



## Power Plants Face New Greenhouse Gas Standards

That portion of the power sector that includes the combustion of fossil fuels in electric generating units (EGUs) is the largest stationary source of greenhouse gases (GHGs) in the United States and was responsible for emitting 25 percent of the overall domestic carbon emissions in 2021.

On May 11, 2023, pursuant to the authority of section 111 of the Clean Air Act, the U.S. Environmental Protection Agency (EPA) announced [proposed new carbon pollution standards for coal and gas-fired power plants](#).

The EPA's proposed standards embrace technologies such as:

- Carbon capture;
- Sequestration/storage (CCS);
- Low-GHG hydrogen co-firing; and
- Natural gas co-firing.

### **Capping Off a Series of New Programs.**

In addition to the \$370 billion provided in the 2022 Inflation Reduction Act for clean energy programs (See the [IRA Guidebook](#)), the rules follow other recent Biden administration plans designed to:

- Cut tailpipe emissions by the transition to electric vehicles, (See the [EPA Reference Guide](#));
- Curb methane leaks from oil and gas wells, (See the [Proposed Standards](#)); and
- Phase down the use of chemicals in refrigerants that can cause climate-warming (See the [Significant New Alternatives Policy \(SNAP\)](#)).

### **Lead-time and Flexibility.**

The proposed new source performance standards (NSPS) and emission guidelines are based on the application of the best system of emission reduction (BSER) that take into account costs, energy requirements, and other statutory factors.

The standards are designed to allow the power sector resource and operational flexibility and to facilitate long-term planning. The elements include:

- Subcategories of new natural gas-fired combustion turbines that allow for the stringency of GHG emission standards to vary by capacity factor;
- Subcategories for existing steam EGUs that are based on operating horizons and fuel, and that accommodate the stated plans of many power companies to voluntarily cease operation of some sources;
- Compliance deadlines for both new and existing EGUs that provide ample lead time for states and utilities to plan; and
- Proposed state plan flexibilities.

### **Public Comment and Virtual Trainings.**

The EPA set a 60-day comment period following publication in the Federal Register and will hold a virtual public hearing. The EPA will also host virtual trainings on June 6-7 to provide information about the proposal. View registration information on the web at [Greenhouse Gas Standards and Guidelines for Fossil Fuel-Fired Power Plants](#).

*This post was drafted by [John Watson](#), an attorney in the Denver, Colorado office of Spencer Fane LLP. For more information, visit [www.spencerfane.com](http://www.spencerfane.com).*