

Questions on EPA Proposed 111(d) Rules

Comments on the proposed 111(d) rules are due to the EPA by October 16, 2014. In order to assist the participants in the IDNR's Iowa 111(d) collaborative in deciding whether to file comments and to help inform what those comments should be, the IUB thinks it would be helpful to gather the following information. The IUB thinks certain participants may be in the best position to provide the information, but is not certain who may have relevant information to provide. For example, the IUB thinks the utilities may be in the best position to provide plant-specific information and the IDNR may be in the best position to answer questions about the amount of time and information required in the initial state plans. The IUB would like to discuss whether participants would be willing to provide this information and who could best provide it at the July 22 meeting.

Questions to help inform us of whether to file comments with EPA and the content of the comments:

1. Is the EPA list of Iowa affected facilities correct? If not, what information needs to be changed?
2. Are the numbers EPA used to calculate Iowa's baseline and reductions and goals correct? If not, what are the correct numbers and why?
3. Are the types of generation EPA used to calculate Iowa's baseline and reductions and goal correct? If not, what should be included and why? (For example, should all existing nuclear and hydro be used?)
4. Did EPA give Iowa appropriate credit for Iowa's early actions between 2005 and 2012?
 - a) If not, how could and should this be remedied? (We will need to be specific regarding the early actions taken and what we need to be appropriately credited. Examples include such things as early actions constructing wind, energy efficiency program savings, heat rate improvements at affected plants, plant closures, fuel switching.)
 - b) Is 2012 the appropriate base year? If not, please explain why not and what year, or averaging over several years, would be appropriate and why.
5. For each Iowa affected coal facility: Is the 6% heat rate improvement achievable? If not, please explain specifically why not and what percent would be achievable.
6. For each Iowa affected gas unit: Is the 70% capacity factor achievable? If not, please explain specifically why not and what percent would be achievable.

7. Is the 1.5% annual incremental savings rate due to energy efficiency from years 2020 to 2029 achievable? If not, please explain specifically why not and what percent would be achievable.
8. Is the time allowed to develop the initial state plan feasible and reasonable? Is the level of detail required for the initial plan feasible and reasonable given the amount of time allowed to develop it? If not, please explain why it is not and the amount of time we need and why. This should probably include the steps required for the initial state plan and the amount of time we estimate it will take for each of the steps.
9. Is the time allowed to develop the final state plan feasible and reasonable? Is the level of detail required for the final plan feasible and reasonable given the amount of time allowed to develop it? If not, please explain why it is not and the amount of time we need and why. This should probably include the steps required for the final state plan and the amount of time we estimate it will take for each of the steps.
10. How do you anticipate the proposed rule will impact the operation of the MISO market? Is the rule workable within the current MISO market construct?
11. What do you believe would be the impact on Iowa's target CO2 emissions rate if the EPA were to recalculate emissions targets based on non-Iowa entities' 2012 purchases of RECs or energy from Iowa based wind units?
12. If Iowa's utilities must use at least some of their wind generation to satisfy Iowa's target CO2 emissions rate instead of selling the associated RECs to other states to satisfy the other states' RPSs, will there be an impact on Iowa customers' electric rates? If yes, do you know what the impact could be? Do Iowa utilities have current multi-year contracts to sell their wind RECs that will impact when their wind generation can be used to satisfy Iowa's target CO2 emissions rate?
13. Have the other participants in the 111(d) collaborative identified any additional information that is needed?