

Ozone Regulation and the Impact on West Virginia

Presented by: David M. Flannery Steptoe & Johnson PLLC Presented at: 2015 Governor's Energy Summit October 27, 2015

CO KY OH PA TX WV



- Where have we been?
 - 1. Dramatic reductions in emissions.
 - 2. Dramatic improvement in air quality.
- Critical issue.
 - 1. Clean Power Plan.
 - 2. New ozone standard.
 - 3. Interstate transport of air pollutants.
- Some thoughts about the future.



Where have we been?

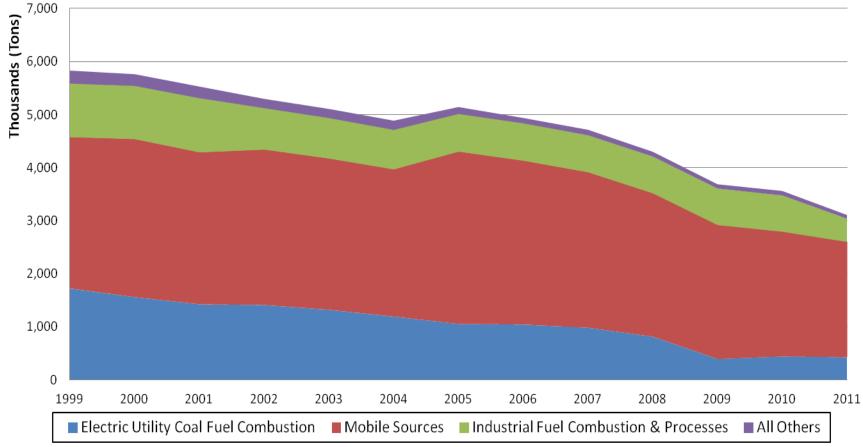
- Emission reductions
- Air quality improvement



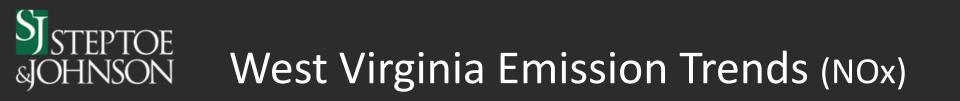


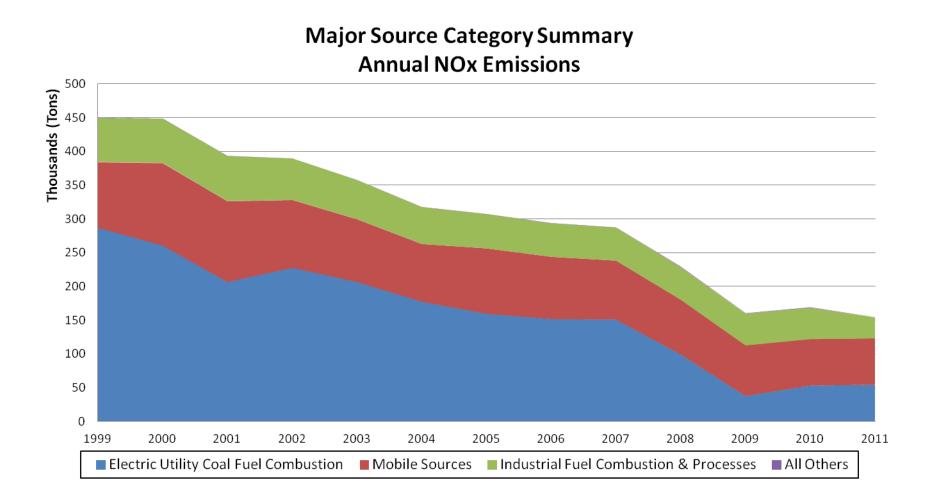
Southeast Emission Trends (NOx)

