

# Clean Air Mercury Rule



Natural Resources Board Meeting  
January 24, 2007

Jon Heinrich  
Air Management Program

# Topics for Today

---

- Rule Revision Considerations
- CAMR Basics
- What are other states doing to address the CAMR requirements?
- Consistency Provisions in NR 446
- 2007 Citizen Petition
- Major Policy Issues

# Rule Revision Considerations

---

- ❑ NR 446 State Mercury Rule - October 2004
- ❑ Federal Clean Air Mercury Rule - May 2005
- ❑ Governor's Directive to Achieve 90% - August 2006
- ❑ Citizen Petition - January 2007

# Federal Clean Air Mercury Rule Basics

---

- ❑ STATE MERCURY EMISSION BUDGETS ESTABLISHED BY EPA - 2010 and 2018
- ❑ STATE PLAN REQUIRED - Each state required to submit a plan to EPA by November 2006 (18 timely - 32 no, partial or later)
- ❑ FEDERAL IMPLEMENTATION PLAN would be imposed if an acceptable state plan is not established

# Federal Clean Air Mercury Rule Basics - continued

---

- ❑ NATIONAL TRADING OPTIONAL - EPA developed a national compliance approach that allows banking and interstate trading as an option for states
- ❑ MORE REDUCTIONS ALLOWED - States are not prevented from requiring reductions beyond those set in their emission budget
- ❑ CAMR INCLUDES GROWTH - State emission budgets are a permanent cap regardless of growth thus state plans must include new units in their implementation requirements

# Summary - What Are Other States Doing to Address the CAMR?

---

## □ ***22 States Prohibit or Restrict Interstate Trading***

Arizona, California, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New Mexico, New York, Oregon, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia & Washington

## □ ***19 States with Requirements More Stringent Than CAMR***

Arizona, California, Connecticut, Delaware, Georgia, Illinois, Maryland, Massachusetts, Michigan, Minnesota, Montana, New Hampshire, New Jersey, New York, North Carolina, Oregon, Pennsylvania, Virginia & Washington

## □ ***26 States Adopting EPA's Model Rule***

Alabama, Alaska, Arkansas, Colorado, Hawaii, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Mississippi, Missouri, Nebraska, Nevada, New Mexico, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, West Virginia & Wyoming

# Commitment to be Consistent - NR

## 446.029 & s. 285.27 Wis. Stats.

---

- .... the department shall adopt a similar standard that may not be more restrictive in terms of emission limitations.
- .... including administrative requirements that are consistent with the federal administrative requirements (e.g. monitoring, recordkeeping and reporting).
- s. 285.27 Wis. Stats. - Similar to a federal standard for any NSPS including administrative requirements

# Consistency Commitment

## Implications for Rule Revisions

---

- **We must** mirror the reduction level and schedule in the CAMR
  - Baseline - 2,264 pounds
  - 2010 - 1,780 pounds (21.4%)
  - 2018 - 702 pounds (68.9%)
- **We must** mirror the federal administrative requirements - monitoring, reporting and recordkeeping
- **Options** - Participation in the national mercury trading program and how annual mercury allowances are distributed to affected units

# CAMR Trading Options

---

- Three Possible Options
  1. Adopt EPA's national program that allows banking and interstate trading
  2. Decline to participate
  3. Participate for a period of time in the national program then sunset participation

# What are the trading issues?

---

## **WHY?**

- ❑ **COST EFFECTIVE** - EPA believes cap and trade including banking of allowances is the most cost effective approach to obtaining reductions
- ❑ **GLOBAL ISSUE** - Much of the mercury deposition comes from outside the U.S.

## **WHY NOT?**

- ❑ Trading is not appropriate for mercury because it is a contaminant that persists in the environment
- ❑ **DELAYS REDUCTIONS** - Not acceptable to prolong or avoid mercury reductions from significant sources
- ❑ **LOCAL IMPACTS** - There are local impacts that should be addressed
- ❑ **CAMR LEGAL ACTION** - States, Tribes and Environmental Groups

# 2007 Citizen Petition for Rules

---

- ❑ 90 to 95 percent reduction in mercury emissions from all units by January 1, 2012
- ❑ Consistent with regulations in effect or under development in our neighboring states
  - Illinois - 90% by 2013
  - Minnesota - 90% by 2009 or 2014
  - Michigan - 90% by 2015
- ❑ Prohibit participation in EPA's National Trading Program
- ❑ Consistent with STAPPA's Model State Program

# Major Issues

---

- ❑ Consistency agreement in NR 446 precludes establishing more restrictive emission standard or schedule
- ❑ 285.27 Wis. Stats. - to establish a more restrictive emission standard for a HAP DNR must do the following:
  1. Conduct a health risk assessment identifying the populations at risk
  2. Perform an analysis that shows that the standard is necessary to protect public health of those populations
  3. Evaluate the options for managing the risks and show that the standard proposed is the most cost-effective approach
  4. Compare the proposed standard to regulations in IL, MN, MI, OH and IN