

MANCHIN-COATS LEGISLATION ON UMACT AND CSAPR

- (1) ***The bill does NOT change the stringency or reduction levels of any EPA regulations.*** It does not change any aspect of UMACT or CSAPR, except for extending the compliance deadlines for both rules. (The "compliance date" is the date by which emission controls must be installed to meet an emissions reduction requirement, and when reductions actually begin.)
- (2) ***The bill also provides that utilities will submit implementation plans on how key aspects of retrofits and retirements will be completed by specified milestones, ending in completion by the compliance deadlines.*** As an additional protection to safeguard the electric grid, these implementation plans will be issued by the Department of Energy, after being reviewed by NERC and the appropriate regional reliability organizations, to ensure that outages or retirements across adjoining service territories, and for multiple utilities, do not pose an unintended risk to reliability. ***This procedure, and legal authority, does not exist today, and this is a major improvement over the status quo to ensure the reliability of the grid.***
- (3) The bill puts UMACT and Phase 2 of CSAPR on the same time frame with regards to the final "compliance" date. This is simply common sense, so that utilities can engage in rational planning. The emission controls that are installed under either rule often have benefits under the other rule.

It only makes sense that the final date for compliance -- when controls must be installed and reductions must begin -- be the same for both rules.

- (4) UMACT -- Under the EPA rule, the compliance date will be 1/1/2015. The compliance date for UMACT is extended by two years. Under this bill, the compliance date will be 1/1/2017. No other changes are made to UMACT. EPA retains its existing authority to grant an additional one year extension to specific units, but this is entirely at the discretion of EPA and the states, as provided under existing law.
- (5) CSAPR -- Under the EPA rule, compliance for Phase 1 begins 1/1/2012. Under this bill, the compliance date will be 1/1/2015. Under the EPA rule, compliance for Phase 2 begins 1/1/2014. Under this bill, compliance for phase 2 is extended to 1/1/2017. No other changes are made to CSAPR.

This means that the compliance dates for UMACT and Phase 2 of CSAPR will then both be 1/1/2017. This restores rationality and common sense planning to the regulatory process, since in many cases the two rules require and share the use of some of the same emission control equipment. The additional implementation plans, issued by DOE after review by NERC and the appropriate regional reliability organization, provides a vital safeguard to ensure the reliability of the electric grid that does not exist today.