STATE OF TENNESSEE

Office of the Attorney General



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November 3, 2015

The Honorable Senator Janice Bowling 16th Senatorial District 310A War Memorial Building Nashville, Tennessee 37243

Dear Senator Bowling:

This is to update you on this Office's review of a final rule promulgated by the United States Environmental Protection Agency (EPA) placing tougher restrictions on emissions of carbon dioxide from power plants. This rule became effective when it was published in the Federal Register on October 23, 2015. There is a 60 day period from that effective date within which a challenge to the rule may be filed. We have been reviewing the rule with the Tennessee Department of Environment and Conservation (TDEC). TDEC has also been discussing the final rule with the Tennessee Valley Authority (TVA).

As you know, Tennessee is unique among the states in that TVA provides virtually all of the electricity used in this state. In commenting on the rule as proposed by EPA, the main concern identified by both TDEC and TVA was that EPA was not crediting TVA's under construction nuclear towards Tennessee's carbon dioxide goal. EPA does that in the final rule.

Although we will continue to monitor this situation, given these developments we do not at this point anticipate pursuing a challenge to the rule. Of course, our stance on this may change as events develop. We are contacting your office to set up a meeting to discuss the matter further. Associate Attorney General Bill Young, TDEC Commissioner Martineau, and I will be attending that meeting. As always, we appreciate your input into matters impacting this State and its citizens. If you have any further questions please do not hesitate to contact me or Bill Young.

Sincerely,

Herbert H. Slatery III

Ce: All Tennessee House and Senate Members Cosigning Letters Dated 7/6/15 and 7/7/15

Commissioner Robert Martineau, Jr. Associate Attorney General Bill Young Deputy Attorney General Barry Turner