

What the Clean Power Plan Means for Missouri

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NATURAL RESOURCES DEFENSE COUNCIL
THE EARTH'S BEST DEFENSE

Emissions Target for Missouri

- MO's 2012 Emissions Rate: 1,963 lbs/MWh
 - 7th highest in country
- Clean Power Plan Target for MO: 1,544 lbs/MWh by 2030
 - 25 States already at or below this level in 2012
 - Missouri's target is 6th most lenient in the Country
- Existing Clean Energy Policies can get Missouri to target well ahead of 2030 deadline
 - RPS: 15% by 2021
 - MEEIA: 9.9% by 2020, with additional reductions of 1.9% per year thereafter

States Write Their Own Compliance Plans



HEAT RATE REDUCTIONS



CLEANER POWER
SOURCES

FLEXIBLE COMPLIANCE



MORE RENEWABLES



INVESTMENTS IN
EFFICIENCY

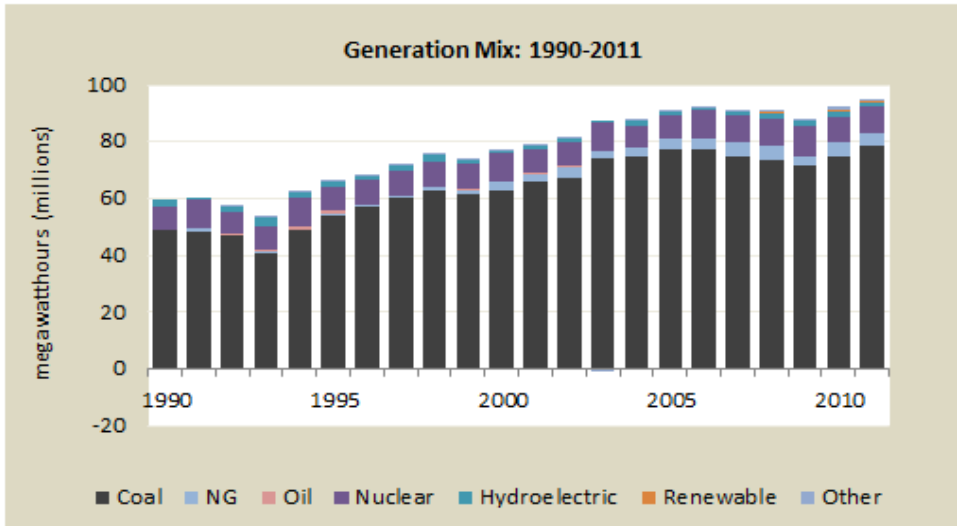
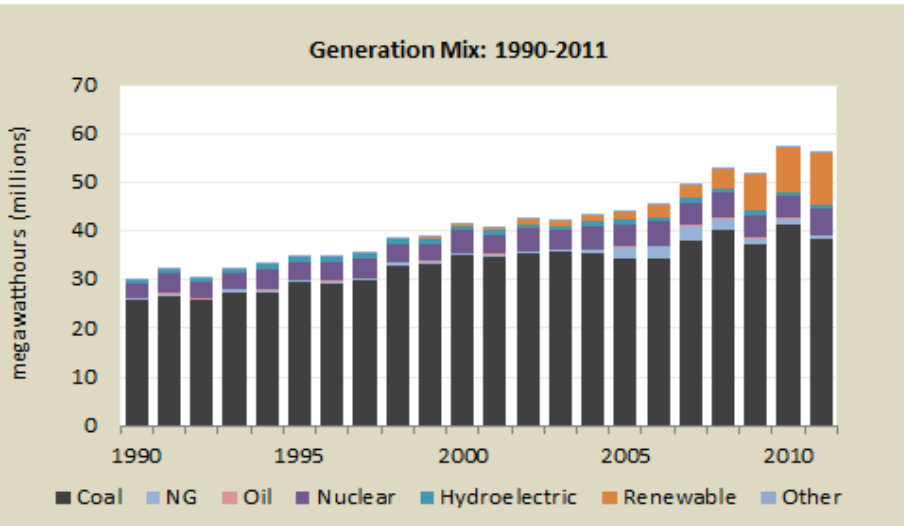
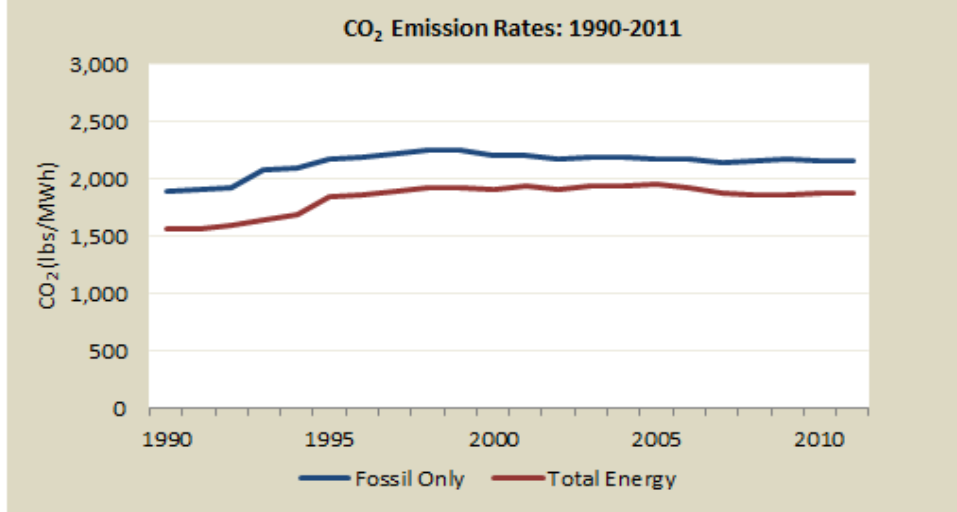
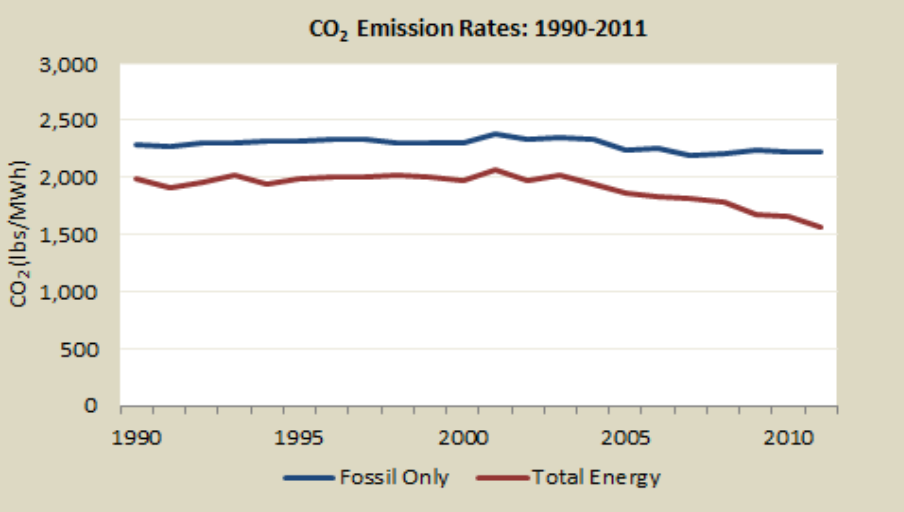
Jobs Benefits From Reducing Emissions

