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May 15, 2017

EPA Docket Center (EPA/DC) U.S. Environmental Protection Agency 1200 Pennsylvania Avenue, NW Washington, DC 20460

Attn: Docket ID No. EPA-HQ-OAR-2016-0596

Re:

EPA's Proposed Response to December 9, 2013, Clean Air Act Section 176A Petition From Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New York,

Pennsylvania, Rhode Island and Vermont 82 Fed. Reg. 6509 (January 19, 2017)

Dear Administrator Pruitt and Staff:

In response to the above-referenced docket, the Ohio Municipal Electric Association (OMEA) respectfully submits the following comments for the record.

Formed in 1962, the Ohio Municipal Electric Association (OMEA) represents the legislative and regulatory interests of Ohio's municipal electric systems and serves as the legislative liaison for American Municipal Power (AMP), the wholesale power supplier and services provider for 135 member systems in nine states.

The OMEA is an independent, nonprofit entity guided by a 16 member Board of Directors made up largely of local elected officials. The OMEA is closely aligned with AMP whose member utilities combined serve more than 650,000 customers. AMP offers member municipal electric systems the benefits of scale and expertise in providing and managing energy services.

AMP's diverse energy portfolio makes it a leader in deploying power assets that include a variety of base load, intermediate, and distributed peaking generation, using hydropower, wind, landfill gas, solar, and fossil fuels, as well as a robust energy efficiency program. AMP's current fossil fuel assets consist of a 368 MW ownership share of the 1,600 MW coal-fired Prairie State Generating Co., located in Lively Grove, Illinois, as well as a nominal 700 MW (fired) natural gas combined cycle facility, Fremont Energy Center in Fremont, Ohio. AMP assets also include nine natural gas and 51 diesel peaking units and 22 emergency generation units located throughout Ohio.

Because OMEA members take power from AMP assets, OMEA closely follows regulatory initiatives that may impact the costs and reliability of members' energy and capacity supply. Ultimately, the policies that impact our members directly impact their residential, commercial, and industrial customers.

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## II. OMEA's Comments on EPA's Proposed Response

EPA has proposed denying the Section 176A petition submitted on December 9, 2013, by the states of Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New York, Pennsylvania, Rhode Island and Vermont that requested EPA expand the Ozone Transport Region to include the states of Illinois, Indiana, Kentucky, Michigan, North Carolina, Ohio, Tennessee, Virginia, and West Virginia. The OMEA supports EPA's proposed action and oppose efforts to enlarge the states included in the OTR, for the following reasons.

First, the OMEA agrees with EPA's central rationale that expanding the OTR is unnecessary and would be inefficient. Specifically, the "good neighbor" provision of the Clean Air Act (CAA) provides sufficient existing authority for states to specifically address interstate air pollution that might threaten NAAQS compliance, and allows EPA to develop federal implementation plans (FIPs) if the states fail in this regard. EPA has already taken significant action under this provision, developing the NOx SIP Call, the Clean Air Interstate Rule (CAIR), and the Cross-State Air Pollution Rule (CSAPR), which have resulted in major emissions reductions by certain members of the OMEA.

Second, the data that the petitioning states presented is obsolete and does not account for these additional emissions reductions that have occurred since 2013. EPA has implemented numerous regulations under other CAA authorities that have demanded substantial reductions of NOx and VOCs emissions in the proposed states since the filing of the petition. For example, the Maximum Achievable Control Technology (MACT) requirements for boilers and for stationary reciprocating internal combustion engines, and the New Source Performance Standards (NSPS) for reciprocating engines, gas turbines, and process heaters, are examples of recent rules that have resulted in fewer emissions of ozone precursors by our members, and thereby a reduced impact on downwind states. Including additional areas within the OTR would lead to unnecessary over-control of sources that have already made significant reductions of interstate air pollution under these authorities.

Finally, while the OMEA supports EPA's proposed action, we take issue with EPA's description of its broad deference for including additional states in the OTR. We believe that EPA must apply a cost-benefit analysis to any decision whether to include additional states in the OTR, assessing not only the benefits to downwind states, but the costs to upwind states, pursuant to the Supreme Court's decision in Michigan v. EPA, 135 S.Ct. 2699 (2015).

## III. Conclusion

The OMEA supports EPA's proposed action, and we thank the agency for the opportunity to provide these comments. If you need any additional information, please do not hesitate to contact us.

Respectfully submitted,

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