

S. J. Res. 27 to Disapprove EPA's Cross-State Air Pollution Rule

CSAPR was promulgated by EPA in early August. The rule replaces EPA's Clean Air Interstate Rule, which was promulgated in 2005 but remanded to EPA by the D.C. Circuit Court of Appeals. CSAPR reduces sulfur dioxide (SO₂) and nitrogen oxides (NO_x) emissions from coal-fueled power plants and NO_x emissions from natural gas-fueled power plants in 27 states. Serious concerns about the cumulative impacts of CSAPR and other new EPA regulations have been raised not just by electric utilities, but also by many states, public utility commissions, regional reliability organizations, grid operators, and others.

- **Lack of time to comply** CSAPR imposes stringent emission reduction requirements starting only 4 months after the rule was promulgated. Past EPA rules have allowed as many as 5 years to begin reducing SO₂ and NO_x emissions from power plants.
- **Higher energy prices** The combination of CSAPR and other new EPA rules is projected to increase electricity prices by over \$120 billion and natural gas prices by over \$50 billion over the period 2012 – 2020.
- **Job losses and premature coal retirements** Power plant operators have announced the likelihood of plant closures and job losses due to CSAPR. In addition, the combination of CSAPR and other new EPA rules is projected to cause net job losses averaging 183,000 jobs per year over the period 2012 - 2020.
- **Threats to electric reliability** The cumulative impacts of CSAPR, along with other new EPA rules, pose threats to electric reliability. Grid operators and others have expressed concerns that electric system reliability could be threatened as power plants are shut down without adequate time to construct replacement capacity.

S. J. Res. 27 reflects the Senate's concern over the need to address these problems with CSAPR. If CSAPR is disapproved by Congress –

- **Air quality will continue to improve** Power plants will continue to reduce emissions because EPA's Clean Air Interstate Rule will remain in effect. When EPA promulgated CAIR in 2005, the agency stated, "... this rule provides states with a solution to the problem of power plant pollution that drifts from one state to another ... This rule will result in the deepest cuts in sulfur dioxide and nitrogen oxides in more than a decade."
- **Emissions reductions under CSAPR and CAIR are virtually the same by 2014-2015** Overall SO₂ reductions under both CSAPR (75 percent) and CAIR (72 percent) are over 70 percent, and reductions in NO_x emissions are identical (54 percent) under both rules.