

Mercury Rule

Phase 1

Initial reductions by December 31, 2013 shall be achieved as a co-benefit of controls for nitrogen oxide and sulfur dioxide emissions as specified in the Clean Smokestacks Act

Phase 2

- Duke Energy and Progress Energy to submit mercury control plans by January 1, 2013.
 - identify the technology proposed for use at each unit owned or operated by the utility; the schedule for installation and operation of at each unit; and identify any units that will be shut down.
 - provide for installation and operation of mercury controls on all units at the **earliest date** that is **technically and economically feasible**.
 - The Director shall review the mercury control plans and recommend that the Commission approve, disapprove or conditionally approve the plans.

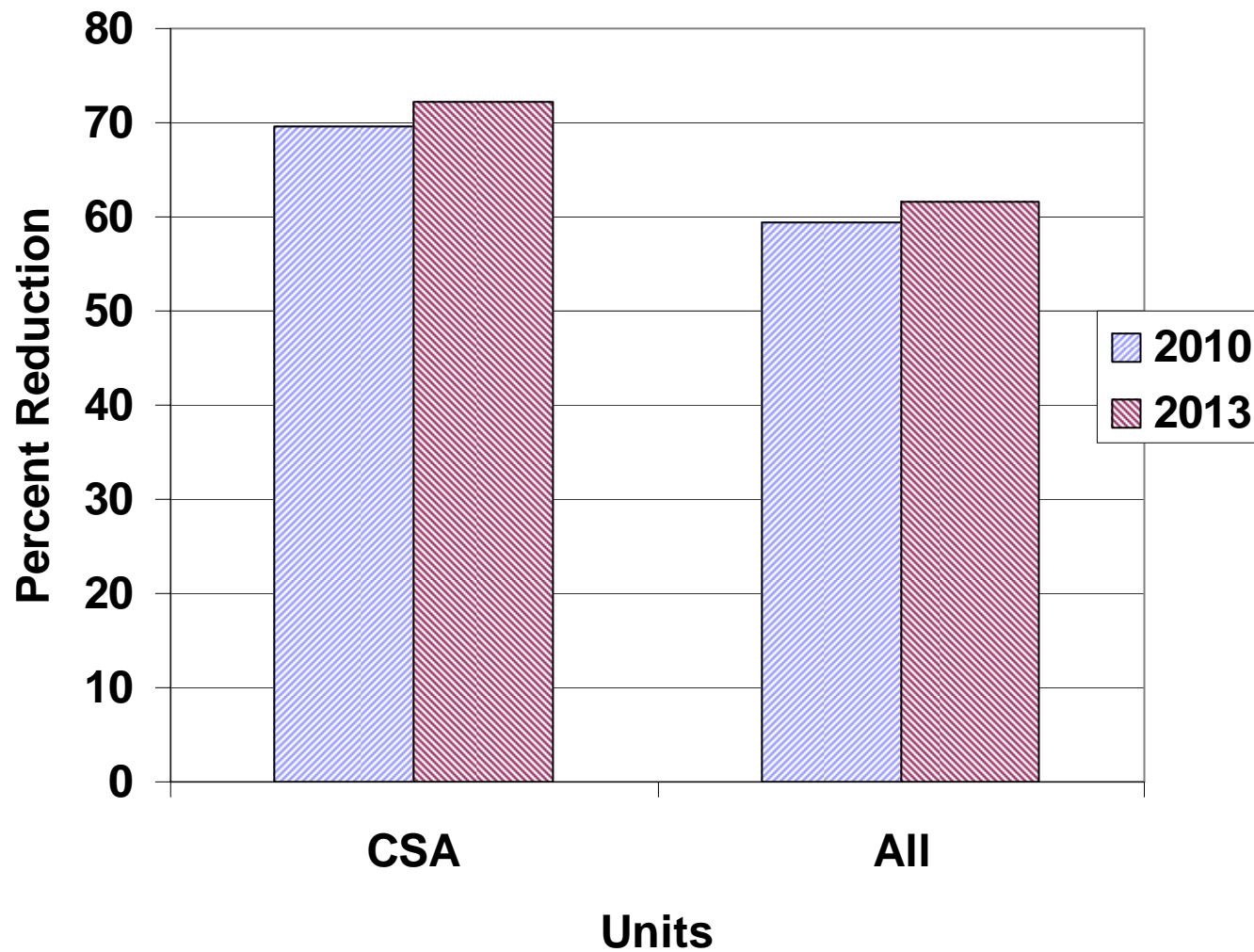
New sources

Any coal-fired electric steam generating unit to which this Rule applies and which begins construction after the effective date of this Rule shall install and operate **best available control technology for mercury**.