Major Source Category Summary Annual NOx Emissions



http://midwestozonegroup.com/files/AQTrendsSummary_Southeast_2.ppt

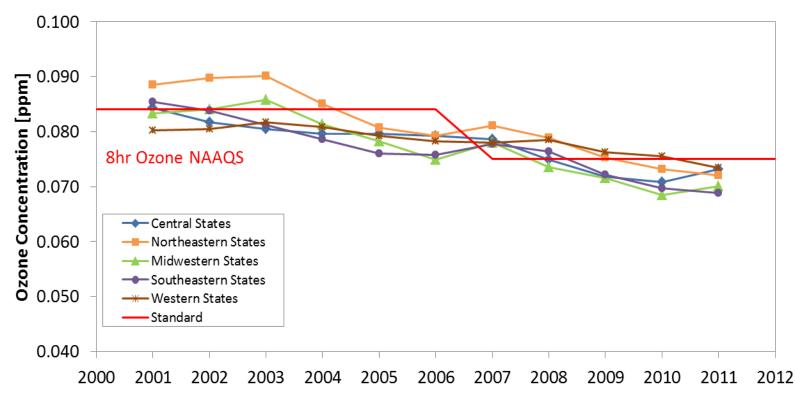




CO KY OH PA TX WV

SJ STEPTOE SJOHNSON Ozone Air Quality Trends by Regions

Regional Average O₃ Design Values

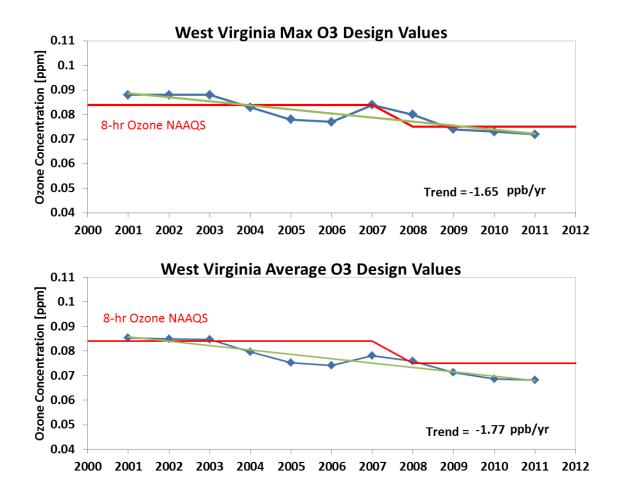


- Average ozone DVs have decreased in all five regions
- Trends are not monotonic, possibly reflecting influence of meteorology

http://midwestozonegroup.com/files/AQTrendsSummary_Southeast_2.ppt

STEPTOE &JOHNSON

WV Ozone Trend



CO KY OH PA TX WV



Critical Issue on Path Forward

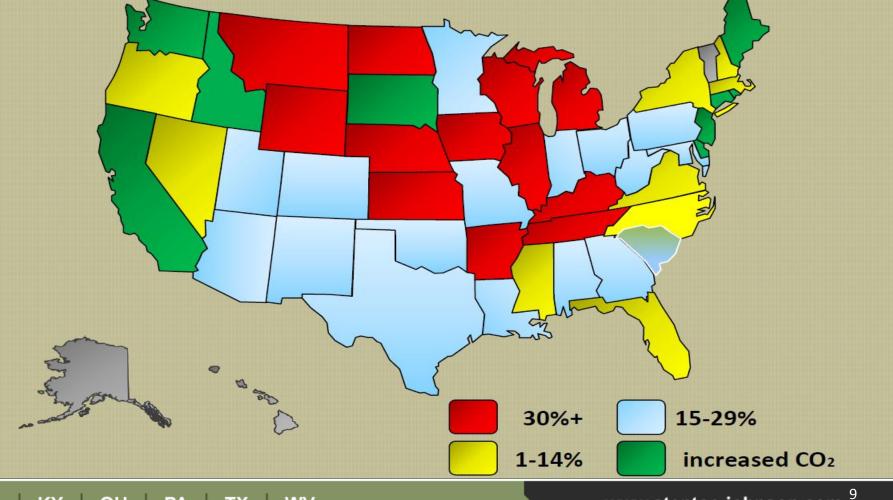
- Clean Power Plan
- New Ozone Standard
- Interstate Transport

CO KY OH PA TX WV



Clean Power Plan

Mass-Based CO₂ Reductions by 2030 from 2012 Baseline



CO KY OH PA TX WV



- "I guess the bottom line is this: You can legitimately go after me on the clean power plant rule because ... that was hatched by us, and I believe we need to deal with climate change, so we can have a lengthy debate about that"
- "And on ozone, this is an existing statute and an existing mechanism, and we are charged with implementing it based on the science that's presented to us."



