



**ARIZONA STATE SENATE**  
*Fifty-First Legislature, Second Regular Session*

FACT SHEET FOR S.C.R. 1022

rule making; electronic generating units; opposition

Purpose

Expresses the Legislature's opinion concerning the potential implementation of rules for new electronic generating units.

Background

Federal air quality standards are set by the U.S. Environmental Protection Agency (EPA) Administrator for criteria pollutants considered harmful to the public health and environment. When the EPA establishes a new national ambient air quality standard (NAAQS) or revises an existing NAAQS, the Clean Air Act (CAA) requires states to develop a general plan to attain and maintain those standards (attainment) and a specific plan to attain the standards for each area designated as not meeting (nonattainment) for a NAAQS. These plans, known as State Implementation Plans (SIPs), are developed by state and local air quality management agencies and are submitted to the EPA for approval.

The SIP must contain a number of elements required by the CAA and must be developed and adopted through a process allowing public input. Once adopted by the state the EPA must review and act to approve or disapprove each element. As the NAAQS change, states must submit revisions to the SIP to demonstrate attainment and maintenance of those new or revised NAAQS and to meet other statutory requirements. Additionally, facility owners and operators must adhere to the New Source Review (NSR) permitting program that specifies what construction is allowed, what emission limits must be met, and how often the emissions source must be operated.

On January 8, 2014, the EPA proposed revised standards to their April 13, 2012 proposal. The action proposes a new standard of performance based on the partial implementation of carbon capture and storage as the best system of emission reduction for electric generating facilities. According to the EPA, *carbon capture systems* capture carbon dioxide emissions from a power plant or factory so they are not released into the atmosphere. The captured carbon dioxide is pumped underground through a pipeline and the site is monitored to make sure the stored carbon dioxide doesn't leak back up to the atmosphere or into underground sources of drinking water.

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Declares that the Legislature supports:
  - a) EPA in issuing guidelines for practical state-established performance standards that are based on reductions of carbon dioxide emissions that can be achieved by measures undertaken at fossil-fueled electric generating units and that do not require New Source Review;
  - b) EPA in giving Arizona the maximum amount of flexibility allowed under the CAA to set performance standards and compliance schedules for electric generating units within its jurisdiction;
  - c) Congressional oversight over the EPA to ensure that the state's primary role in establishing and implementing rules under the CAA is respected.
  
2. Expresses the Legislature's opposition to the implementation of rules for new electronic generating units that:
  - a) do not recognize the state's primary role in establishing and implementing plans to achieve emissions reductions for existing units under the CAA;
  - b) require technology that is not commercially or technologically feasible.

Prepared by Senate Research

February 5, 2014

SLL/CLB/lis