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115TH CONGRESS
1ST SESSION

H. R. 1119

To establish the bases by which the Administrator of the Environmental Protection Agency shall issue, implement, and enforce certain emission limitations and allocations for existing electric utility steam generating units that convert coal refuse into energy.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 16, 2017

Mr. ROTHFUS (for himself, Mr. THOMPSON of Pennsylvania, Mr. MCKINLEY, Mr. BARLETTA, and Mr. KELLY of Pennsylvania) introduced the following bill; which was referred to the Committee on Energy and Commerce

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A BILL

To establish the bases by which the Administrator of the Environmental Protection Agency shall issue, implement, and enforce certain emission limitations and allocations for existing electric utility steam generating units that convert coal refuse into energy.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Satisfying Energy Needs and Saving the Environment Act'' or the ''SENSE Act''.

SEC. 2. STANDARDS FOR COAL REFUSE POWER PLANTS.

(a) DEFINITIONS.—In this Act:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) BOILER OPERATING DAY.—The term ''boiler operating day'' has the meaning given such term in section 63.10042 of title 40, Code of Federal Regulations, or any successor regulation.

(3) COAL REFUSE.—The term ''coal refuse'' means any byproduct of coal mining, physical coal cleaning, or coal preparation operation that contains coal, matrix material, clay, and other organic and inorganic material.

(4) COAL REFUSE ELECTRIC UTILITY STEAM GENERATING UNIT.—The term ''coal refuse electric utility steam generating unit'' means an electric utility steam generating unit that—

(A) is in operation as of the date of enactment of this Act;

(B) uses fluidized bed combustion technology to convert coal refuse into energy; and

(C) uses coal refuse as at least 75 percent of the annual fuel consumed, by heat input, of the unit.

(5) COAL REFUSE-FIRED FACILITY.—The term ''coal refuse-fired facility'' means all coal refuse electric utility steam generating units that are—

(A) located on one or more contiguous or adjacent properties;

(B) specified within the same Major Group (2-digit code), as described in the Standard Industrial Classification Manual (1987); and

(C) under common control of the same person (or persons under common control).

(6) CROSS-STATE AIR POLLUTION RULE.—The terms ''Cross-State Air Pollution Rule'' and ''CSAPR'' mean the regulatory program promulgated by the Administrator to address the interstate transport of air pollution in parts 51, 52, and 97 of title 40, Code of Federal Regulations, including any subsequent or successor regulation.

(7) ELECTRIC UTILITY STEAM GENERATING UNIT.—The term ''electric utility steam generating unit'' means either or both—

(A) an electric utility steam generating unit, as such term is defined in section 63.10042 of title 40, Code of Federal Regulations, or any successor regulation; or

(B) an electricity generating unit or electric generating unit, as such terms are used in CSAPR.

(8) PHASE I.—The term ''Phase I'' means, with respect to CSAPR, the initial compliance period under CSAPR, identified for the 2015 and 2016 annual compliance periods.

(b) APPLICATION OF CSAPR TO CERTAIN COAL REFUSE ELECTRIC UTILITY STEAM GENERATING UNITS.—

(1) COAL REFUSE ELECTRIC UTILITY STEAM GENERATING UNITS COMBUSTING BITUMINOUS COAL REFUSE.—

(A) APPLICABILITY.—This paragraph applies with respect to any coal refuse electric utility steam generating unit that—

(i) combusts coal refuse derived from the mining and processing of bituminous coal; and

(ii) is subject to sulfur dioxide allowance surrender provisions pursuant to CSAPR.

(B) CONTINUED APPLICABILITY OF PHASE I ALLOWANCE ALLOCATIONS.—In carrying out CSAPR, the Administrator shall provide that,

for any compliance period, the allocation (whether through a Federal implementation plan or State implementation plan) of sulfur dioxide allowances for a coal refuse electric utility steam generating unit described in subparagraph (A) is equivalent to the allocation of the unit-specific sulfur dioxide allowance allocation identified for such unit for Phase I, as referenced in the notice entitled ''Availability of Data on Allocations of Cross-State Air Pollution Rule Allowances to Existing Electricity Generating Units'' (79 Fed. Reg. 71674 (December 3, 2014)).

