



News Release

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U.S. Environmental Protection Agency (EPA)

EPA Announces Landmark Clean Air Interstate Rule

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(Washington D.C.- March 10, 2005) Acting Administrator Steve Johnson today signed the final Clean Air Interstate Rule (CAIR), a rule that will ensure that Americans continue to breathe cleaner air by dramatically reducing air pollution that moves across state boundaries in 28 eastern states. By 2015, CAIR will provide health and environmental benefits valued at over 25 times the cost of compliance, and those benefits will continue to grow.

"CAIR will result in the largest pollution reductions and health benefits of any air rule in more than a decade," said Acting EPA Administrator Steve Johnson. "The action we are taking will require all 28 states to be good neighbors, helping states downwind by controlling airborne emissions at their source."

CAIR will permanently cap emissions of sulfur dioxide (SO₂) and nitrogen oxides (NO_x) in the eastern United States. When fully implemented, CAIR will reduce SO₂ emissions in 28 eastern states and the District of Columbia by over 70 percent and NO_x emissions by over 60 percent from 2003 levels. This will result in more than \$100 billion in health and visibility benefits per year by 2015 and will substantially reduce premature mortality in the eastern United States, and these benefits will continue to grow each year with further implementation.

CAIR is an important component of the Bush Administration's plan to help states in the eastern United States meet the national health-based air quality standards. These pollution reductions, along with other federal air quality programs, will allow the vast majority of nonattainment areas in the eastern United States to meet the new air quality standards.

Next week, EPA is also scheduled to issue the first-ever requirement for coal-fired power plants to control mercury emissions. That action, plus today's CAIR rule, puts multi-pollutant controls in place for many of the largest sources of air pollution in the country.

"We remain committed to working with Congress to help advance the President's Clear Skies legislation in order to achieve greater certainty and nationwide emission reductions," said Steve Johnson. "But we need regulations in place now to help over 450 counties in the eastern United States protect people's health by meeting stringent new air quality standards."

CAIR will mandate the largest reduction in air pollution since the reductions set by the Acid Rain Program under the Clean Air Act Amendments of 1990. Under CAIR, states will achieve the required emissions reductions using one of two options for compliance: 1) require power plants to participate in an EPA-administered interstate cap and trade system that caps emissions in two stages, or 2) meet an individual state air emission limits through measures of the state's choosing. By addressing air pollutants in a cost effective fashion, EPA and the states will protect public health and the environment without interfering with the steady flow of affordable energy for American consumers and businesses.

For more information, go to: <http://www.epa.gov/CAIR> .

CAIR

Clean Air Interstate Rule

Cleaner Air – Healthier Lives – Strong America

CAIR will give this generation -- and generations to come -- a lasting legacy of progress by substantially reducing emissions from power plants, improving the health of America, and preserving the economic strength of our nation.

Cleaner Air – *CAIR mandates the largest reduction in air pollution in more than a decade.*

- CAIR will reduce emissions of sulfur dioxide by more than 70% and nitrogen oxides by more than 60% from 2003 levels when fully implemented.
- CAIR will achieve the largest reduction in air pollutants that has ever been achieved outside of reductions specifically mandated by Congress.
- CAIR will require that the 28 states help their downwind neighbors by controlling the pollution that moves across state boundaries.
- CAIR, along with other pollution control efforts, will help over 450 counties in the eastern United States meet EPA's protective air quality standards for ozone and fine particles.
- CAIR will result in nearly \$2 billion in visibility benefits, significantly reducing haze in eastern national parks and wilderness areas.

