

# EPA's Final Clean Power Plan Rule

## 111(d) Greenhouse Gas Emissions Standards of Performance for Existing Fossil Fuel Electric Generating Units



# Changes that helped Minnesota

1. Corrects for SHERCO 3 being off-line in 2012 ✓
2. Recognizes Minnesota's early action ✓
3. Makes Minnesota's targets equitable with neighboring state ✓
4. Relaxes interim compliance period ✓
5. Allows for Minnesota's out-of-state renewable energy ✓
6. Allows for new international hydro power ✓
7. Creates nationally consistent standards for fuel types (coal & natural gas) ✓
8. Addresses Environmental Justice ✓



# Compliance Timeline

Year	Milestone
2015	Clean Power Plan final rule
2016	Initial State plan submittal/request for extension
2017	State plan progress report due
2018	Final State plan due
2020-2021	Clean Energy Incentive Program (generates credits/earns allowances)
2022-2029	Interim goal with multi-year “steps” downward: states have some flexibility in setting the steps
2030 and beyond	Final goal compliance



# Compliance – State Plans

- ✚ States must choose between a rate or a mass approach
- ✚ States have flexibility to meet the goals
  - ✚ Trading encouraged
  - ✚ Trading ready system described
- ✚ EPA provided a Draft Federal Plan
  - ✚ Provides guidance to State Plans
  - ✚ Applies to states that don't submit a State Plan
- ✚ State Plan must be permanent, verifiable, and enforceable



# The State Plan Process



\* Federal plan trigger



# What's Next

- ≈ State Request for Comment
- ≈ Comment on Draft Federal Plan
- ≈ Seek Stakeholder input and decisions
  - ≈ Mass versus Rate
  - ≈ State Plan Approach
  - ≈ Allocation
  - ≈ Trading
  - ≈ Analysis needed
  - ≈ Incentives / Interagency efforts

