OTC Attainment in the Context of CAIR



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What States need:

- Inventory, Modeling and Documentation to support:
 - 8-Hour Ozone SIPS
 - CAIR SIPs
 - PM fine SIPs
 - Regional Haze SIPS

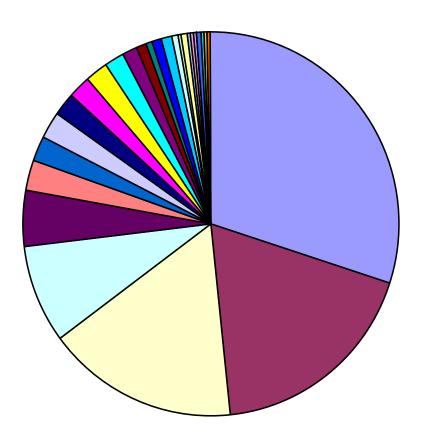
What CAIR Provides

- Significant added controls on EGUs
 - Cap and Trade Program covering most, but not all of our states
 - Generally not soon enough or deep enough for Ozone attainment
 - Preliminary Modeling shows closer for PM fine
- Summertime Caps
- Fuel adjustment factor
 - Rewarding inefficiency
 - Rewarding recalcitrance
 - Effect for OTR, generally tighter caps in final rule from proposed
 - Equitability for Regions?
- Model Rule with Cap and Trade Program Structure
- Declaration that Transport has now been addressed

Options?

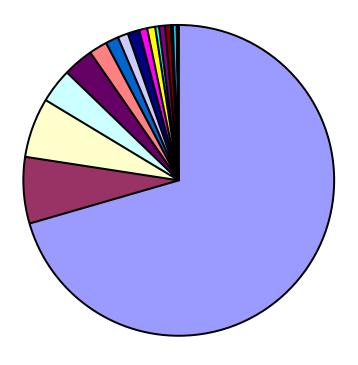
- State Opt in
 - Only RI and possibly NH?
- Source Opt in
 - By Source request or State Source Category Inclusion
 - Industrial Boilers (add allowances diverted to IB to EGU cap)
 - Potential but uncertain opportunity for states to
 - Adjust allocation of Compliance Supplement Pool (CSP)
 - Adjust retirement ratios?
- Formula for Output–Based Emission standards

Summary of Annual NOx Emissions (2002, MANE-VU)



- Mobile Sources-Highw ay Vehicles-Gasoline
- Mobile Sources-Highw ay Vehicles-Diesel
- External Combustion Boilers-Electric Generation
- Mobile Sources-Off-highway Vehicle Diesel
- Stationary Source Fuel Combustion-Residential
- Stationary Source Fuel Combustion-Commercial/Institutional
- Industrial Processes-Mineral Products
- External Combustion Boilers-Industrial
- Mobile Sources-Railroad Equipment
- Mobile Sources-LPG
- □ Mobile Sources-Marine Vessels, Commercial
- Stationary Source Fuel Combustion-Industrial

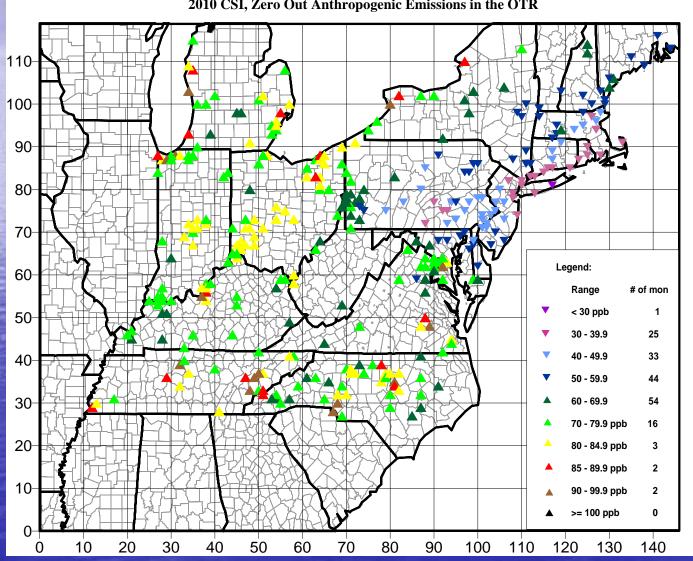
Summary of Annual SO2 Emissions (2002, MANE-VU)



- External Combustion Boilers-Electric Generation
- External Combustion Boilers-Industrial
- Stationary Source Fuel Combustion-Residential
- ☐ Stationary Source Fuel Combustion-Commercial/Institutional
- Stationary Source Fuel Combustion-Industrial
- Industrial Processes-Mineral Products
- Mobile Sources-Off-highway Vehicle Diesel
- Mobile Sources-Highway Vehicles-Gasoline
- Mobile Sources-Marine Vessels,

Ramifications — Zero Anthropogenic OTR

CALGRID Modeling Domain, Maximum Adjusted Control Case 8-hour Ozone Concentrations at Ozone Monitors 2010 CSI, Zero Out Anthropogenic Emissions in the OTR



Ramifications

Transported Ozone (ppb)	# Monitors	% of Standard
< 30 ppb	1	25 %
30-39.9 ppb	25	44 %
40-49.9 ppb	44	56 %
60-69.9 ppb	54	81 %
70-79.9 ppb	16	94 %
80-84.9 ppb	3	106 %
85-89.9 ppb	2	113 %
90-99.9 ppb	2	119 %

Next Steps

- Continue to understand CAIR
 - EPA Technical Briefing
- Go forward with developing an Implementation Strategy
 - Look at all Sectors CAIR Plus"
 - Reassess Caps for Multi-P in Context of CAIR "CAIR Plus"
 - Focus on Attainment
 - Stakeholder Involvement
 - Other State and RPO Communication and Involvement
 - Re-modeling
 - Weight of Evidence
 - IPM with regional haze RPO partners and independently
- Commission Update
 - Fall Meeting
 - Special February Meeting?