What can EPA do to cut carbon emissions from coal-fired power plants after yesterday's decision in <u>West Virginia v. EPA</u>? The decision clearly ruled out any direct mandate to shift generation from coal generators to cleaner power generators. But the Supreme Court didn't endorse Trump's ultra-limited interpretation of the law either. This leaves EPA with a powerful regulatory tool: a requirement that generators add natural gas or other lower-carbon fuels to their power mix.

Why is this important? A <u>study</u> by researchers at Resources for the Future showed that carbon emissions from coal plants could be cut in half in just a few years if generators were required to use 20% natural gas in the mix. That's about 450 million tons of carbon per year. The reduction would take a little longer but cost less if plants were allowed to use emission trading as a form of compliance. The study didn't model this, but other <u>research</u> suggests that use of biomass such as woodchips might also be effective.

This approach should not be blocked by the *West Virginia* case. As the Court recounted, "Since passage of the Act 50 years ago, EPA has exercised this authority by setting performance standards based on measures that would reduce pollution by causing plants to operate more cleanly." It saw the Clean Power Plan as doing something quite different, restructuring the power industry rather than cleaning up sources. Co-firing would fall comfortably within EPA's normal role of "setting performance standards based on measures that would reduce pollution by causing plants to operate more cleanly." In other words, a co-firing standard should not trigger the major questions doctrine that brought down the Clean Power Plan.

Although I don't see *West Virginia* case as a barrier, there could be more mundane legal issues. The industry has argued that in EPA has eschewed requiring changes in a plant's proposed fuel mix in implementing another part of the Clean Air Act, which deals with pollution from new plants. But that involves a different part of the statute, designed for other purposes, so that argument should be surmountable. Like many other EPA standards, a co-firing standard might cause some plants to close, but that's nothing exceptional.

This is a second-best approach. It's not as good as what the Biden EPA might have accomplished with something like the Clean Power Plan. But for a fallback option, it's not too bad. It could achieve real cuts, and it could achieve them guickly.