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U. S. EPA Docket Center (EPA/DC)
U.S. Environmental Protection Agency
Mail Code: 28221T
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Attn: DOCKET ID No. EPA-HQ-OAR-2018-0225

Re: Proposed Rule

Determination Regarding Good Neighbor Obligations for the 2008 Ozone National Ambient Air Quality Standard, 83 Fed. Reg. 31915 (July 10, 2018)

Dear Acting Administrator Wheeler and Staff:

In response to the above-referenced docket, American Municipal Power, Inc. (AMP) and the Ohio Municipal Electric Association (OMEA) hereby provide the following comments for the record. We are supportive of the promulgation of this rule, which we believe provides necessary certainty to the regulated community with respect to its "good neighbor" obligations under the Clean Air Act (CAA/Act). We also support the comments submitted by the American Public Power Association (APPA) on this proposed rule.

## **Background on AMP/OMEA**

AMP is a non-profit wholesale power supplier and service provider for 135 members, including 134-member municipal electric systems in the states of Ohio, Pennsylvania, Michigan, Virginia, Kentucky, West Virginia, Indiana, and Maryland. It also represents the Delaware Municipal Electric Corporation, a joint action agency with nine members headquartered in Smyrna, Delaware. AMP's members collectively serve more than 650,000 residential, commercial, and industrial customers and have a system peak of more than 3,400 megawatts

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(MW). AMP's core mission is to be public power's leader in wholesale energy supply and value-added member services. AMP offers its member municipal electric systems the benefits of scale and expertise in providing and managing energy services.

AMP's diverse energy portfolio takes a balanced approach to deployment and procurement of fossil fuel-based and renewable power assets that include a variety of base load, intermediate and distributed peaking generation using coal, natural gas, hydropower, wind, landfill gas and solar, as well as a robust energy efficiency program. Our fossil fuel assets currently include a 368 MW ownership share of the 1,600 MW coal-fired Prairie State Generating Co. located in Lively Grove, Illinois, as well as the 707 MW (fired) natural gas combined cycle AMP Fremont Energy Center in Fremont, Ohio. Most of AMP's members are in the PJM Interconnection, LLC regional transmission organization (RTO) footprint, while some members are located within the Midcontinent Independent System Operator, Inc. (MISO) footprint. The OMEA represents the state and federal legislative interests of AMP and member Ohio municipal electric systems.

Because of AMP's structure as a non-profit wholesale power provider, we closely follow regulatory initiatives that have the potential to impact the costs and reliability of our members' energy and capacity supply. To that end, AMP's/OMEA's past public comments related to the Cross-State Air Pollution Rule (CSAPR) and associated rulemakings reflected expected impacts of that standard on AMP and member generating assets, as well as to other generators in the region from which AMP/OMEA members might acquire varying portions of their power supply through wholesale market purchases. As we have expressed in past comments on CSAPR, because of the multi-state nature of AMP's/OMEA's membership and power supply portfolio, along with the various types of electricity markets within which we operate, this federal standard has real impacts on not only our member communities but their residential, commercial, and industrial customers.

First and foremost, AMP appreciates U.S. EPA's ongoing efforts and analysis to support the conclusion that the CSAPR Update Rule fully addresses the "good neighbor" provision in Section 110(a)(2)(D)(i)(I) of the Clean Air Act. This determination, once finalized, will provide regulatory certainty for AMP and our member communities.

## **Statutory Authority and Determination Process**

AMP concurs with the reasoning and determination that U.S. EPA has the statutory authority under Sections 110 and 301 of the CAA to make this determination. Those sections provide the Administrator broad authority, including rulemaking authority, to implement the functions of the Act. This proposed action is a routine administrative rulemaking in accordance with the Act and the Administrative Procedures Act, so the Administrator's authority in this area is well established. Additionally, the process employed to make the proposed

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determination has been successfully employed in prior, similar rules for similar rulemakings and assessments of interstate pollutant transport.

## **Control Requirements**

We agree with and support U.S. EPA's determination that installation of additional emissions controls is infeasible given the current time constraints imposed by the existing court order. Further, by the 2023 analytic year in the proposed rule, there may be additional pollutant reductions resulting from implementation of the Affordable Clean Energy (ACE) Rule. We believe U.S. EPA should consider the impacts of the ACE rule on interstate transport and specifically on state "good neighbor" obligations during that future analytic year.

We thank U.S. EPA for this opportunity to provide input to the agency on these important matters. Please let us know if you need any additional information.

Respectfully Submitted,

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& OMEA Executive Director

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