



Senate Environmental Resources and Energy Committee

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Summary House Bill 2354, P.N. 3898 **Prime Sponsor: Representative Snyder**

Summary

- Authorizes the General Assembly to review a State plan to regulate carbon dioxide emissions prior to DEP submitting the State plan to the U.S. EPA for approval.

Analysis

- HB 2354 requires DEP to develop and submit to the EPA a state plan for compliance with the requirements of the EPA's regulation of carbon dioxide emissions from existing power plants. In developing the state plan, DEP must:
 1. Summon and examine witnesses and compel the production and examination of documents and other evidence that may be necessary.
 2. Conduct at least 4 public hearings in geographically dispersed locations across PA, including locations that would be directly economically affected by the EPA's carbon dioxide regulation.
 3. Accept and consider all written testimony and oral testimony provided as part of the deliberations on the State plan.
 4. Consider all of the following in the development of the state plan:
 - i. Whether to rely on measures the EPA used to calculate the carbon dioxide reduction goal, as well as other measures that were not part of the EPA goal-setting process.
 - ii. Whether PA should participate in multistate programs that already exist, or whether a new multistate carbon dioxide reduction program should be created.
 - iii. Whether PA should invest in energy efficiency programs during the compliance period to assist in meeting the EPA's goal.
 - iv. Whether the Commonwealth should work in partnership with other states.
 - v. When individual power plants must make reductions.
 - vi. The extent to which any of the following should be included in the state plan:
 - A. Demand-side energy efficiency programs.
 - B. Renewable energy standards.
 - C. Efficiency improvements at existing affected power plants.

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- D. Cofiring or switching to natural gas.
 - E. Transmission efficiency improvements.
 - F. Energy storage technologies.
 - G. The retirement or deactivation of existing affected generation units or facilities.
 - H. The expansion of nonemitting sources, such as nuclear power.
 - I. Market-based trading programs.
 - J. Other energy conservation programs.
 - vii. How best to avoid stranded investments in existing affected power plants.
5. Prioritize the components of the State plan based on a least-cost compliance approach to benefit consumers of electricity.
 6. Take into consideration the necessity and value to having a diverse generation fleet to ensure electric reliability in PA.
- At least 100 days before submission of the State plan to EPA, DEP must submit the plan to the General Assembly for approval.
 - The plan shall be proposed as a resolution in each chamber, placed on the calendar of each chamber the next legislative day following transmission, and considered in each chamber within 20 days of transmission.
 - If both chambers adopt the resolution, DEP may submit the State plan to the EPA for consideration.
 - If either chamber disapproves the resolution, DEP may not submit the State plan to the EPA and shall determine the reasons for disapproval and modify the State plan, resubmit to the General Assembly and, if necessary, request an extension of time from the EPA. In the event that neither chamber votes on the resolution in a timely manner, HB 2354 provides for default approval.

Effective Date

- This act shall take effect immediately.