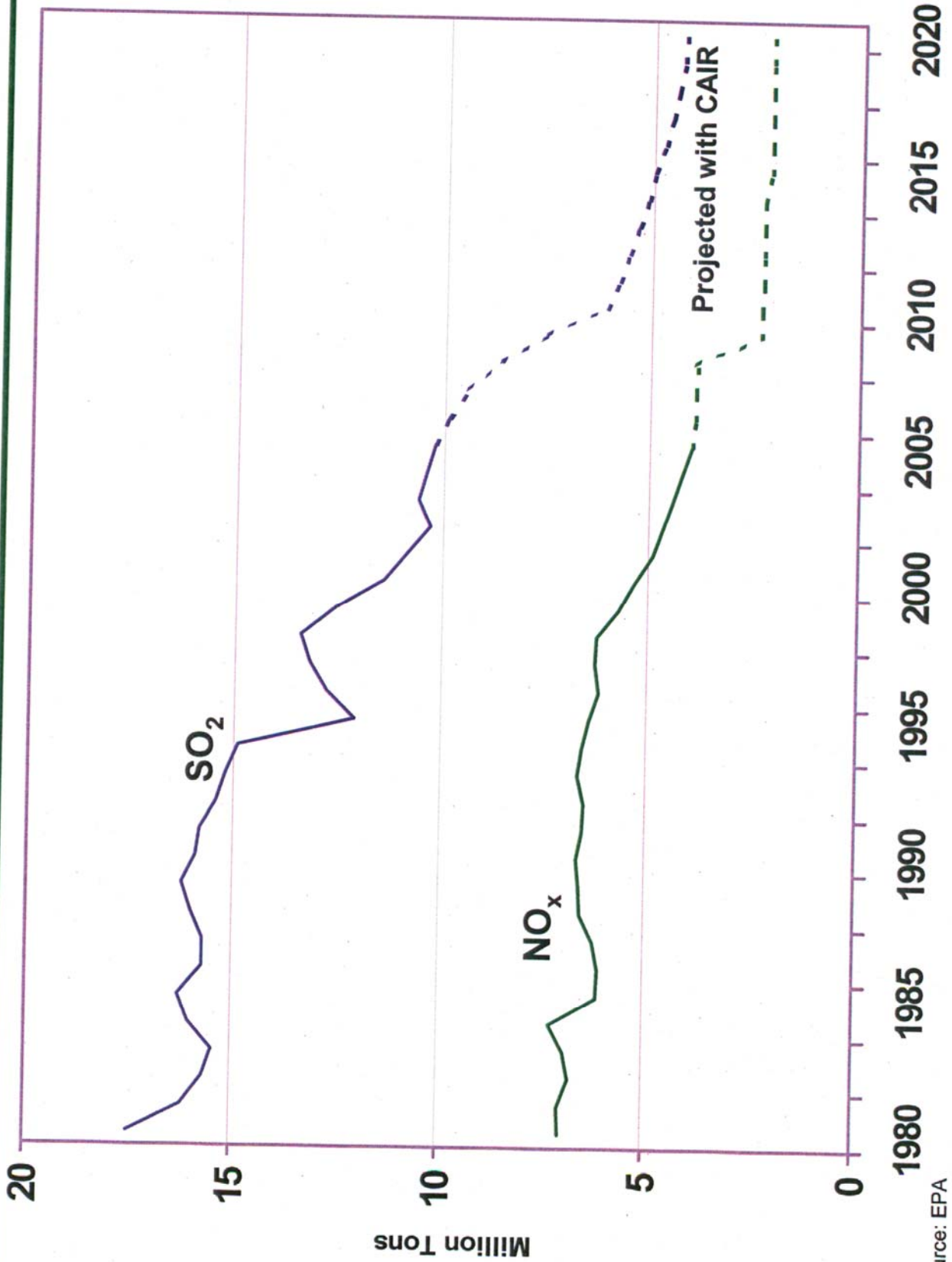
Healthier Lives – *CAIR will result in the largest health benefits of any EPA air rule in over a decade.*

- CAIR will result in \$85 to \$100 billion in annual health benefits by 2015, substantially reducing premature mortality in the United States.
- CAIR implementation will, by 2015, result in annual health benefits that include preventing:
 - 17,000 premature mortalities
 - 1.7 million lost work days
 - 500,000 lost school days
 - 22,000 non-fatal heart attacks
 - 12,300 hospital admissions
- CAIR will help Americans enjoy healthier lives, particularly those with increased sensitivity to environmental and health risks, i.e., children and the elderly.

