

Comparison of emission trends, Clean Power Plan and proposed ACE rule

Labor meeting with US EPA staff
October 30, 2018



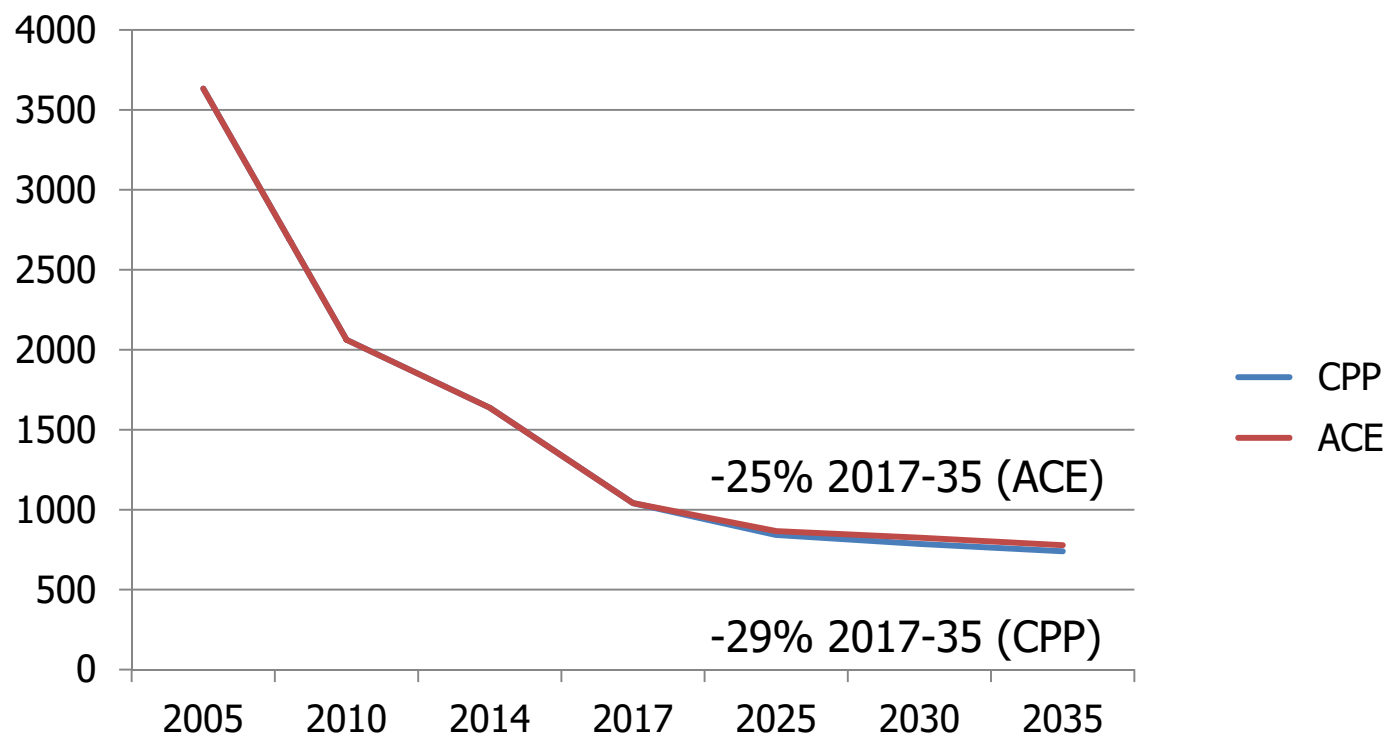
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Comparison of CPP and ACE emission trends

