

Air and Waste Management Association Meeting

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Our Mission: To protect and improve the health and environment of all Kansans.

The Clean Power Plan in Kansas

- EPA develops a statewide goal for each state
- Number of affected units in KS:
 - Coal – 11 units
 - Natural gas – 14 units
 - Closed or cold stand-by units – 9 units
- State develops a plan for submittal to EPA
 - List of affected units
 - Method of complying with the CO₂ goal set for the State
 - Means of ensuring that utilities comply with the goal
- Plans are subject to EPA approval
- Federal Plan imposed if state fails to submit one or plan does not meet federal requirements
- EPA proposed model trading rules

Key Clean Power Plan Dates

Date	Action
August 3, 2015	Final Clean Power Plan rule issued
September 6, 2016	States submit final plan or initial submittal with extension request
September 6, 2017	Progress update to EPA for states with extensions
September 6, 2018	State final plans due to EPA
January 1, 2022	First of three interim compliance periods begins
January 1, 2030	Final compliance date

House Bill 2233

- Created the Clean Power Plan (CPP) Implementation Study Committee
- Established KDHE requirements:
 - Enter into a MOU (July 2015) with KCC
 - Submit plan to investigate, review, and develop a State Plan (Nov. 2015); and
 - Submit a draft report on final CPP rule by Feb 1, 2016
 - Prior to submitting Plan to EPA. Study committee and AG must review plan to determine if it adversely affects state's legal position

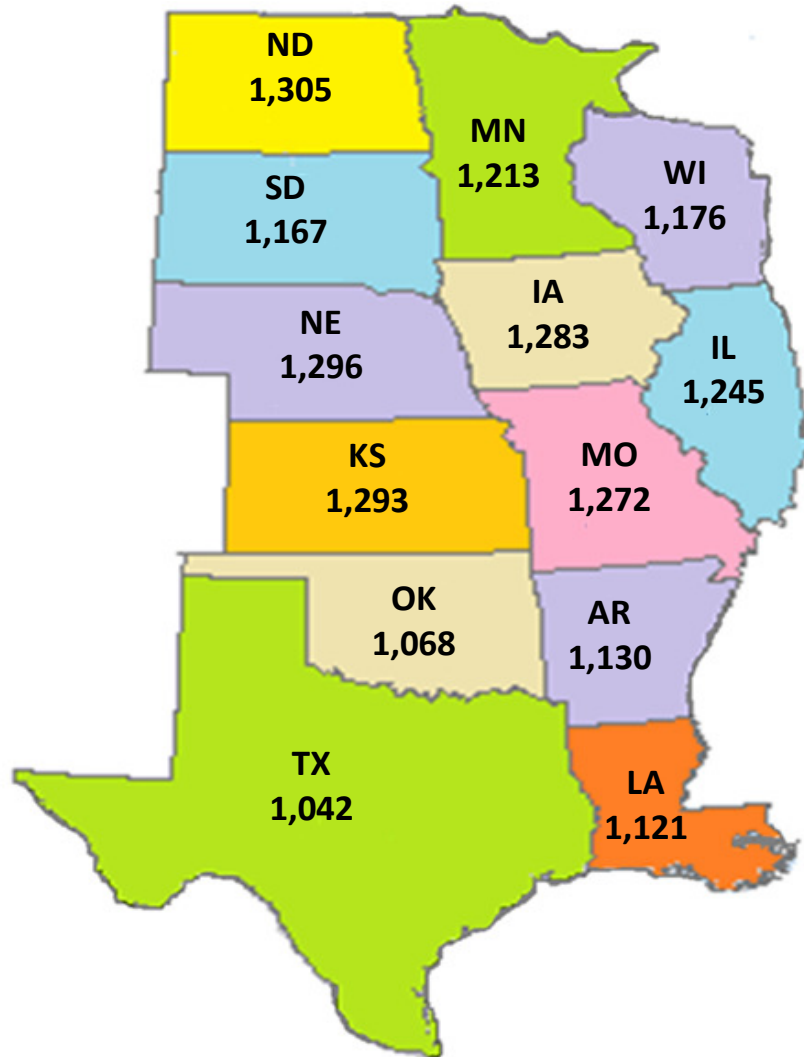
Kansas Interim and Final Goals

	CO ₂ Rate (lbs/Net MWh)	CO ₂ Emissions (Short tons)	
2012 Historic	2,319	34,353,105	
2020 Projections (without CPP)	1,870	41,894,916	
	Rate-Based Goal	Mass-Based Goal <small>(annual average CO₂ emissions in short tons)</small>	Mass-Based Goal <small>(Existing) + New Source Complement</small>
Interim Period (2022 – 2029)	1,519	24,859,333	25,120,015
Interim Period (2022 – 2024)	1,654	26,763,719	26,870,692
Interim Period (2025 – 2027)	1,485	24,295,773	24,656,647
Interim Period (2028 – 2029)	1,366	22,848,095	23,189,053
Final Goal (2030) and beyond	1,293	21,990,826	22,220,822

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Nearby States' Final Goals



Final Rule Range: (1,042 – 1,305)

Note: All goals are listed in units of lbs CO₂/MWh

Key Issues

- Cost
- Grid reliability
- Stranded electrical generating assets
- Rate versus mass approach to plan
- Distribution of allowances and set-asides if mass is chosen
- Uncertainty regarding EPA's model rules and federal plan proposal

KDHE CPP Efforts to Date

- MOU with KCC
- Review of voluminous EPA materials
- Petition for reconsideration and request for stay (Dec. 17, 2015)
- Surveying nearby states' efforts and plans
- Webpage and e-mail established
- Stakeholder meetings
- Planning for listening sessions
- Preliminary evaluation of compliance options

On the Horizon Post-Stay

- Maintaining expertise regarding the CPP to work with the KCC, the utilities and the Attorney General
- Responding to start-up, shut-down and malfunction SIP call by EPA
 - Involves both a regulation and SIP update
- Working on the one-hour Sulfur Dioxide and ozone standards
- Working on the ozone designation recommendations and waiting to see results for KC and Wichita
- Updating adoption of federal regulations to put KDHE in a primacy position for implementing them