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- A white slide with a blue gradient top edge. The title is "What's Hot in Region 3???" followed by a bulleted list of four items: New Ozone and SO2 Standards Keeping Everyone Busy, Boiler MACT & Mercury and Air Toxic Standards, Climate Change Implementation & Coordination, and Marcellus Shale.
- New Ozone and SO₂ Standards
Keeping Everyone Busy
 - Boiler MACT & Mercury and Air
Toxic Standards
 - Climate Change Implementation
& Coordination
 - Marcellus Shale

Ozone

• Ozone

- States submitted 29 proposed nonattainment areas in 2009
- Delay allowed states to submit clean data for 17 of these areas based on 2008-2010 monitoring
- 120 day letters to states imminent – Administrator signs FR package in April
- Repeated exposure to ozone damages sensitive vegetation and trees, including those in forests and parks, leading to reduced growth and productivity, increased susceptibility to disease and pests, and damaged foliage.
- EPA estimates that implementation of the 0.075 standard can cost an as low as \$7 billion dollars yet yield health benefits as high as \$17 billion dollars.

Sulfur Dioxide

- Primary NAAQS revised in 2010 to a 1 hour standard of 0.075 ppb
- In summer 2011 states submitted 10 recommended nonattainment areas (four will be multi-state/multi-regions)
- Final areas to be designated in June 2012
- EPA estimates that the revised standard will yield health benefits valued up to \$33 billion, including reduced hospital admissions, emergency room visits, work days, and cases of aggravated asthma among other benefits.



Boiler MACT Rule

- Boiler Mact Proposed December 2, 2011
 - Only applies to a small percentage of boilers located in the U.S., (specifically the highest emitting boilers – less than 1%);
 - Existing boilers have three years to comply with new standards; incinerators have up to five years to comply;
 - Most Area Source Boilers will need to conduct routine maintenance and tune ups on equipment
 - Major Source Boilers will be required to conduct periodic tune-ups on equipment and meet emission standards, if not already meeting them



Boiler MACT Rule Impacts

- The proposed changes would cut emission of pollutants such as mercury, particle pollution, sulfur dioxide, dioxin, lead, and nitrogen dioxide;
- These pollutants can cause a range of dangerous health effects – from developmental disabilities in children to cancer, heart disease and premature death;
- The proposed standards would have direct benefits to many communities where people live very close to these units;
- Together, the standards will avoid up to 8,100 premature deaths, 5,100 heart attacks, and 52,000 asthma attacks;
- EPA estimates that Americans would receive 12 to 30 dollars in health benefits for every dollar spent to meet the proposed stand

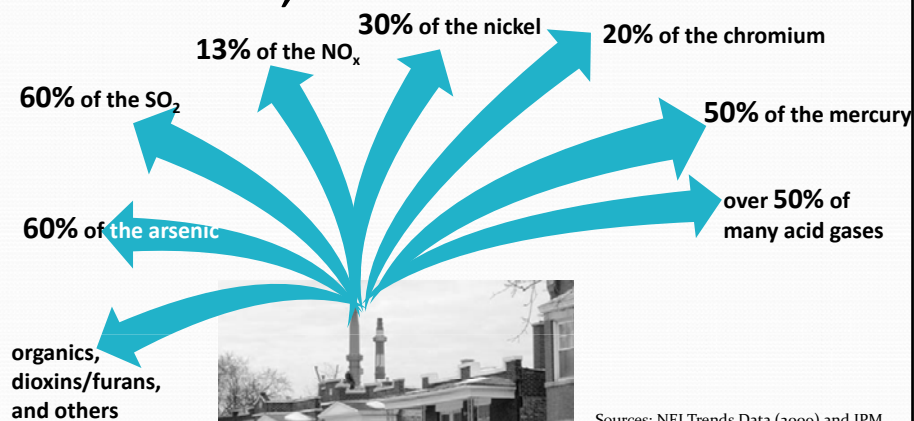


Mercury and Air Toxics Rule

- On March 16, EPA proposed Mercury and Air Toxics Standards, *the first national standards to reduce emissions of toxic air pollutants from new and existing coal- and oil-fired power plants* – often the biggest contributors to air pollution
- Standards would reduce emissions of:
 - Metals, including mercury (Hg), arsenic, chromium, and nickel
 - Acid gases, including hydrogen chloride (HCl) and hydrogen fluoride (HF)
 - Particulate matter;
 - These pollutants are linked to cancer, IQ loss, heart disease, lung disease and premature death
- Standards create uniform emissions-control requirements based on proven, currently in-use technologies and processes
- Compliance time line set by Clean Air Act: up to 4 years (3 years plus an additional year if granted by the permitting authority)
- EPA is also proposing a new source performance standard (NSPS) for particulate, sulfur dioxide (SO₂), and nitrogen oxide (NO_x) emissions from new sources;
- Administrator set to sign final proposal shortly



In the U.S., Power Plants Emit:



Sources: NEI Trends Data (2009) and IPM (2010) (SO₂, NO_x); Proposed toxics rule modeling platform, based on inventory used for 2005 NATA (Hg); Inventory used for 2005 NATA (other toxics)

Mercury and Air Toxics Standard

- New and existing coal-fired EGU's will need to comply with numerical emission limits for Mercury, PM and HCl; proposed revisions to the NSPS would include numerical EGU emission limits for PM, SO₂ and NO_x;
- Money spent on pollution control at power plants creates high-quality American jobs like manufacturing steel, cement and other materials needed to build pollution control equipment;
- Jobs creating and assembling pollution control equipment and installing the equipment at power plants;
- Jobs operating and maintaining the equipment once it is installed;
- This rule will provide employment for thousands, by supporting 31,000 short-term construction jobs and 9,000 long-term utility jobs



Climate Change Implementation & Coordination

- Regulatory Activities
- Partnerships & Coordination Activities

GHG Reporting Program

- FY 2008 Appropriations
- First Set of Source categories were required to start reporting as of September 30, 2011
- eGGRT reporting tool went online August 22, 2011



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Partnerships and Collaboration

- Climate/Energy partnership programs
 - Energy Star, GreenChill, Green Power Partnership, Combined Heat & Power
 - State and Local Climate Change Program
- Mid-Atlantic State Climate Network
- DELMARVA Conservation Collaborative
- Mid-Atlantic Sustainable Skylines Collaborative

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Regulating Oil and Gas Industry

- EPA proposed new standards for processes and equipment used in oil and gas production, including well completions at hydraulically fractured natural gas wells and at existing wells that are fractured or re-fractured;
- Rule applies to new and existing wells that are fractured or re-fractured, as well as storage tanks and other pieces of equipment;
- EPA estimates the combined annual costs of meeting the proposed requirements would be \$754 million in 2015. The estimated value of the natural gas and condensate that would be made available for sale is \$783 million – a net savings of \$29 million when the rules are combined.



Benefits of Regulating O & G Exploration

- The VOCs and air toxics reductions in the proposed rule are expected to improve outdoor air quality, reduce cancer risk from air toxics emissions and reduce health effects associated with exposure to ground-level ozone (smog) and fine particles (particle pollution).
- These rules also are anticipated to yield significant climate co-benefits by significantly reducing emissions of methane, a potent greenhouse gas.
- The proposed rules also would yield significant reductions in methane, a potent greenhouse gas.
- EPA's Regulatory Impact Analysis for the rule estimates the value of the climate benefits that would result from this reduction at \$1.6 billion annually by 2015.



QUESTIONS???

Contact Information:

Diana Esher,
Director, Air Protection Division
U.S. EPA Region III
1650 Arch Street
Philadelphia, PA 19103-2029
215-814-2706