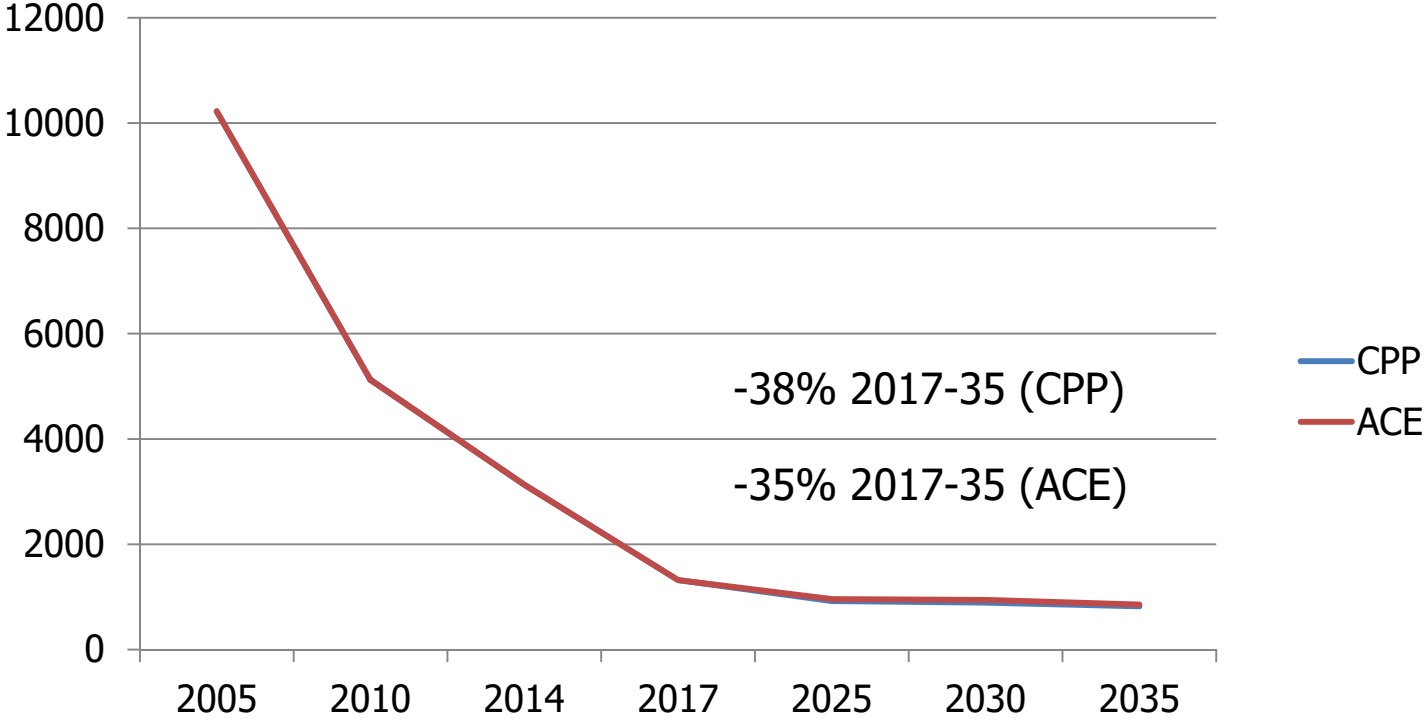
- EPA's RIA for the proposed Affordable Clean Energy (ACE) rule suggests that the rule will slightly increase emissions of criteria pollutants (SO₂, NO_x, etc.) and CO₂ in 2025-35 relative to the Clean Power Plan base case.
- Analysis of longer term-emission trends from EPA's RIA (HRI 2% case) and CAMD database shows that there is no significant environmental performance difference between the two rules.
- Use of an alternative "no rule" baseline would show substantial public health benefits from the ACE rule over the 2017-2035 period.
- Both rules meet the previous 32% target for EGU reductions needed to meet the Paris Agreement.

Electric generating units NOx emissions, 2005-2035, CPP and ACE rules (000 tons)



