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EPA sets nation's 1st limits on CO2

PLAN ORDERS N.C. PLANTS TO CUT EMISSIONS 40% BY 2030

By Bruce Henderson
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The Obama administration's plan to slash the carbon dioxide billowing from power plants relies more on operating efficiencies and low-polluting technologies than on shuttering coal-fired plants.

The nation's first limits on carbon dioxide, announced Monday, would reduce carbon emissions 30 percent by 2030, compared with 2005. Much of the reduction would begin in 2020. The proposal would let states decide how to reach state-by-state targets.

Charlotte-based Duke Energy, the nation's biggest electric utility and second-largest carbon emitter, said it was reviewing the 645-page proposal and has not yet assessed impacts to its operations or costs to its 7.2 million customers in six states.

Environmentalists hailed the plan as an overdue step to slow climate change. Skeptics called it a job-killing scheme that will cost consumers billions.

"Today is a momentous day, when the government is finally saying what it needed to say" about climate change, said Robert Bruck, an N.C. State University environmental scientist.

North Carolina's Republican Sen. Richard Burr called the plan "a further strain on American families."

Democratic Sen. Kay Hagan said she was reviewing the rule and promised to push for changes "good for North Carolina."

The Environmental Protection Agency estimates annual costs of the plan at $7.3 billion to $8.8 billion and public health and climate benefits of $55 billion to $93 billion a year by 2030.

North Carolina's power plants will be expected to reduce their carbon emission rates 40 percent by 2030, according to EPA figures.

Emission rates show how efficiently power plants operate. The rates are calculated by dividing their emissions by the amount of electricity the plants generate.

EPA set North Carolina's 2030

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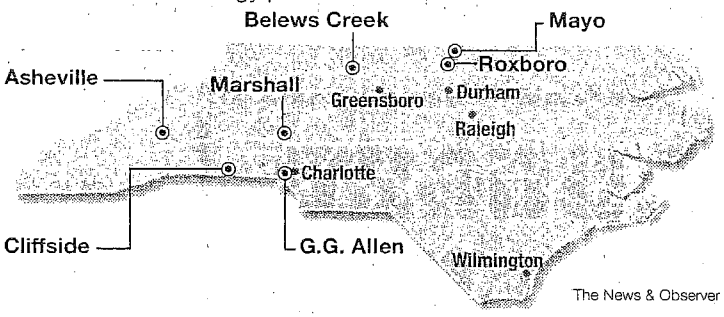
N.C. coal-fired electric power plants

There are 7 Duke Energy plants in the state.



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Inside

National view: More details of the EPA's emissions limits, projections. **Graphic, 6A.**

EMISSIONS

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target at 992 pounds of carbon dioxide for every megawatt-hour generated. The rate in 2012 was 1,646 pounds. The state's power plants released 53 million metric tons of carbon dioxide in 2012, the agency said.

The targets reflect what the states have achieved so far in reducing emissions and what EPA believes is attainable.

The outlook in N.C.

North Carolina, like 37 other states, has a renewable-energy standard that has boosted solar power. The state also cracked down in 2002 on power-plant releases of pollutants that form soot and smog, placing it ahead of neighboring states.

Duke, meanwhile, has shut down half of its 14 North Carolina coal-fired power plants rather than install state-of-the-art pollution controls required by existing or impending federal laws. Power plants account for about one-third of U.S. carbon releases.

Federal projections show North Carolina headed to an 18 percent drop in carbon emissions by 2020, compared with 2005, said Jonas Monast, director of the climate and energy program at Duke University's Nicholas Institute for Environmental Policy Solutions.

"North Carolina is going to see continued growth in renewable energy, energy efficiency and natural gas," Monast said.

As part of that mix, Monast said, newer coal-fired plants with up-to-date pollution controls should be able to continue operating.

Duke says its carbon emissions are nearly 20 percent lower than in 2005. It's spent $7.5 billion to update its coal fleet.

"We plan to participate in the rule-making process," Duke spokesman Chad Eaton said of the EPA proposal.

Pushback expected

The trade association for electric utilities, the Edison Electric Institute, said the "EPA appears to have allowed for a range of compliance options to reflect the diversity of approaches that states and electric utilities have undertaken and may undertake to reduce greenhouse gas emissions. Flexible compliance is necessary to maintain a diverse portfolio of generating sources."

Rep. Pricey Harrison, a Greensboro Democrat and green-energy advocate, said political wrangling could erupt over the state's carbon plan.

"I think we're going to see some resistance from the climate change deniers, but I don't think they represent a majority of the legislature," she said.

Donald van der Vaart, energy policy adviser for the N.C. Department of Environment and Natural Resources, challenged the proposed rule in testimony before a congressional committee last November.

Van der Vaart questioned whether EPA had proposed the rule under the correct section of the Clean Air Act.

He testified that carbon-capture technology for power plants was not proven, and said states, not the federal agency, have authority to develop air pollution control programs.

"One of our chief concerns is not getting too far down the road and having its legality challenged," as happened with past federal rules, said Drew Elliot, the department's communications director. "We've seen this movie before, and we don't to be expending resources for what may be a futile effort."

After brief discussions with EPA, state officials said Monday they're still uncertain of crucial details such as what baseline year the carbon targets will be measured against.