Strong America – *CAIR is extremely cost effective, with health and environmental benefits valued at more than 25 times the cost of compliance by 2015.*

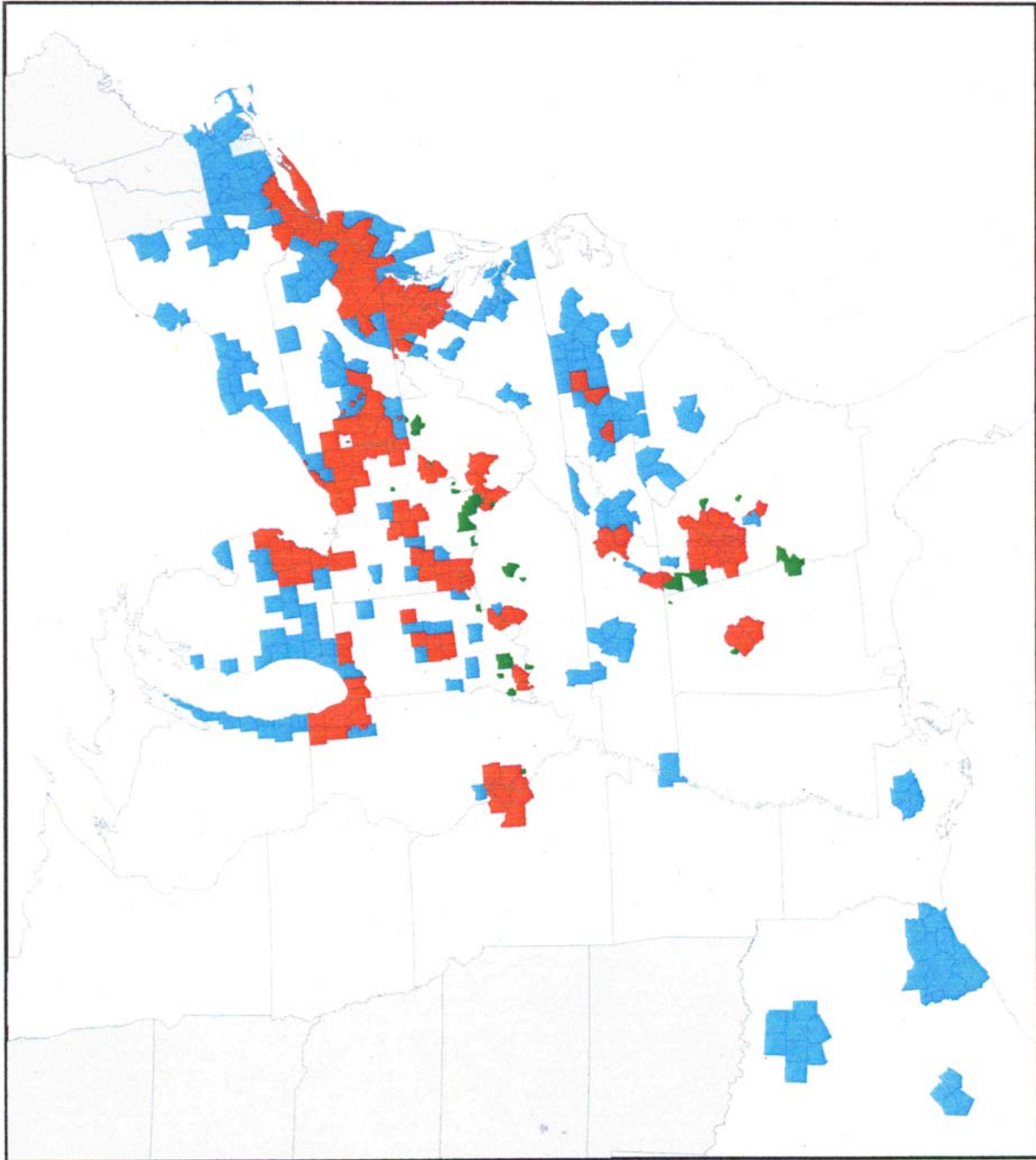
- CAIR creates one of the largest investments ever in clean air technology, requiring nearly \$17 billion of investment in pollution controls.
- CAIR uses a proven cap and trade approach, with firm caps on emissions to guarantee steep – and sustained – reductions in air pollution.
- CAIR's cap and trade approach enables the power sector to achieve mandated reductions more cost effectively, helping to ensure a steady flow of affordable electricity for American consumers and businesses.
- CAIR helps maintain coal as a viable energy source, keeping jobs in the U.S. and energy prices down.