PERIODIC REVIEW AND REALLOCATIONS

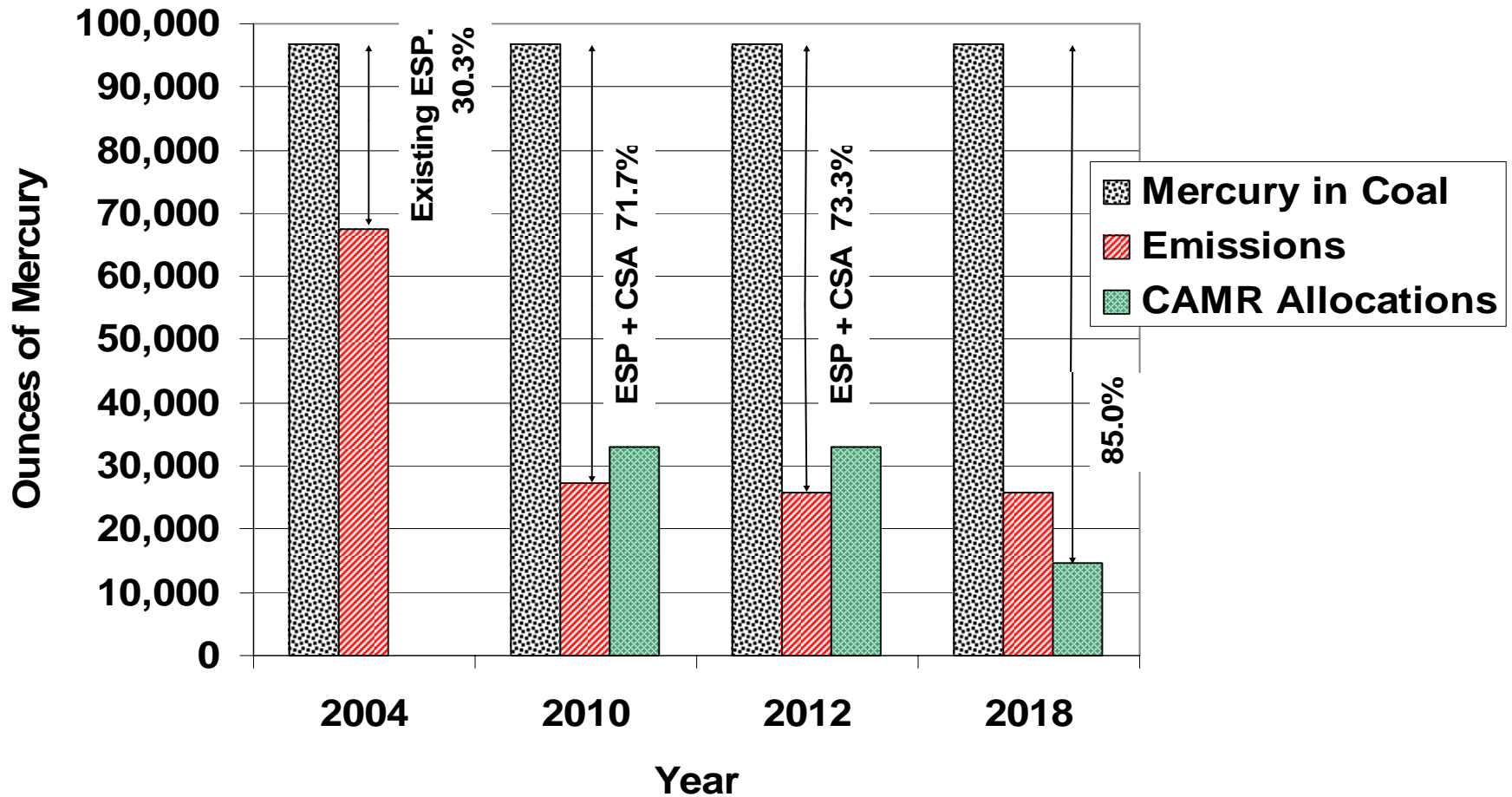
- In 2010 and every five years thereafter, the Environmental Management Commission shall review the emission allocations of sources.
- DAQ shall report to EMC in July of 2008, 2011, and 2013 available info on:
- Based on the 2013 report, the Commission shall determine mercury control requirements for the all units and decide if any other rule changes are needed.

Percent Reductions of Emissions from 2004 Levels for 2010 and 2013



Based on no-growth DAQ spreadsheet

Mercury in Coal, Mercury Emissions, and CAMR Allocations for Duke Energy and Progress Energy



Based on no-growth DAQ spreadsheet

DAQ report to EMC in July 2013

to include available info on:

- actual emissions from sources since 2010;
- estimates of amounts of the species of mercury being emitted;
- a mercury balance for North Carolina, including imported, exported, and in-state mercury emissions and the fate and transport in the air and waters of NC
- State;
- projected mercury emissions for 2015, 2018, 2023, and 2025;
- projected new source growth through 2025;
- the state of mercury control technology, including technological and economic feasibility;

DAQ report to EMC in July 2013 (continued)

- an assessment of cost and performance of mercury control technology
- a recommendation of mercury control technology, including the cost and expected reductions in mercury;
- results of studies and monitoring on mercury in fish in NC, including an evaluation of the impact of reduced mercury emissions from coal-fired power plants
- a summary of mercury-related health problems in NC
- results of studies on mercury deposition, applying monitoring techniques, back trajectory analysis, source attribution methodology, and any other relevant methodologies
- recommendations, if any, on rule revisions.

Trading

- The rules incorporate by reference the EPA guideline rules on trading and banking provisions, and monitoring and reporting requirements.
- Provided as a “safety value” in case other provisions cannot be satisfied