RIA at 6-30 &<br>31 |
| How the rule will impact small entities, such as munis and rural electric cooperatives.  | RIA at 7-5                                 |
| The treatment of CT units, especially in light of more recent information on the integration of CTs and renewables, in the 111(b) modified/reconstructed source rule.  | RIA at 9-7                                 |