(C) RULES FOR ALLOWANCE ALLOCATIONS.—For any compliance period under CSAPR that commences on or after January 1, 2017, any sulfur dioxide allowance allocation provided by the Administrator to a coal refuse electric utility steam generating unit described in subparagraph (A)—

(i) shall not be transferable for use by any other source not located at the same coal refuse-fired facility as the relevant coal refuse electric utility steam generating unit;

(ii) may be transferable for use by another source located at the same coal refuse-fired facility as the relevant coal refuse electric utility steam generating unit;

(iii) may be banked for application to compliance obligations in future compliance periods under CSAPR; and

(iv) shall be surrendered upon the permanent cessation of operation of such coal refuse electric utility steam generating unit.

(2) OTHER SOURCES.—

(A) NO INCREASE IN OVERALL STATE BUDGET OF SULFUR DIOXIDE ALLOWANCE ALLOCATIONS.—For purposes of paragraph (1), the Administrator may not, for any compliance period under CSAPR, increase the total budget of sulfur dioxide allowance allocations for a State in which a unit described in paragraph (1)(A) is located.

(B) COMPLIANCE PERIODS 2017 THROUGH 2020.—For any compliance period under CSAPR that commences on or after January 1, 2017, but before December 31, 2020, the Ad-

ministrator shall carry out subparagraph (A) by proportionally reducing, as necessary, the unit-specific sulfur dioxide allowance allocations from each source that—

(i) is located in a State in which a unit described in paragraph (1)(A) is located;

(ii) permanently ceases operation, or converts its primary fuel source from coal to natural gas, prior to the relevant compliance period; and

(iii) otherwise receives an allocation of sulfur dioxide allowances under CSAPR for such period.

(c) EMISSION LIMITATIONS TO ADDRESS HYDROGEN CHLORIDE AND SULFUR DIOXIDE AS HAZARDOUS AIR POLLUTANTS.—

(1) APPLICABILITY.—For purposes of regulating emissions of hydrogen chloride or sulfur dioxide from a coal refuse electric utility steam generating unit under section 112 of the Clean Air Act (42 U.S.C. 7412), the Administrator—

(A) shall authorize the operator of such unit to elect that such unit comply with either—

(i) an emissions standard for emissions of hydrogen chloride that meets the requirements of paragraph (2); or

(ii) an emission standard for emissions of sulfur dioxide that meets the requirements of paragraph (2); and

(B) may not require that such unit comply with both an emission standard for emissions of hydrogen chloride and an emission standard for emissions of sulfur dioxide.

(2) RULES FOR EMISSION LIMITATIONS.—

(A) IN GENERAL.—The Administrator shall require an operator of a coal refuse electric utility steam generating unit to comply, at the election of the operator, with no more than one of the following emission standards:

(i) An emission standard for emissions of hydrogen chloride from such unit that is no more stringent than an emission rate of 0.002 pounds per million British thermal units of heat input.

(ii) An emission standard for emissions of hydrogen chloride from such unit that is no more stringent than an emission rate of 0.02 pounds per megawatt-hour.

(iii) An emission standard for emissions of sulfur dioxide from such unit that is no more stringent than an emission rate of 0.20 pounds per million British thermal units of heat input.

(iv) An emission standard for emissions of sulfur dioxide from such unit that is no more stringent than an emission rate of 1.5 pounds per megawatt-hour.

(v) An emission standard for emissions of sulfur dioxide from such unit that is no more stringent than capture and control of 93 percent of sulfur dioxide across the generating unit or group of generating units, as determined by comparing—

(I) the expected sulfur dioxide generated from combustion of fuels emissions calculated based upon as-fired fuel samples, to

(II) the actual sulfur dioxide emissions as measured by a sulfur dioxide continuous emission monitoring system.

(B) MEASUREMENT.—An emission standard described in subparagraph (A) shall be

measured as a 30 boiler operating day rolling average per coal refuse electric utility steam generating unit or group of coal refuse electric utility steam generating units located at a single coal refuse-fired facility.

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