

*Clean Air Task Force
American Lung Association of Metropolitan Chicago
Appalachian Mountain Club
Conservation Law Foundation
Environment Northeast
National Environmental Trust
National Parks Conservation Association
Natural Resources Defense Council
Ohio Environmental Council
Southern Environmental Law Center
United States PIRG Education Fund*

March 31, 2006

Christopher Recchia
Executive Director
Ozone Transport Commission
444 North Capitol St., NW
Suite 638
Washington, DC 20001

By Electronic Transmission,
with hard copy to follow by US Mail

Re: Comments on Ozone Transport Commission (OTC) Control Measure Proposal for
Electric Generating Units

Dear Mr. Recchia:

The Clean Air Task Force (CATF), on behalf of the undersigned citizens' groups and on its own behalf, appreciates the opportunity to comment on the OTC's proposed control measure for Electric Generating Units (EGUs). The undersigned environmental and public health organizations are actively engaged in national, regional, state and local efforts to reduce harmful air pollution from fossil fuel-fired power plants and other sources, and have thousands of members who live and work in states in or near the OTC states that are impacted by that pollution. Power plants have been and continue to be one of the largest sources of nitrogen oxide (NO_x) emissions in the Ozone Transport Region (OTR), as well as the *single largest* emitter of sulfur dioxide (SO₂). These pollutants, harmful in their own right, react in the atmosphere to form other unhealthful secondary pollutants such as ground-level ozone and fine particulate matter (PM).

As EPA fully documented in its rulemaking on the Clean Air Interstate Rule (CAIR)¹, these emissions are responsible for thousands of unnecessary deaths, billions of

¹EPA, *Rule to Reduce Interstate Transport of Fine Particulate Matter and Ozone (Clean Air Interstate Rule); Revisions to Acid Rain Program; Revisions to NO_x SIP Call; Final Rule*, 70 Fed. Reg. 25162 (May 12, 2005) (hereinafter "CAIR").

dollars in human health and environmental costs each year and reduced visibility in our national parks and forests.² Unfortunately, the power plant reductions required by EPA in CAIR are too little, too late—both to protect the environment and the health of the millions of people living in the OTR, and to give OTC states a reasonable, cost-effective chance at reaching attainment of the health-based NAAQS for ozone and PM. These inadequacies have been detailed by a group of environmental groups (a number of which are signatories to our comments today) in their July 26, 2004 comments to EPA on its CAIR proposal. Because these comments are lengthy and detailed, we will not repeat them here, but rather attach them hereto and make them a part of these comments. Because CAIR is inadequate in key respects, we strongly support OTC’s proposal to build on EPA’s CAIR reductions and require additional reductions of NOx and SO₂ emissions from power plants.

OTC’s recommended strategy for EGUs is to reduce emissions of NOx and SO₂ in two phases—2009 and 2012—by 69% and 86% respectively, from 2002 levels (EPA’s IPM projects OTR reductions of only 50% NOx and 68% SO₂). There are compelling reasons for OTC to proceed with its recommended strategy, but two especially stand out.

First, additional EGU reductions beyond CAIR will be cost-effective, and will produce health and other benefits far in excess of their cost, as demonstrated in the attached CAIR comments. Those comments contained an analysis of the costs and benefits of several alternate emissions reduction scenarios (using the same basic analysis used by EPA). One of these alternate scenarios is similar to the OTC’s recommended EGU strategy, and is identified in our CAIR comments as “CATF Corrected Alternate Control Scenario.”³ Looking only at the avoided death benefits of that scenario, the results are summarized in the table below:

	EPA’s CAIR Proposal	CATF Corrected Alternate Control Scenario
2010 Lives Saved	9,600	18,000
2015 Lives Saved	13,000	22,000
2010 Avoided Death Benefit	\$53 billion	\$99 billion
2015 Avoided Death Benefit	\$77 billion	\$129 billion
2010 Cost	\$3.4 billion	\$9.1 billion
2015 Cost	\$4.1 billion	\$8.9 billion
2010 Net Benefit	\$50 billion	\$90 billion
2015 Net Benefit	\$73 billion	\$120 billion

² See, e.g., CAIR, 70 Fed. Reg. at 25168-170, 25305-13; EPA, *Regulatory Impact Analysis for the Final Clean Air Interstate Rule*, EPA-452/R-05-002, March 2005.

See also, CATF/Clear the Air, *Dirty Air, Dirty Power: Mortality and Health Damage Due to Air Pollution from Power Plants*, June 2004, http://www.catf.us/publications/reports/Dirty_Air_Dirty_Power.php.

³ The “CATF Corrected Alternate Control Scenario” analyzed a CAIR region SO₂ cap of 1.84 million tons in 2010, and a two phase NOx cap, 1.6 million tons in 2010 and 1.04 million tons in 2012.

Not only will the incremental benefits of additional EGU emissions reductions proposed by the OTC vastly exceed the incremental costs, EGU reductions will also be cost-effective when compared to other potential emission reduction measures. OTC has produced a summary of all reasonable control measures currently under consideration (“Status Summary for OTC Reasonable Control Measures Analysis”); costs have been estimated for many of these measures, and the costs of EGU measures are well within the range of estimated control costs for other listed sectors.

Second, OTC’s proposed power plant reductions will be absolutely necessary and a critical piece of any reasonable strategy for OTC states to reduce NO_x and SO₂ emissions in order to reach attainment of the ozone and PM NAAQS. Failure to attain has not only substantial health consequences for OTC citizens, but also substantial economic consequences for its businesses as well. Examination of the OTC control measures summary shows that EGUs are the *single largest* source category of both NO_x and SO₂ emissions for the 2009 base case, and represent almost 40% of all NO_x emissions and 50% of all SO₂ emissions from sources that have been identified as potentially subject to control measures. It is plain that if EGU emissions are not reduced further in the OTR, then OTC states will need to substitute huge amounts of reductions from other OTC sources. Such reductions will certainly cost much more than EGU reductions, if they can be obtained at all.

We offer two final comments. First, we understand that OTC has held discussions with states in the Midwest in an effort to achieve a broader EGU control area. We applaud those efforts, and would urge that they be fully pursued. However, we also believe that OTC must proceed with its proposed EGU control strategy in the event that no agreement can be reached. Second, we note that earlier versions of OTC’s EGU strategy included mercury reductions, while the current recommended EGU control strategy does not. We assume that the OTC means to address mercury, and we urge OTC to include it in its overall EGU control strategy at this time.

For all of the above reasons, we urge the OTC to proceed to implement its recommended EGU control strategy as soon as possible.

Respectfully submitted,

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Attachments:

July 26, 2004 CAIR Comments
(Appendices thereto also attached in electronic form)