CAIR Accelerates Our Clean Air Progress: Nationwide SO₂ and NO_x Emissions from the Power Sector



Source: EPA

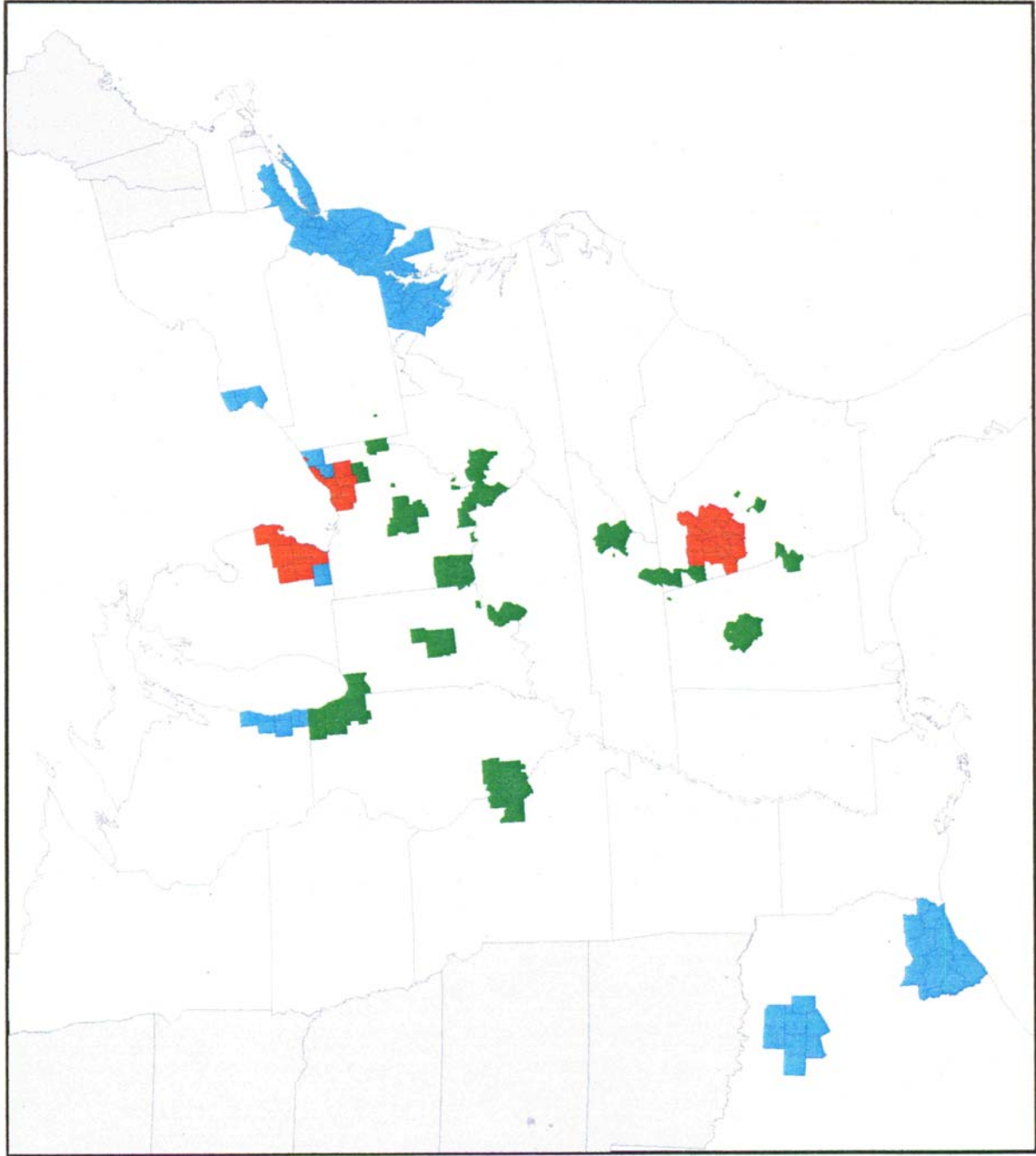
March 2005 Ozone and Fine Particle Nonattainment Areas






