

**As Introduced**

**130th General Assembly  
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**H. B. No. 506**

**Representatives Thompson, Cera**

**Cosponsors: Representatives Grossman, Hill, Stebelton, Blessing**

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**A B I L L**

To enact section 3704.20 of the Revised Code to 1  
require the Director of Environmental Protection 2  
to adopt rules establishing standards of 3  
performance for carbon dioxide emissions from 4  
existing coal-fired and natural gas-fired electric 5  
generating units and to specify factors on which 6  
the standards must be based. 7

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That section 3704.20 of the Revised Code be 8  
enacted to read as follows: 9

**Sec. 3704.20.** (A) The director of environmental protection, 10  
in accordance with Chapter 119. of the Revised Code, shall adopt 11  
rules establishing standards of performance for carbon dioxide 12  
emissions from existing coal-fired electric generating units in 13  
compliance with division (B) of this section and from existing 14  
natural gas-fired electric generating units in compliance with 15  
division (C) of this section. 16

(B) Except as provided in division (D) of this section, 17  
standards of performance for existing coal-fired electric 18  
generating units shall be based on all of the following: 19

(1) The best system of emission reduction that, taking into account the cost of achieving that reduction and any non-air quality health and environmental impact and energy requirements, has been adequately demonstrated for coal-fired electric generating units that are subject to the standards of performance; 20  
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(2) Reductions in emissions of carbon dioxide that can reasonably be achieved through measures undertaken at each coal-fired electric generating unit; 25  
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(3) Efficiency and other measures that can be undertaken at each coal-fired electric generating unit to reduce carbon dioxide emissions from the unit without changing from coal to other lower-carbon fuels, co-firing other fuels with coal, or limiting the economic utilization of the unit. 28  
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(C) Except as provided in division (D) of this section, standards of performance for existing natural gas-fired electric generating units shall be based on all of the following: 33  
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(1) The best system of emission reduction that, taking into account the cost of achieving that reduction and any non-air quality health and environmental impact and energy requirements, has been adequately demonstrated for natural gas-fired electric generating units that are subject to the standards of performance; 36  
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(2) Reductions in emissions of carbon dioxide that can reasonably be achieved through measures undertaken at each natural gas-fired electric generating unit; 41  
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(3) Efficiency and other measures that can be undertaken at each natural gas-fired electric generating unit to reduce carbon dioxide emissions from the unit without changing from natural gas to other lower-carbon fuels or limiting the economic utilization of the unit. 44  
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(D) In establishing a standard of performance for an existing coal-fired or natural gas-fired electric generating unit, the 49  
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director shall consider whether to adopt less stringent standards 51  
or longer compliance schedules than those established in 52  
applicable federal regulations or guidelines based on all of the 53  
following: 54

(1) Consumer impacts, including any disproportionate impacts 55  
of energy price increases on lower income populations; 56

(2) Unreasonable costs of reducing emissions resulting from 57  
plant age, location, or basic process design; 58

(3) Physical difficulties with or the impossibility of 59  
implementing emission reduction measures; 60

(4) The absolute cost of applying the performance standard to 61  
the unit; 62

(5) The expected remaining useful life of the unit; 63

(6) Impacts of closing the unit, including economic impacts 64  
such as expected job losses, if the unit is unable to comply with 65  
the performance standard; 66

(7) Impacts on the reliability of the state's electrical 67  
grid; 68

(8) All actual reductions in carbon dioxide emissions 69  
beginning January 1, 2005; 70

(9) Any other factors specific to the unit that make 71  
application of a less stringent standard or longer compliance 72  
schedule more reasonable. 73

(E) The director may implement, to the maximum extent 74  
permissible, the standards of performance established in rules 75  
adopted under this section through mechanisms that provide 76  
flexibility in complying with the standards. 77

(F) Any plan establishing standards of performance for 78  
existing coal-fired or natural gas-fired electric generating units 79  
developed under this section shall be prepared in consultation 80

with the public utilities commission of Ohio created in Chapter 81  
4901. of the Revised Code, the Ohio air quality development 82  
authority created in Chapter 3706. of the Revised Code, and any 83  
other relevant agency to ensure that the plan does not threaten 84  
the affordability of electric power to all classes of electricity 85  
consumers, takes full advantage of the federal Clean Air Act as 86  
defined in section 3704.01 of the Revised Code to minimize impacts 87  
to the cost and reliability of electricity, and minimizes the 88  
impacts on current and future industrial, commercial, and 89  
residential consumers. 90

(G) The director shall not propose or submit to the United 91  
States environmental protection agency any plan establishing 92  
standards of performance for existing coal-fired or natural 93  
gas-fired electric generating units that is inconsistent with this 94  
section. 95

**Section 2.** Any plan establishing standards of performance for 96  
existing coal-fired or natural gas-fired electric generating units 97  
developed under section 3704.20 of the Revised Code, as enacted by 98  
this act, ceases to operate if the United States Environmental 99  
Protection Agency fails to adopt regulations or issue guidelines 100  
for reducing carbon dioxide emissions from existing coal-fired or 101  
natural gas-fired electric generating units under Section 111(d) 102  
of the federal Clean Air Act or if such regulations or guidelines 103  
are withdrawn by the Agency or invalidated by a court. 104

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