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**SENATE BILL NO. 615**

Offered January 15, 2014

A *BILL to amend the Code of Virginia by adding in Chapter 13 of Title 10.1 an article numbered 4, consisting of a section numbered 10.1-1329, relating to establishment of a carbon dioxide emission control plan.*

Patrons—Carrico, Cosgrove, Garrett, Hanger, McDougle, McWaters, Obenshain, Puckett, Reeves, Smith, Stanley, Stuart and Wagner

Referred to Committee on Agriculture, Conservation and Natural Resources

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding in Chapter 13 of Title 10.1 an article numbered 4, consisting of a section numbered 10.1-1329, as follows:**

*Article 4.**Carbon Dioxide Emission Control Plan.***§ 10.1-1329. Board to establish carbon dioxide emission standards.**

*The Board shall establish separate standards of performance for carbon dioxide emissions from existing fossil fuel-fired electric generating units as follows:*

*1. Except as provided under subdivision 3, the standards of performance established for existing coal-fired electric generating units shall be based upon:*

*a. The best system of emission reduction that, taking into account the cost of achieving such 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 standard of performance;*

*b. Reductions in emissions of carbon dioxide that can reasonably be achieved through measures undertaken at each coal-fired electric generating unit; and*

*c. Efficiency and other measures that can be undertaken at each coal-fired electric generating unit to reduce carbon dioxide emissions from the unit without switching from coal to other fuels, co-firing other fuels with coal, or limiting the utilization of the unit.*

*2. Except as provided under subdivision 3, the standards of performance established for existing gas-fired electric generating units shall be based upon:*

*a. The application of the criteria specified in subdivisions 1 a and 1 b to natural gas-fired electric generating units, instead of to coal-fired electric generating units; and*

*b. Efficiency and other measures that can be undertaken at the unit to reduce carbon dioxide emissions from the unit without switching from natural gas to other lower-carbon fuels or limiting the utilization of the unit.*

*3. In establishing standards of performance under this subdivision for any existing fossil fuel-fired electric generating unit, the Board shall consider in all cases whether to adopt less stringent standards or longer compliance schedules than those provided for in applicable federal rules or guidelines based on the following:*

*a. Consumer impacts, including any disproportionate impacts of energy price increases on lower income populations;*

*b. Unreasonable cost of reducing emissions resulting from plant age, location, or basic process design;*

*c. Physical difficulties with or impossibility of implementing emission reduction measures;*

*d. The absolute cost of applying the performance standard to the unit;*

*e. The expected remaining useful life of the unit;*

*f. The economic impacts of closing the unit, including expected job losses, if the unit is unable to comply with the performance standard; and*

*g. Any other factors specific to the unit that make application of a less stringent standard or longer compliance schedule more reasonable.*

*4. The Board may implement, to the maximum extent permissible, the standards of performance established under this section through regulatory mechanisms that provide flexibility in complying with such standards, including the averaging of emissions, emissions trading, or other alternative implementation measures that are determined to further the interests of the Commonwealth and its citizens.*

*5. The Board shall not propose or submit to the U.S. Environmental Protection Agency any plan establishing standards of performance for existing fossil fuel-fired electric generating units that is*

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**58** *inconsistent with this section, except as necessary to comply with federal requirements.*