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**OTC STATES DISAPPOINTED WITH EPA CLEAN AIR INTERSTATE  
RULE (CAIR)  
MAKES ATTAINMENT “VIRTUALLY IMPOSSIBLE”**

(March 10, 2005, Washington DC) – The Ozone Transport Commission (OTC) announced its disappointment with EPA’s final version of its so-called “Clean Air Interstate Rule” that EPA released today. The rule was intended to address emission reductions needed from the electric generating sector for nitrogen oxides (NOx) and sulfur dioxide (SO<sub>2</sub>) emissions. OTC was on record that the proposal needed substantial changes to be acceptable. While acknowledging much work went into the EPA rule and that it is a modest first step in the right direction, the OTC has determined the rule is insufficient to address this sector’s contribution to non-attainment.

"Unfortunately, EPA's rule is just another example of the Federal government's failure to adequately protect air quality and public health" said New Jersey DEP Commissioner Bradley M. Campbell. "The reductions in the rule come too late and the measures do not go far enough to limit emissions from power plants and factories in other states. EPA is offering weak proposals that give the states too little help, too late."

“The EPA has established air quality standards to protect the health of our citizens. The Northeast states have taken big steps to address emissions sources within our borders, but without reducing transport of emissions from upwind states we will not be able to meet those standards, and we will continue to suffer unfairly from disproportionate health impacts and additional costs to businesses in the Northeast” said Vice–Chair Bob Gollodge, Commissioner of Massachusetts DEP.

“Without sufficiently addressing at the national level transport of pollution from upwind dirty power plants, EPA has made attainment of the health standards within the region virtually impossible to achieve” said Christopher Recchia, Executive Director of the Commission. “We spent considerable time, effort and money to show EPA a better way.” Recchia said “Unfortunately, an initial review suggests they made virtually none of the changes we suggested. We have experience and success in reducing our own emissions within the region with cap and trade, and that model could easily be done nationally. They’ve presented a plan that cannot work to get to the health standards on time.” OTC expects to review the full rule to assess its ramifications once it is made available by EPA.

The OTC adopted a multi-pollutant position in January, 2004 in response to the then-proposed EPA Interstate Air Quality rulemaking and the President’s Clear Skies Initiative, which each promote a “cap and trade” program for power plants. Both these plans, and the CAIR rule which followed proposed far fewer emission reductions and were in place much too late to meet EPA’s national health standards for air quality.

The caps and the timeline in the OTC position represented cost-effective and tighter safeguards to save more lives. Federal implementation of the OTC position would significantly reduce pollutants, including mercury in air, water and aquatic life at limited increased cost.

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The OTC member states have already achieved a 70% reduction in emissions from 1995 levels, whereas the rest of the country has reduced emissions only by about 10% in this period. The OTC caps would have addressed the transport of pollutants across state boundaries and even the playing field for industry” said Recchia. OTC spent the summer modeling its platform, submitting over 100 pages of results and testimony into the CAIR record in June. OTC’s work demonstrated its caps were feasible and economically achievable, and indeed, even using EPA’s most rigorous modeling, we showed we could achieve the target caps at a fraction of a cent per KWh. By taking a half-step, the reduction levels states needed are not there and the certainty industry was seeking is not provided.

The OTC position calls for NO<sub>x</sub> and SO<sub>2</sub> emissions from these sources to be capped at 1.87 million and 3.0 million tons respectively by 2008, and 1.28 million and 2.0 million tons by 2012. In addition, OTC believed initial mercury control levels should not exceed 15 tons, with an ultimate performance requirement that achieves approximately 5 tons per year by 2015, a 90% reduction from current emissions. EPA modified its rule to move the NO<sub>x</sub> 2010 cap up to 2009, but apparently made few other substantive changes to the rule.

A copy of the OTC’s multi-pollutant position and CAIR testimony is available on the OTC website at [www.otcair.org](http://www.otcair.org).

OTC is a multi-state organization whose main focus is to develop regional solutions to the ground-level ozone problem in the Mid-Atlantic and Northeast region of the U.S. It is committed to finding innovative approaches that maximize public health and environmental benefits. OTC was created by Congress, and its members include: Connecticut, Delaware, the District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, and Virginia.