



Legislative & Regulatory Puzzle



EPA Proposed GHG Standard for New Stationary Sources

- January 8, 2014 – Proposed standard issued
- Applicable to new:
 - Coal, oil, gas boilers
 - Natural gas combined cycle units
 - Simple cycle combustion turbines used more than 1/3 the time
- Proposed Standards:
 - Coal boilers require capture and sequestration
 - Combined cycle units through design
- Benefits: None but is a predicate to regulate existing sources



NRECA Request for Grassroots Campaign

- NRECA has asked co-ops to:
 - Increase efforts on action.coop and at co-op and community events
 - Send thank you message to those who have sent messages to EPA
- Messages sent to EPA from Co-ops (As of 1/17)
 - Total: 127,985
 - Florida: 3,690 (Ranked #7)



Go to Action.coop to Participate in the Grassroots Campaign

TELL EPA

AMERICA NEEDS A COMMON SENSE SOLUTION

Urge EPA to Reconsider its "All-But-One" Approach

Name *

First

Last

Email *

Mobile phone

 - -

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My cooperative/PPD is located in *

Let the EPA know how this affects you.

I'm a member of my local not-for-profit electric cooperative/PPD and this rule has me really concerned. In uncertain economic times, I urge the Administration to stick by its "all-of-the-above" promise.

COOPERATIVE ACTION NETWORK
ACTION.COOP

Please Share:





EPA GHG Rule for Existing Sources

- June 1, 2014 – EPA to propose rule
- June 1, 2015 – EPA to finalize rule
- June 30, 2016 – States implementation plans to EPA



Elements of the Proposed GHG Rule for Existing Sources

- Carbon capture may not be required
- Rule not supposed to set emission limits, but establish guidelines for states to regulate existing units
- Only states can set emission limits for existing plants
- Guidelines are supposed to be based on demonstrated and commercially available technology
- States can consider unreasonable cost, physical impossibility, useful life



Florida Greenhouse Gas (GHG) Legislation

- Part of large regulatory reform bill
- Sponsors: Sen Simpson and Rep Patronis
- Purpose: Give Florida flexibility in implementing EPA Guidelines
 - Less stringent standards
 - Longer compliance times
 - Consideration of other environmental improvements
 - Electric reliability
 - Job losses
 - If EPA rule repealed, Florida will repeal its rule
- Supported by Seminole



EPA Coal Combustion Residuals (CCR)

- On October 29, 2013 a U.S. District judge issued a memorandum directing the EPA to come up with a deadline for finalizing a CCR rule within the next 60 days.
- EPA has still not released a schedule for completing the rulemaking process.



Numeric Nutrient Criteria (NNC) Update

- January 7 - U.S. District Judge Robert Hinkle ruled to allow EPA to modify the Numeric Nutrient Criteria (NNC) consent decree:
 - Will discontinue EPA's rulemaking
 - Allow FDEP's NNC standard to be implemented.
- The EPA NNC rule would have required the installation of costly additional wastewater treatment equipment at both SGS and MGS facilities. Worst case economic impact estimated at \$60 million in capital cost with \$10 million per year operational cost.



Iowa Quest for FEMA Restoration Funds

2013 ice storm caused approximately \$19 million in damages to electrical utility lines to 3 Iowa distribution co-ops, a transmission co-op, and 2 municipal systems





FEMA Reimbursement Policy

9580.6

- FEMA denied restoration funds
- Reason: Did not meet restoration criteria in 40 CFR 206.226 to establish pre-existing conditions established in 2010
- Pre-existing condition criteria:
 1. Certification of pre-disaster line condition by a PE
 2. Records showing :
 - Line condition and capacity
 - Proper maintenance
 - Annual physical testing (lab tests on minimum of (3) 20-foot sections / mile)



Actions & Future Impacts of Restoration Criteria

- Co-ops & State of Iowa appealed FEMA denial
- Iowa leading a legislative effort to change FEMA criteria
- May be an issue for D.C. Legislative Rally
- If Iowa efforts fail, no restoration funds unless testing/records criteria are met