- Nonattainment areas for 8-hour ozone pollution only
- Nonattainment areas for fine particle pollution only
- Nonattainment areas for both 8-hour ozone and fine particle pollution

Projections concerning future levels of air pollution in specific geographic locations were estimated using the best scientific models available. They are estimations, however, and should be characterized as such in any description. Actual results may vary significantly if any of the factors that influence air quality differ from the assumed values used in the projections shown here.

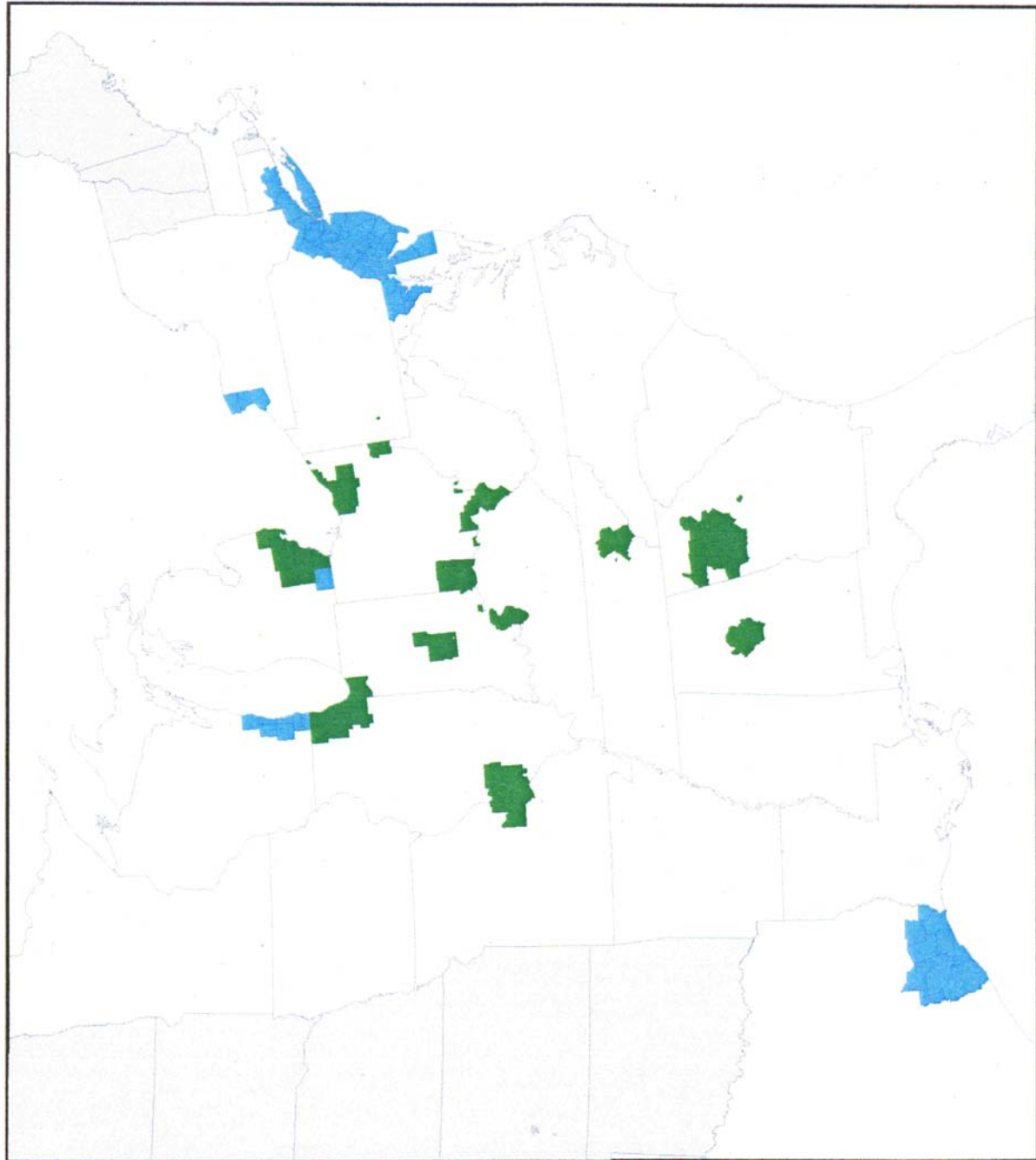
Projected 2010 Ozone and Fine Particle Nonattainment Areas after Reductions from CAIR and Existing Clean Air Act Programs



