

## **Air Quality Standards; HB 2636**

**HB 2636** allows the Secretary of Health and Environment to establish separate performance standards for carbon dioxide emissions for coal-fired and natural gas electric generating units that have been constructed or received a prevention of significant deterioration permit by July 1, 2014. The bill allows the Secretary to use flexible regulatory mechanisms, including the averaging of emissions, emissions trading, or other alternative implementation measures, and to enter into voluntary agreements with utilities that operate fossil-fuel-based electric generating units within Kansas to implement the standards.

The standards are based upon the following:

- The best system of emission reduction that has been adequately demonstrated while considering the cost of achieving such reduction;
- Reductions in emissions of carbon dioxide that can reasonably be achieved through measures taken at each electric generation unit; and
- Efficiency and other measures that can be undertaken at each electric generating unit to reduce carbon dioxide emissions without any requirements for fuel switching, co-firing with other fuels, or limiting the utilization of the unit.

The Secretary may consider alternative standards and metrics or provide alternative compliance schedules than those provided by federal rules or regulations by evaluating the following:

- Unreasonable costs of achieving an emission limitation due to plant age, location or design of an electric generating unit;
- Any unusual physical or compliance schedule difficulties or impossibility of implementing emission reduction measures;
- The cost of applying the performance standard to an electric generating unit;
- The remaining useful life of an electric generating unit;
- Any economic or electric transmission and distribution impacts resulting from closing the electric generating unit if compliance with the performance standard is not possible; and
- The potential for a standard of performance relating to unit efficiency.