

BACKGROUND

In March 2005, U.S. EPA Acting Administrator Johnson signed the Clean Air Interstate Rule (CAIR) and the Clean Air Mercury Rule (CAMR). The CAIR Rule establishes annual and ozone season NO_x allowance budgets and annual SO₂ allowance budgets for fossil-fuel fired electric generating units (EGUs) located in states primarily on the U.S. East Coast. In Georgia, the CAIR Rule establishes annual NO_x and SO₂ allowance budgets but does not impose an ozone season NO_x allowance budget. With that in mind, EPD must allocate limited annual allowances to fossil fuel fired EGUs located statewide.

The CAMR Rule establishes a statewide budget for mercury emissions from coal-fired electric generating units (EGUs), and the CAMR Rule applies nationwide. The Georgia mercury budget requires EPD to allocate limited annual allowances to coal-fired EGUs.

EPD must submit State Implementation Plan (SIP) revisions to EPA that include source-specific allocations of maximum allowance annual NO_x, SO₂, and mercury emissions, as well as regulations that address Georgia's involvement or lack thereof in the applicable federal cap-and trade program. EPD must submit to EPA a SIP revision for the CAIR Rule by September 12, 2006 and for the CAMR Rule by November 17, 2006.