	Nonattainment areas for 8-hour ozone pollution only
	Nonattainment areas for fine particle pollution only
	Nonattainment areas for both 8-hour ozone and fine particle pollution

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Projected 2015 Ozone and Fine Particle Nonattainment Areas after Reductions from CAIR and Existing Clean Air Act Programs



	Nonattainment areas for 8-hour ozone pollution only
	Nonattainment areas for fine particle pollution only
	Nonattainment areas for both 8-hour ozone and fine particle pollution

Projections concerning future levels of air pollution in specific geographic locations were estimated using the best scientific models available. They are estimations, however, and should be characterized as such in any description. Actual results may vary significantly if any of the factors that influence air quality differ from the assumed values used in the projections shown here.

Fact Sheet
CLEAN AIR INTERSTATE RULE (CAIR)
Cleaner Air, Healthier Lives, and a Strong America

On March 10, 2005, the Environmental Protection Agency (EPA) announced the Clean Air Interstate Rule (CAIR), a rule that will achieve the largest reduction in air pollution in more than a decade. This action, called the "Interstate Air Quality Rule" when it was proposed in January 2004, offers steep and sustained reductions in air pollution as well as dramatic health benefits at more than 25 times greater than the cost by 2015.

- Through the use of the proven cap and trade approach, CAIR achieves substantial reductions of sulfur dioxide (SO₂) and nitrogen oxides (NO_x) emissions and is a powerful component of the Administration's plan to help over 450 counties in the eastern U.S. meet EPA's protective air quality standards for ozone or fine particles.
- SO₂ and NO_x contribute to the formation of fine particles and NO_x contributes to the formation of ground-level ozone. Fine particles and ozone are associated with thousands of premature deaths and illnesses each year. Additionally, these pollutants reduce visibility and damage sensitive ecosystems.

By the year 2015, the Clean Air Interstate Rule will result in:

- from \$85 to \$100 billion in annual health benefits, annually preventing 17,000 premature deaths, millions of lost work and school days, and tens of thousands of non-fatal heart attacks and hospital admissions.
- nearly \$2 billion in annual visibility benefits in southeastern national parks, such as Great Smoky Mountains and Shenandoah.
- significant regional reductions in sulfur and nitrogen deposition, reducing the number of acidic lakes and streams in the eastern U.S.
- CAIR covers 28 eastern states and the District of Columbia. In this rule, EPA finds that SO₂ and NO_x emissions from 23 states and the District of Columbia contribute to unhealthy levels of fine particles in downwind states. In addition, NO_x emissions in 25 eastern states and the District of Columbia contribute to unhealthy levels of 8-hour ozone in other downwind states. (See list of affected states below.)

