

Maryland

Governor Signs Power Plant Emissions Bill; State Required to Join Regional Initiative

ANNAPOLIS, Md.--In a surprise move with little advance notice, Maryland Gov. Robert L. Ehrlich Jr. (R) April 6 signed legislation that will significantly reduce air emissions from the state's largest coal-fired power plants.

The move ended speculation as to whether the governor might veto the Healthy Air Act (S.B. 154) in favor of his administration's effort to cut power plant emissions through a regulatory initiative called the Clean Power Rule.

Legislators had amended S.B. 154 in recent weeks to bring the bill's emissions limits for nitrogen oxides (NO_x), sulfur dioxide (SO₂), and mercury more into line with those proposed under Ehrlich's Clean Power Rule.

One remaining difference, however, is that the Healthy Air Act (Chapter 23 of the Laws of 2006) will target carbon dioxide emissions by requiring Maryland to join the Northeast's Regional Greenhouse Gas Initiative by June 30, 2007. The Clean Power Rule, as currently drafted, does not address carbon dioxide.

Ehrlich previously criticized S.B. 154 for seeking cuts in carbon dioxide emissions, arguing that it would "dramatically increase the costs of electricity for consumers, force at least one power plant to close, and potentially cause rolling blackouts across Maryland."

The governor said April 6 that he decided to sign the bill because lawmakers took cues from his Clean Power Rule and "redrafted the Healthy Air Act to minimize the threat it originally posed to Maryland's energy supplies."

He noted that the amended bill now requires "a comprehensive study of reliability and cost issues relating to pollution controls on power plants." If those issues are not resolved, the bill allows the state to withdraw from the regional initiative after Jan. 1, 2009, the governor said.

Ehrlich spokeswoman Shareese DeLeaver told BNA the governor does not intend to scuttle the Clean Power Rule now that the Healthy Air Act has been signed into law. She said the Maryland Department of the Environment (MDE) will make minor revisions to the rule to comply with the newly signed statute.

Healthy Air Act Provisions

The Healthy Air Act will require Maryland's six major coal-fired power generating plants, which account for roughly 95 percent of the state's power plant emissions, to reduce emissions by greater amounts and more quickly than recently issued federal rules.

It will limit total NO_x emissions to 20,216 tons by 2009 and 16,667 tons by 2010. SO₂ emissions will be limited to a total of 48,618 tons by 2010 and 37,235 tons by 2013. For mercury, the law will require 80 percent capture by 2010 and 90 percent by 2013.

MDE will be required to set emissions budgets for affected facilities, which include Constellation Energy Group's Brandon Shores, Crane, and Wagner plants and Mirant Corp.'s Chalk Point, Morgantown, and Dickerson plants.

Amendments to the final bill make it possible to exempt Allegheny Energy Group's R. Paul Smith facility, a small, aging 100-megawatt plant in western Maryland that would not have been covered under Ehrlich's proposed Clean Power Rule.

'Strong, Four-Pollutants Law.'

John Quinn, a lead engineer at Constellation Energy, parent of Baltimore Gas and Electric Co., told BNA the company would have preferred it if Maryland stuck with the regional, market-based cap-and-trade approach of the federal Clean Air Interstate Rule and the Clean Air Mercury Rule.

The legislation, he said, has pretty aggressive deadlines and requires strict controls, especially in the second-phase requirements.

Quinn noted, however, that Constellation expects to be ahead of schedule on NO_x requirements because of recent investments. The company also has plans in the pipeline for scrubbers to achieve SO₂ and mercury reductions at its major facility and is evaluating options for the remainder of its Maryland fleet, he said.

Ehrlich's surprise April 6 signing caught some of the bill's supporters off guard, including lead sponsor Sen. Paul G. Pinsky (D-Prince George's County), who was not invited to participate in the signing, as is customary.

The Maryland League of Conservation Voters lamented "that this bill was signed in such a secretive way" without participation by those who worked so hard to pass the bill, but the group was pleased that "Maryland will now have the strongest air pollution bill in the country."

Brad Heavner, director of the Maryland Public Interest Research Group, described S.B. 154 as a "very good piece of legislation that will save lives and protect the environment." After several years of effort, "we're very happy that Maryland now has a strong, four-pollutants law governing power plant emissions," he said.

Additional information about S.B. 154 is available at
<http://mlis.state.md.us/2006rs/billfile/sb0154.htm>.

Additional information about the proposed Maryland Clean Power Rule is
available at
<http://www.mde.state.md.us/researchcenter/publications/general/emde/vol1no8/rule.asp>.

By Kathy Lundy Springuel

Contact customer relations at: customercare@bna.com or 1-800-372-1033
ISSN 1521-9410

[Copyright](#) © 2006, The Bureau of National Affairs, Inc.
[Copyright FAQs](#) | [Internet Privacy Policy](#) | [BNA Accessibility Statement](#) | [License](#)

Reproduction or redistribution, in whole or in part, and in any form,
without express written permission, is prohibited except as permitted by the BNA Copyright Policy,
<http://www.bna.com/corp/index.html#V>

