

## [First Look: Clean Power Plan Replacement](#)

Replaces Obama-era regulation of GHGs from the power sector with modest efficiency improvement mandate that will curb GHG emissions by 1.5% below current projected levels by 2030.

Updated last **August 23, 2018**  
for the 8/20/2018 pre-publication version of the ACE rule.



### WHAT IT DOES

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After launching the process to [repeal the Clean Power Plan \(CPP\)](#) in October 2017, EPA has now proposed a [replacement plan](#) to regulate GHG emissions from the power sector under the Clean Air Act (CAA), which it has named the [Affordable Clean Energy \(ACE\) rule](#).

The [CPP](#), which asked states to limit GHG emissions from their power sector by replacing fossil fuel powered plants with low-carbon sources of energy, was subject to immediate court challenge, [temporarily stayed by the Supreme Court](#) in February 2016, and never went into effect. Industry challengers charged that it exceeded the EPA's CAA authority by requiring states to go beyond the "fence line" of individual power plants and regulate the entire sector.

ACE, in contrast, limits state regulation of GHG emissions to requiring on-site heat efficiency improvements, and provides "candidate technologies" that may be used for those improvements. It also raises the threshold for applying the [New Source Review](#)—EPA's program for regulating the emissions of existing power plants being substantially upgraded—so that it applies only to plants that are increasing their emissions per unit of electricity generated. This will take scores of plants out of CAA regulation, as those in existence prior to the CAA were grandfathered out of its provisions unless subject to the New Source Review.

The new rule has been met with opposition by [environmental groups](#) and [state environmental officials](#), who point out that EPA's own analysis predicts that the new rule will increase pollution and have an adverse impact on human health. [Republican congressional leaders](#) and [industry groups](#) have applauded the new plan as a responsible, needed correction of Obama-era regulatory overreach.

The EPA will [accept comments](#) on the ACE rule for 60 days after publication in the Federal Register, after which the rule may be modified and finalized. However, because the final rule will certainly face court challenge, like its predecessor, it may not go into effect for several years.

### STATUS

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Signed by the EPA Administrator on August 20, 2018, and sent to the Federal Register for publication.

### ENERGY SUBCATEGORY

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[Source](#)  
[Production, Conversion, Distribution](#)

**RECOMMENDED CITATION**

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Duke SciPol, "First Look: Clean Power Plan Replacement" available at  
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