

## **ACCCE Supports ACE**

**By Michelle Bloodworth and Paul Bailey**

Recently, EPA proposed new regulations — the “Affordable Clean Energy” (ACE) rule — to reduce CO<sub>2</sub> emissions from coal-fired electric generating units. The ACE rule is intended to replace the Obama-era “Clean Power Plan,” which was either loved or reviled, depending on who you talked to. However, there was one inconvenient fact about the CPP that its supporters did their best to ignore. While the explicit purpose of the CPP was to help prevent climate change, it would have accomplished next to nothing. By the year 2050, the CPP would have reduced atmospheric CO<sub>2</sub> concentrations by less than one percent, lowered global temperature increase by approximately one-hundredth of a degree, and reduced sea level rise by the thickness of two sheets of paper.

We support the proposed ACE rule because it —

### **Avoids the premature retirement of more coal-fired power plants.**

The coal fleet provides fuel security which is important to maintaining a reliable and resilient electricity grid. However, almost 40 percent of the nation’s coal fleet has retired or announced plans to retire. (Two-thirds of coal retirements have been attributed to past EPA policies.) These retirements have become an increasing threat to the resilience of the grid. The ACE proposal avoids more premature coal retirements by allowing states to set reasonable CO<sub>2</sub> standards.

### **Respects the role of states.**

The proposed rule does not dictate CO<sub>2</sub> standards to the states. Rather, the proposed rule respects state primacy by limiting EPA’s role to developing procedural and technical information to help states establish reasonable CO<sub>2</sub> standards for coal-fired generating units.

### **Bases standards on inside-the-fence measures.**

EPA does not have authority to establish CO<sub>2</sub> performance standards based on outside-the-fence measures — such as shifting to natural gas — that were the foundation for the CPP. EPA corrected this approach in the proposed ACE rule by requiring states to consider inside-the-fence efficiency improvements as the “best system of emission reduction” at coal-fired generating units.

### **Considers the unique characteristics of each coal-fired generating unit.**

In setting CO<sub>2</sub> standards, the ACE rule requires states to consider seven types of efficiency improvement measures for coal-fired generating units. However, a variety of design and operating factors influence the types of efficiency

improvement measures that make sense at each coal-fired generating unit. Therefore, the rule sensibly allows states to take into account these differences in in setting standards.

**Makes long overdue changes to the new source review (NSR) program.**

The NSR program has been a barrier to efficiency improvement projects for almost three decades. Without changes, NSR would be a major barrier to implementing the proposed ACE rule.

To read the comments we filed on the proposed ACE rule, click [here](#).