

Greenhouse Gas Performance Standards and Energy Efficiency: Minnesota and the Midwest Look Ahead

Q&A with Air Assessment Section Manager Frank Kohlasch (MPCA)

1. Does the Minnesota PCA have an idea of the process that it will use to implement 111(d), and is it anticipated to be different from other State Implementation Plans (SIPs)?

I will answer this question in two ways, one focusing on the process for creating a state plan to implement the federal 111(d) guidelines and a second answer on implementing the state plan.

To create the state plan required under 111(d), the MPCA wants to gather input from multiple interested parties. We anticipate a state rule will be required to demonstrate that Minnesota can enforce EPA's emission guidelines. If a rule is required, the MPCA must follow state law which provides multiple opportunities for public comment and input on the content of the rule. Due to requirements of Minnesota law in adopting a rule, the MPCA anticipates that the state's resulting 111(d) plan would be based upon the information generated to support the state's rule. The MPCA is currently considering the most effective way to ensure we hear the variety of perspectives on the rule and the resulting plan. We will announce a process once we review the proposed rule and understand the nature of EPA's approach.

How the MPCA will implement the emission guidelines proposed by EPA under 111(d) is unknown at this time. The messages from EPA have been clear that they want to provide flexibility to states to meet the requirements. We will not know until EPA releases their 111(d) proposal what flexibility means for Minnesota to create an adequate plan for EPA approval. Lacking solid information about what flexibility will be provided to states, especially how EPA will assign accountability for compliance between state agencies and facility operators, we don't have a firm basis to speculate how the requirements will be implemented.

2. Does the 111(d) regulation plan to require reductions in carbon tons, or carbon per unit of energy consumer (e.g. MWh)?

This is the \$64,000,000 question about the 111(d) emission guidelines for carbon! The language of the Clean Air Act does not require, or prohibit, the emission guidelines in 111(d) to be of any specific type or form. Include the concept of flexibility into the mix and it is unclear what form EPA will use for their proposed emission guideline. States may also have the flexibility to create state programs that use a different form of emissions guidelines, if they can demonstrate that the approach is equivalent to or better than EPA's emission guidelines. Ultimately, the answer to this question will be determined by EPA and their judgment on the form of an emission guideline that will achieve the appropriate level of control for carbon from existing fossil-fuel power plants.