

State and Local Air Agencies' Views on NSR

Presented to NAPA

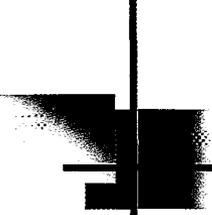
by

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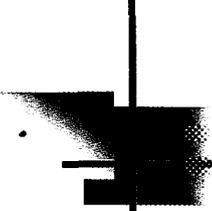
STAPPA/ALAPCO Have Had Long-Standing Interest in NSR

- **Participated in NSR Simplification Process**
- **Provided Comments on All EPA Proposals**
- **Testified Before Congress**
- **Met With Environmental, Industrial and Governmental Stakeholders**
- **Met With Administration Officials on NSR 90-Day Review**



STAPPA/ALAPCO Guiding Principles on NSR Reform

- **Best Time to Control Source is During Installation/Modification**
- **“Best Available Control Technology” Should be Defined in “Top-Down” Process**
- **BACT/LAER Clearinghouse Should be Robust and Well-Funded**

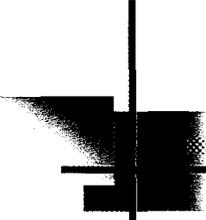


STAPPA/ALAPCO Guiding Principles in NSR Reform (Con't)

- **New/Modified Sources Should Not be Allowed to “Net Out” of BACT/LAER**
- **NSPS Are Not Appropriate Surrogate for BACT**
- **Impacts of New/Modified Sources on NAAQS, PSD Increments, AQRV's and Toxics Must be Minimized**

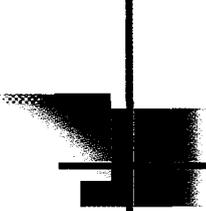
New Source Review Program is Working

- **Essential Tool For State and Local Air Agencies**
- **Resulted in Millions of Tons of Reductions in NO_x and SO₂**
- **Does Not Prevent Sources From Expanding Capacity or Improving Efficiency**
- **Works When Applications Are Well-Prepared**



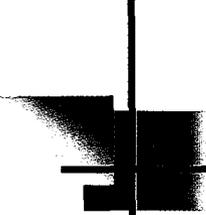
Extensive New Power Generation Recently Has Been Permitted

- **Arkansas – 6,423 MW Approved, 6,000 MW Pending**
- **California – 12,000 MW Approved, 6,000 MW Being Processed, 10,000 MW Just Announced**
- **Connecticut – 2,500 MW Approved**
- **Florida – 15,000 MW Approved, 8,000 MW Pending**



New Power Generation (Con't)

- **Georgia – 14 New Power Plants Approved Representing 10,000 MW, 6,500 MW Being Processed**
- **Massachusetts – 5,000 MW Approved**
- **Missouri – 3,600 MW Approved, 1,700 MW Pending**
- **New Hampshire – 1,345 MW Under Construction**

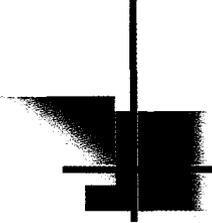


New Power Generation (Con't)

- **New Jersey – 2,500 MW Approved, 9,500 MW Pending**
- **Texas – 36,000 MW Approved, 10,000 MW Pending**
- **Washington – 3,000 MW Approved, 6,000 MW Being Processed**
- **Wisconsin – 10 Power Plants Approved Representing 2,600 MW, 6,700 MW Being Processed**

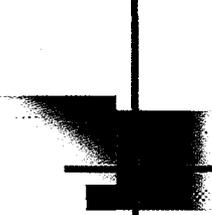
NSR Program Can Be Improved, However

- **Reform Should Focus on Modifications, Not New Sources**
- **STAPPA/ALAPCO Has Supported:**
 - **Clean Unit Exemption**
 - **PALs (Plantwide Applicability Limits)**
 - **Clarifying “Routine Maintenance, Replacement and Repair”**
 - **Sector-Based “Off-Ramps”**



Utility Sector “Off-Ramp”

- **Apply to Coal-Fired Boilers**
- **Upgrade All Units >30 Years to BACT**
- **Allow Emissions Trading, Prevent Local Impacts**
- **Once Controlled to BACT, Existing Units Governed by “Clean Unit” Test**
- **Harmonize Controls For Mercury and Carbon Dioxide**



Conclusion

- **Reform, Don't Replace, NSR Program**
- **Focus on Modifications**
- **Record is Extensive From Past Several Years**
 - **EPA Rulemaking**
 - **Stakeholders' Processes**
 - **90-Day Review**
- **Utilize Existing Record**