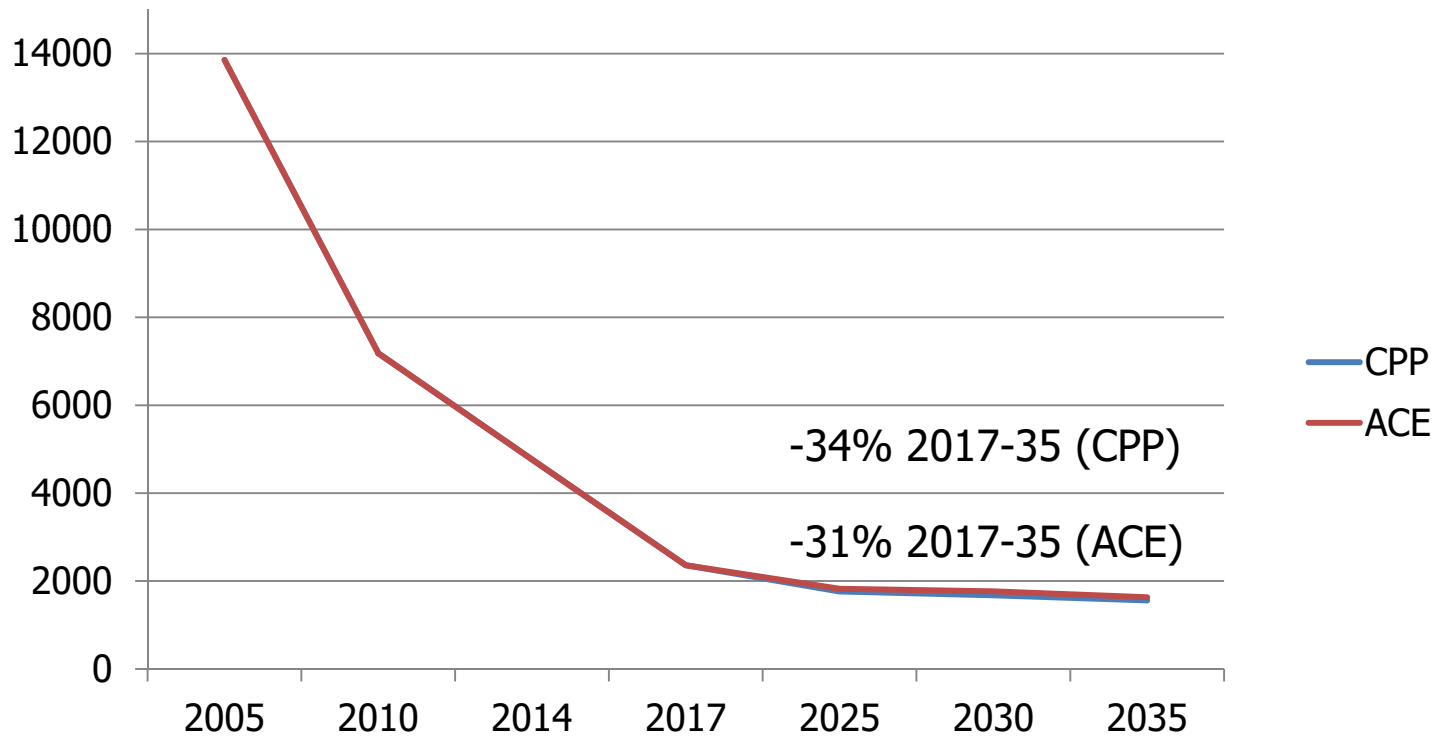
Source: US EPA ACE RIA (2018) and EPA CAMD Database (acid rain program units)

Electric generating units SO2 emissions, 2005-2035,
CPP and ACE rules (000 tons)



Source: EPA ACE RIA (2018) and EPA CAMD Database.

Electric generating units SO2 and NOx emissions (PM2.5 precursors), 2005-2035, CPP and ACE Rules