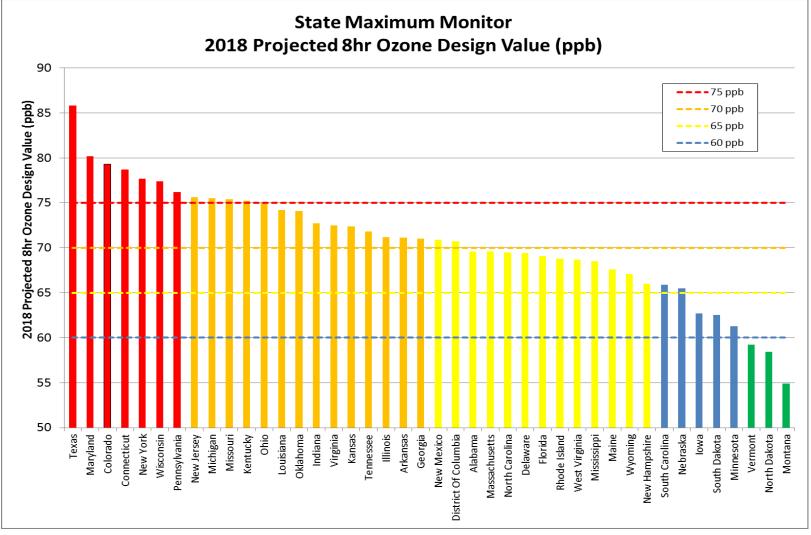
New Ozone Standard

- Announced: October 1, 2015
- New standard: 70 ppb
- Previous standard: 75 ppb (no transport rule, yet)
- Old standard: 85 ppb (last transport rule)

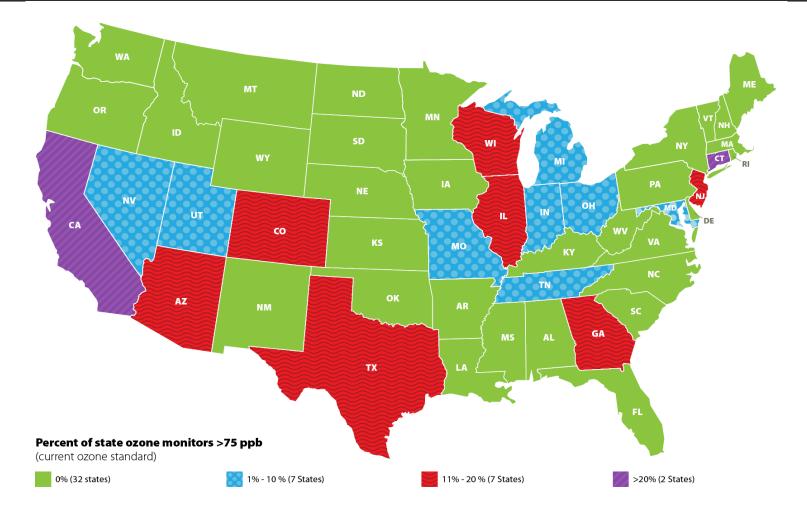
STEPTOE &JOHNSON

West Virginia Monitors

County	2014 Design Value (ppb)	2017 Projection (ppb)
Greenbrier	62	58.1
Berkeley	64	60.8
Ohio	67	64.6
Hancock	70	67.4
Wood	69	61.3
Cabell	65	61.2
Kanawha	69	68.7