Depending on that year, the state might or might not get credit for renewable-energy development or pollution reductions.

The state plan is expected to be developed by the rule-making Environmental Management Commission, an appointed board, but legislators get final say over new rules.

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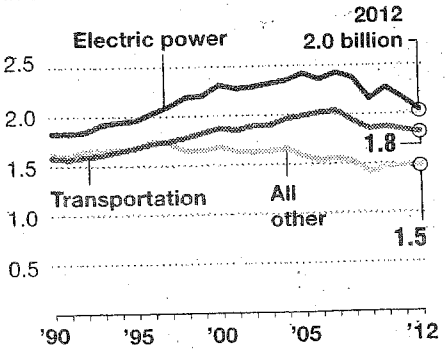
U.S. to cut carbon emissions

The Obama administration announced a plan to reduce carbon emissions from power plants, the biggest source of carbon dioxide pollution, which is a major cause of global warming.

The plan: Cut emissions from power plants by **30 percent** from 2005 levels by 2030

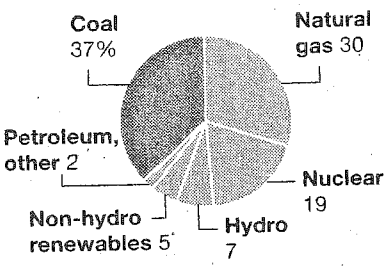
U.S. carbon emissions by sector

In billions of metric tons of carbon dioxide



Coal biggest source of electricity

Energy sources used by power plants, 2012



Plan says it's up to the states

Each state will determine how to meet customized targets set by EPA.

A state could have more time to submit plan if it joins with other states.

States get credit for steps already taken to cut emissions.

Power plants have reduced emissions by nearly 13 percent since 2005, almost half way to White House goal.

Ways to cut. Make power plants more efficient, reduce frequency that coal-fired plants supply power to grid; invest in more low-carbon energy sources.

Source: U.S. Energy Information Administration, Natural Resources Defense Council, AP

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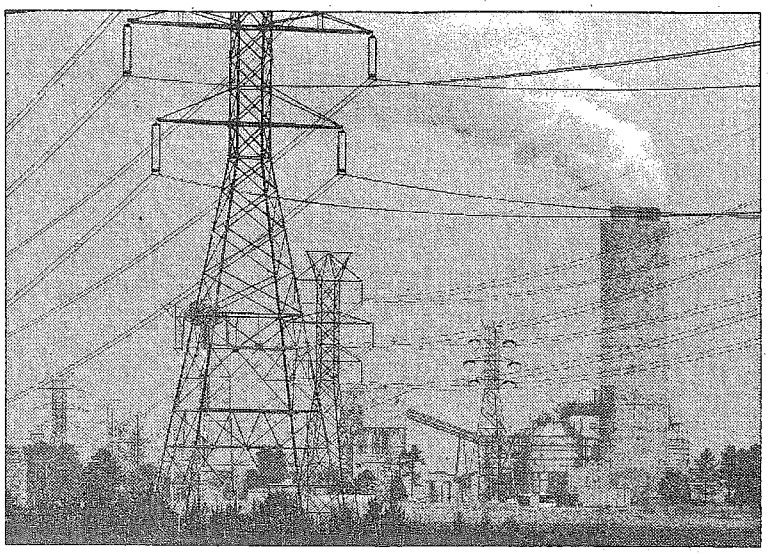

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Steam flows from the Allen Steam Station near Belmont.

June 3, 2014

EPA says plan to cut emissions is flexible

By Coral Davenport
New York Times

WASHINGTON The Obama administration on Monday announced one of the strongest actions ever taken by the U.S. government to fight climate change, a proposed Environmental Protection Agency regulation to cut carbon pollution from the nation's power plants 30 percent from 2005 levels by 2030.

The regulation takes aim at the largest source of carbon pollution in the United States, the nation's more than 600 coal-fired power plants. If it withstands an expected onslaught of legal and legislative attacks, experts say it could close hundreds of the plants and also lead, over the course of decades, to systemic changes in the U.S. electricity industry, including transformations in how power is generated and used.

Gina McCarthy, the EPA administrator, unveiled the proposal in a speech Monday.

"Today, climate change – fueled by carbon pollution – supercharges risks not just to our health, but to our communities, our economy, and our way of life," McCarthy said.

The regulation is likely to stand as President Barack Obama's last chance to substantially shape domestic policy and as a defining element of his legacy. The president, who failed to push a sweeping climate change bill through Congress in his first term, is now acting on his own by using his executive authority under the 1970 Clean Air Act to issue the regulation.

Under the rule, states will be given a wide menu of policy options to achieve the pollution cuts. Rather than immediately shutting down coal plants, states would be allowed to reduce emissions by making changes across their electricity systems – by installing new wind and solar generation or energy-efficiency technology, and by starting or joining state and regional "cap and trade" programs, in which states agree to cap carbon pollution and buy and sell permits to pollute.

In her remarks, McCarthy repeatedly emphasized the plan's flexibility.

"That's what makes it ambitious, but achievable. That's how we can keep our energy affordable and reliable. The glue that holds this plan together – and the key to making it work – is that each state's goal is tailored to its own circumstances, and states have the flexibility to reach their goal in whatever way works best for them," she said.

McCarthy also said that the proposal will help the economy, not hurt it.