Based on an assessment of the emissions contributing to interstate transport of air pollution and available control measures, EPA has determined that achieving required reductions in the identified states by controlling emissions from power plants is highly cost effective.

- States must achieve the required emission reductions using one of two compliance options: 1) meet the state's emission budget by requiring power plants to participate in an EPA-administered interstate cap and trade system that caps emissions in two stages, or 2) meet an individual state emissions budget through measures of the state's choosing.

- CAIR provides a Federal framework requiring states to reduce emissions of SO₂ and NO_x. EPA anticipates that states will achieve this primarily by reducing emissions from the power generation sector. These reductions will be substantial and cost-effective, so in many areas, the reductions are large enough to meet the air quality standards. The Clean Air Act requires that states meet the new national, health-based air quality standards for ozone and PM_{2.5} standards by requiring reductions from many types of sources. Some areas may need to take additional local actions. CAIR reductions will lessen the need for additional local controls.
- This final rule provides cleaner air while allowing for continued economic growth. By enabling states to address air pollutants from power plants in a cost effective fashion, this rule will protect public health and the environment without interfering with the steady flow of affordable energy for American consumers and businesses.
- If states choose to meet their emissions reductions requirements by controlling power plant emissions through an interstate cap and trade program, EPA's modeling shows that:
 - In 2010, CAIR will reduce SO₂ emissions by 4.3 million tons -- 45% lower than 2003 levels, across states covered by the rule. By 2015, CAIR will reduce SO₂ emissions by 5.4 million tons, or 57%, from 2003 levels in these states. At full implementation, CAIR will reduce power plant SO₂ emissions in affected states to just 2.5 million tons, 73% below 2003 emissions levels.
 - CAIR also will achieve significant NO_x reductions across states covered by the rule. In 2009, CAIR will reduce NO_x emissions by 1.7 million tons or 53% from 2003 levels. In 2015, CAIR will reduce power plant NO_x emissions by 2 million tons, achieving a regional emissions level of 1.3 million tons, a 61% reduction from 2003 levels.
 - In 1990, national SO₂ emissions from power plants were 15.7 million tons compared to 3.5 million tons that will be achieved with CAIR. In 1990, national NO_x emissions from power plants were 6.7 million tons, compared to 2.2 million tons that will be achieved with CAIR.
- In upcoming but closely related action, EPA will impose the first ever federally-mandated requirements that coal-fired electric utilities reduce their emissions of mercury. Together the Clean Air Mercury Rule and the Clean Air Interstate Rule create a multi-pollutant strategy to reduce emissions throughout the United States.
- The Bush Administration continues to believe that the President's Clear Skies legislation is a more efficient, effective, long-term mechanism to achieve large-scale national reductions. Clear Skies legislation applies nationwide and is modeled on the highly successful Acid Rain Program. The Agency remains committed to working with Congress to pass legislation.

Coverage of the Clean Air Interstate Rule

States listed are required to control for both fine particle pollution and ozone transport unless otherwise noted

Alabama	Mississippi
Arkansas (ozone only)	Missouri
Connecticut (ozone only)	New York
Florida	New Jersey (ozone only)
Delaware (ozone only)	North Carolina
Georgia (fine particle pollution only)	Ohio
Illinois	Pennsylvania
Indiana	South Carolina
Iowa	Tennessee
Kentucky	Texas (fine particle pollution only)
Louisiana	Virginia
Maryland	West Virginia
Massachusetts (ozone only)	Wisconsin
Michigan	District of Columbia
Minnesota (fine particle pollution only)	

For More Information

For information on the Clean Air Interstate Rule, visit www.epa.gov/cair