- **Energy Efficiency:**
 - Tens of thousands of EE jobs in MO right now
 - Existing EE programs in Ameren and KCP&L saving customers hundreds of millions in avoided energy costs
 - Employs electricians, HVAC technicians, builders, retailers/suppliers, plumbers and pipefitters, carpenters
- **Renewable Energy:**
 - 3,700 Solar Jobs by end of 2014
 - Additional jobs in Wind turbine manufacturing, construction
- **Improved Plant Efficiency:**
 - Boiler upgrades
 - Transmission and distribution line upgrades
 - Fuel conversions

Keep Rates Low While Reducing Emissions

Iowa
\$.0771/kWh average retail

Missouri
\$.0853/kWh average retail



Authority to Regulate Greenhouse Gases Under the Clean Air Act

- The Clean Air Act Requires Regulating Pollutants that Endanger Public Health
 - *Massachusetts v. EPA* (2007):
 - Greenhouse gases are covered by the CAA's definition of air pollutant
 - EPA must determine whether or carbon pollution from new motor vehicles endangers public health or welfare
 - If carbon pollution endangers public health or welfare, EPA must set emission standards
 - EPA Endangerment Finding (2009)
 - *American Electric Power v. Connecticut* (2011):
 - Court affirms that §111 of the Clean Air Act provides EPA authority to regulate carbon pollution from new and existing power plants
 - October 15, 2013: Supreme Court declines to hear further challenges to endangerment finding and authority to regulate carbon pollution under §111, reinforcing EPA's authority to regulate carbon pollution from new and existing power plants
 - June Decision in PSD Case leaves CO2 Permitting Requirement for Power Plants intact

Structure of Existing Source Rules

- Federal EPA Guidelines Set Emissions Targets Based on Best System of Emission Reduction (June 2015)
 - Must reflect “the degree of emission limitation achievable through the application of the best system of emission reduction which (taking into account the cost of achieving such reduction and any nonair quality health and environmental impact and energy requirements) the Administrator determines has been adequately demonstrated.” 42 U.S.C. §7411(a)(1)
- States Submit Implementation Plans (June 2016)
 - Establish State’s Standard of Performance identical or equivalent to EPA Guidelines
 - Provide for Implementation and Enforcement
 - May consider factors such as remaining useful life of plants
- FIP if no satisfactory SIP