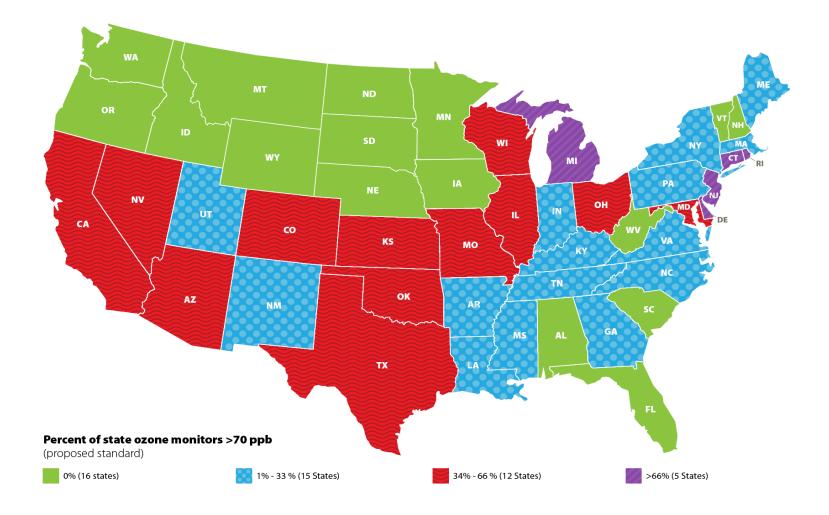
http://midwestozonegroup.com/files/TheRoleofInterstateTransportofAirPollutantsinAchievingOzoneNAAQSAttainment.pdf



U.S. EPA. 2012-14 ozone monitor 3-year average design values.

CO

KY



U.S. EPA. 2012-14 ozone monitor 3-year average design values.

WV

OH PA TX



Interstate Transport of Air Pollutants



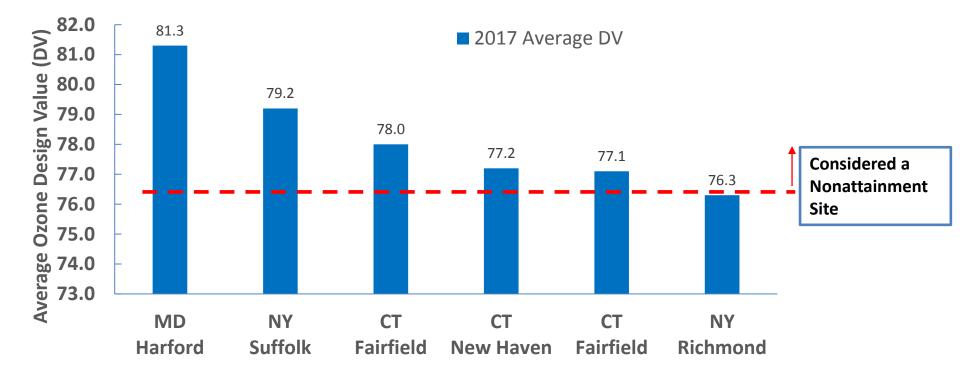


- Expansion of NEOTR: NE states filed petition (CAA 176A) to have WV included in NE Ozone Transport Region
- Transport rules and Good Neighbor SIPs (CAA 110): Last transport rule based on 85 ppb; Next transport (November 2015) will address 75 ppb ; 70 ppb later?
- CAA 126 petitions



 An upwind state can only be included if the downwind monitor is showing nonattainment (or is a maintenance monitor)

Projected 2017 Nonattainment Sites in JOHNSON Eastern U.S.



Source: Notice of Availability of the Environmental Protection Agency's Updated Ozone Transport Modeling Data for the 2008 Ozone National Ambient Air Quality Standard, Table 1 (<u>http://www3.epa.gov/airtransport/ozonetransportNAAQS.html</u>)