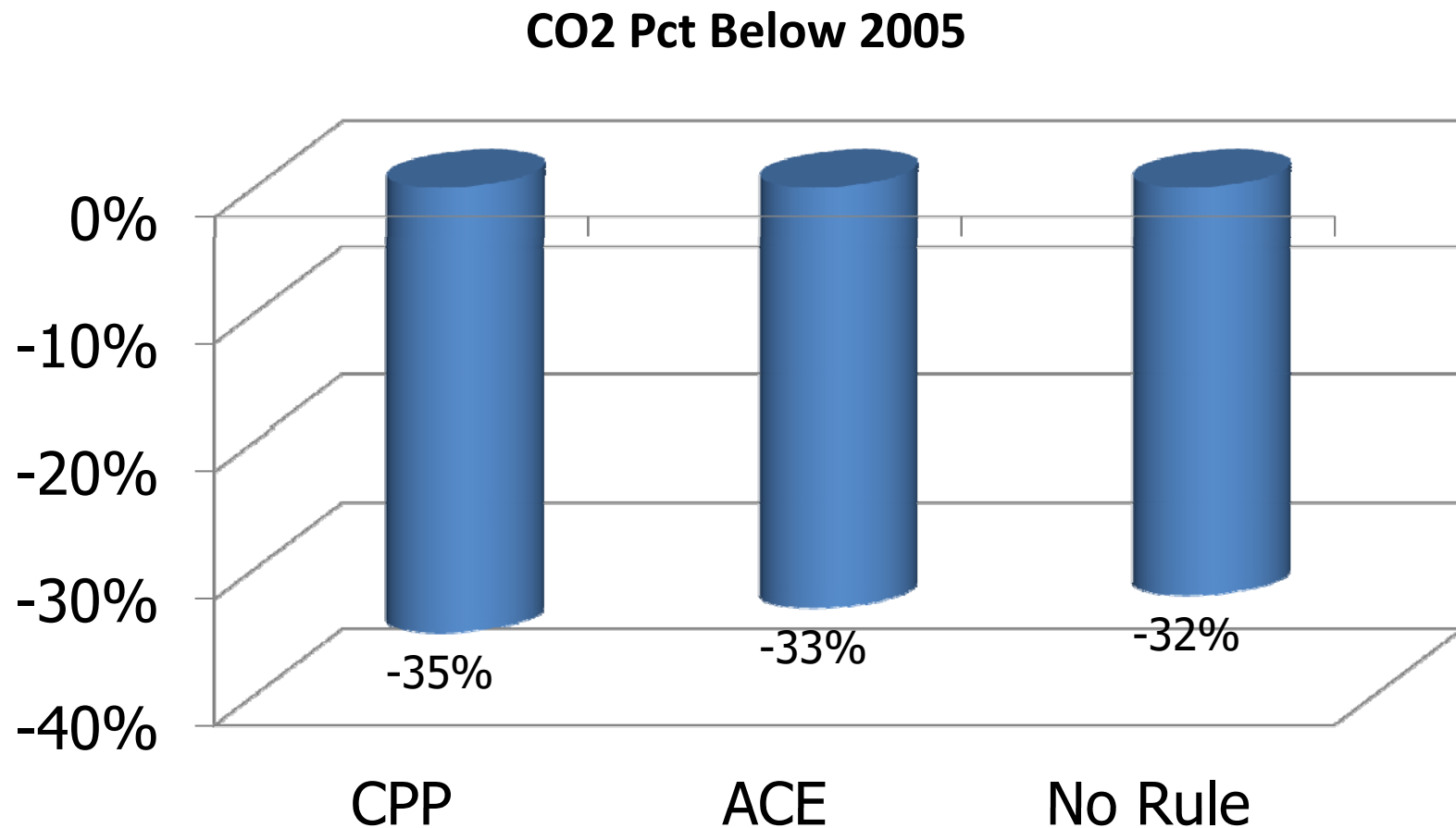


Source: EPA ACE RIA (2018) and EPA CAMD Database.

Criteria emissions in perspective

- Both rules achieve large reductions in SO₂ and NO_x emissions from 2005 to 2035: an 88% reduction for ACE and an 89% reduction for CPP (combined SO₂ and NO_x).
- 2005-17 reductions reflect other EPA programs such as CAIR, CSAPR, MATS, plant retirements, and greater dependence on natural gas.
- Both rules achieve major criteria emission reductions from 2017 to 2035: combined emissions of SO₂/NO_x – the principal precursors of PM_{2.5} - decrease 31% with ACE and 34% with CPP. These trends imply steady improvements in air quality and public health regardless of the rule in place.
- The projected 25% decrease in EGU NO_x emissions under the ACE rule from 2017 to 2035 will further reduce the need for any new interstate ozone transport rules.

Both CPP and ACE meet 32% Paris Target (2025 EGU CO2 emission reduction from 2005 levels)



Source: US EPA ACE RIA (August 2018), Table 3-6.

ELECTRIC UTILITY EMISSIONS OF CRITERIA POLLUTANTS 2005-2035
 CPP AND ACE RULES

NOx			Pct. Chg from 2005		Pct Chg from 2017	
	CPP	ACE	CPP	ACE	CPP	ACE
2005	3633	3633	NA	NA		
2010	2063	2063	-43%	-43%		
2014	1637	1637	-55%	-55%		
2017	1041	1041	-71%	-71%		
2025	842	866	-77%	-76%	-19%	-17%
2030	786	825	-78%	-77%	-24%	-21%
2035	740	778	-80%	-79%	-29%	-25%

SO2			CPP		ACE	
	CPP	ACE	CPP	ACE	CPP	ACE
2005	10223	10223	NA	NA		
2010	5121	5121	-50%	-50%		
2014	3130	3130	-69%	-69%		
2017	1319	1319	-87%	-87%		
2025	923	959	-91%	-91%	-30%	-27%
2030	891	943	-91%	-91%	-32%	-29%
2035	821	855	-92%	-92%	-38%	-35%

NOx + SO2 (PM2.5 precursors)			CPP		ACE	
	CPP	ACE	CPP	ACE	CPP	ACE
2005	13856	13856	NA	NA		
2010	7184	7184	-48%	-48%		
2014	4767	4767	-66%	-66%		
2017	2360	2360	-83%	-83%		
2025	1765	1825	-87%	-87%	-25%	-23%
2030	1677	1768	-88%	-87%	-29%	-25%
2035	1561	1633	-89%	-88%	-34%	-31%

Sources: Data for 2025-2035 from US EPA ACE RIA 2% HRI Case (August 2018).
 Data for 2005-2017 from EPA CAMD database (acid rain program, all units).