

Regular Session, 2014

SENATE BILL NO. 650

BY SENATOR WALSWORTH

ENVIRONMENT QUALITY DEPT. Authorizes the Department of Environmental Quality to establish regulations on carbon dioxide emissions from existing fossil fuel-fired electric generating units. (8/1/14)

1 AN ACT

2 To enact R.S. 30:2060.1, relative to air control standards; to create a carbon dioxide
3 emissions program; to measure carbon dioxide emissions from existing fossil fuel-
4 fired electric generating units; to provide criteria for the standards of performance;
5 to provide terms, conditions, and requirements; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 30:2060.1 is hereby enacted to read as follows:

8 **§2060.1. The Louisiana Carbon Dioxide Emission Fossil Fuel-Fired Electrical**
9 **Generating Units Control Act**

10 **A. In developing a plan for the implementation of any guidelines for**
11 **greenhouse gas emissions that the United States Environmental Protection**
12 **Agency may issue under Section 11.1(d) of the Clean Air Act, the Department**
13 **of Environmental Quality shall establish separate standards of performance for**
14 **carbon dioxide emissions from existing fossil fuel-fired electric generating units**
15 **in accordance with Subsection B of this Section. Each standard of performance**
16 **shall be:**

17 **(1) Set for each category of existing fossil fuel-fired electric generating**

1 units based on the type of fuel burned by those generating units.

2 (2) Adjusted on a case-by-case basis as provided for under Subsection
3 C of this Section.

4 (3) Implemented as provided for under Subsection D of this Section.

5 B. Except as provided for in Subsection C of this Section, the standard
6 of performance established for existing fossil fuel-fired electric generating units
7 shall be based on the following:

8 (1) The best system of emission reduction which, taking into account the
9 cost of achieving such reduction and any non-air quality health and
10 environmental impact and energy requirements, has been adequately
11 demonstrated for fossil fuel-fired electric generating units that are subject to the
12 standard of performance.

13 (2) Reductions in emissions of carbon dioxide that can reasonably be
14 achieved through measures undertaken at each fossil fuel-fired electric
15 generating unit.

16 (3) Efficiency improvements and other measures that can be undertaken
17 at each fossil fuel-fired electric generating unit to reduce carbon dioxide
18 emissions from the unit without switching to other fuels, co-firing with other
19 fuels, or limiting the utilization of the unit.

20 C. In establishing standards of performance in Subsection A for each
21 category of existing fossil fuel-fired electric generating units, the department
22 shall consider in all cases whether to adopt less stringent standards or longer
23 compliance schedules than those provided for in the applicable federal rules or
24 guidelines based on the following:

25 (1) Consumer impacts, including any disproportionate impacts of energy
26 price increases on lower income populations.

27 (2) Unreasonable cost of reducing emissions resulting from plant age,
28 location, or basic process design.

29 (3) Physical difficulties with or impossibility of implementing emission

1 **reductions measures.**

2 **(4) The absolute cost of applying the performance standard to the unit.**

3 **(5) The expected remaining useful life of the unit.**

4 **(6) The economic impacts of closing the unit, including expected job**
5 **losses, if the unit is unable to comply with the performance standard.**

6 **(7) The need to maintain the reliability of the electric grid.**

7 **(8) Any other factors specific to the unit that should be considered by**
8 **the department in establishing reasonable performance standards or reasonable**
9 **compliance schedules.**

10 **D. The department may implement, to the maximum extent permissible,**
11 **the standards of performance established in Subsection A through the**
12 **regulatory mechanisms that provide flexibility in complying with such**
13 **standards, including the averaging of emissions, emissions trading, or other**
14 **alternative implementation measures that are determined to further the**
15 **interests of Louisiana and its citizens.**

16 **E. This Section shall be known and may be cited as the "Louisiana**
17 **Carbon Dioxide Emission Fossil Fuel-Fired Electrical Generating Units Control**
18 **Act".**

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Heyward Jeffers.

DIGEST

Walsworth (SB 650)

Proposed law authorizes DEQ to establish standards of performance for measuring carbon dioxide emissions from existing fossil fuel-fired electric generating units.

Proposed law provides criteria for the standards of performance.

Proposed law provides that the department can set adjusting standards of performance on fossil fuel-fired electric generating units and further determine if state standards are to be less stringent or allow for longer compliance schedules than those provided for in applicable federal rules or guidelines.

Effective August 1, 2014.

(Adds R.S. 30:2060.1)