CO

OH



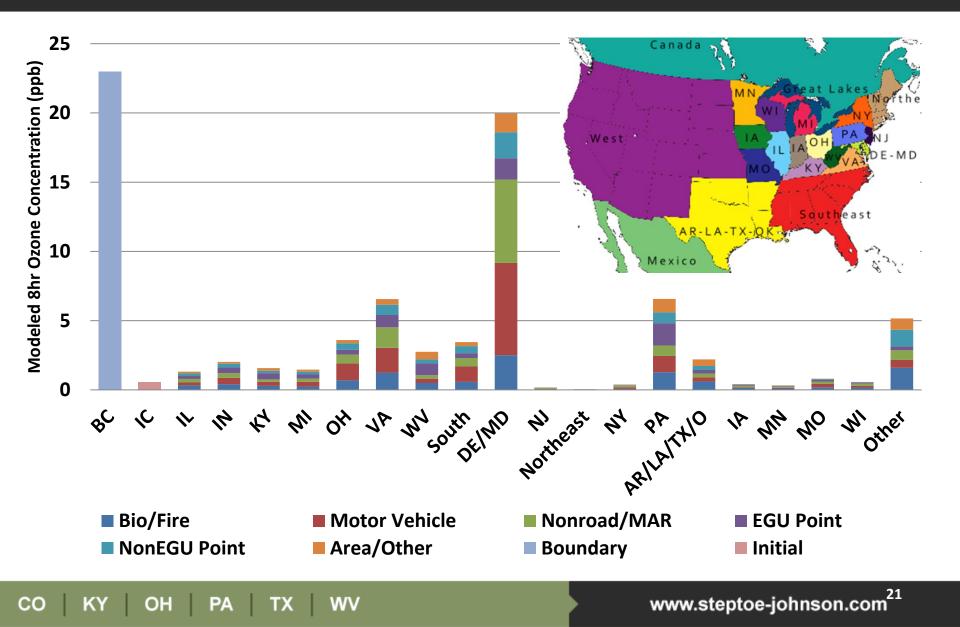
Significance

An upwind state can only be included if it will "significantly contribute" to nonattainment or "interfere" with maintenance of a NAAQS, in a downwind state

In last transport rule, EPA used a screening threshold of 1% of 2008 8-hr ozone NAAQS to identify contributing upwind states

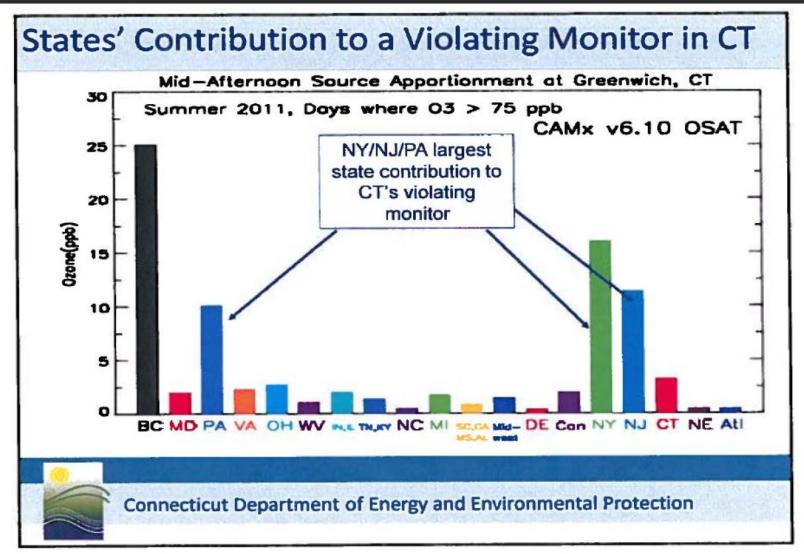
STEPTOE Example 2018 OSAT Results Harford, MD

&





- What if nonattainment would be caused by local sources without regional transport?
- What if the nonattainment were caused by international emissions?



http://www.state.nj.us/dep/cleanair/PPP/2015/Pirolli.pdf



CAA 179B:

<u>Notwithstanding any other provision of law</u>, an implementation plan ... <u>shall</u> be approved by the Administrator if –

- such plan or revision meets all the requirements applicable to it ... and
- the submitting State establishes ... the implementation plan of such State would be adequate to attain and maintain the relevant national ambient air quality standards ... <u>but for emissions emanating</u> <u>from outside of the United States</u>.

STEPTOE &JOHNSON

International Emissions

Monitor	International Contribution
Fairfield CT	17%
Harford MD	17%
Suffolk NY	17%

CO KY OH PA TX WV



- 1. There will be much uncertainty about the regulation of the energy industry as we wait to see how climate change and ozone issues play out in the Courts and in Congress.
- 2. This uncertainty may result in a period of time in which states can provide leadership on many of these issues (e.g. SCOOT).
- 3. Even if the Clean Power Plan is knocked out by the Courts, keep in mind that the President may view the ozone standard as a fall-back position.



David M. Flannery Steptoe & Johnson PLLC P.O. Box 1588 Charleston, WV 25326-1588

(304) 353-8171 Dave.Flannery@steptoe-johnson.com

CO KY OH PA TX WV