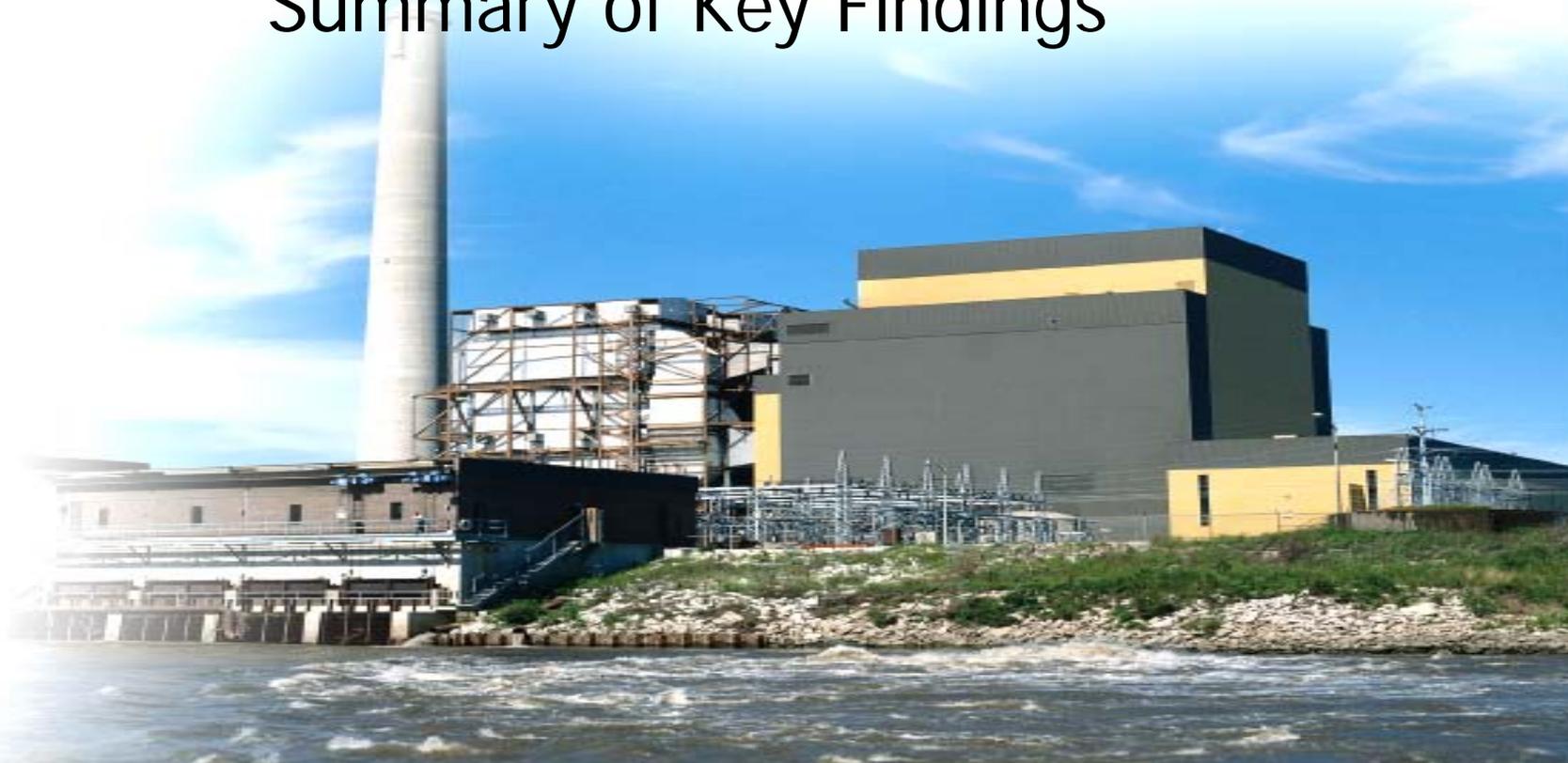


Evaluating Ozone Control Programs in the Eastern United States: Focus on the NO_x Budget Trading Program, 2004

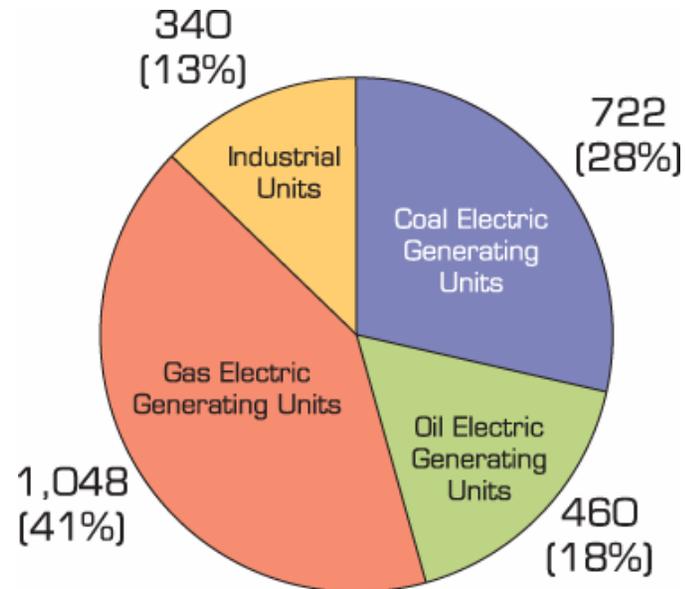
Summary of Key Findings



The NOx Budget Trading Program (NBP)

- The NBP is a cap and trade program for electric generating units and large industrial boilers and turbines.
- All affected states chose to achieve mandatory NOx SIP Call reductions through participation in the NBP.

Number of Units in the NOx Budget Trading Program by Type, 2004



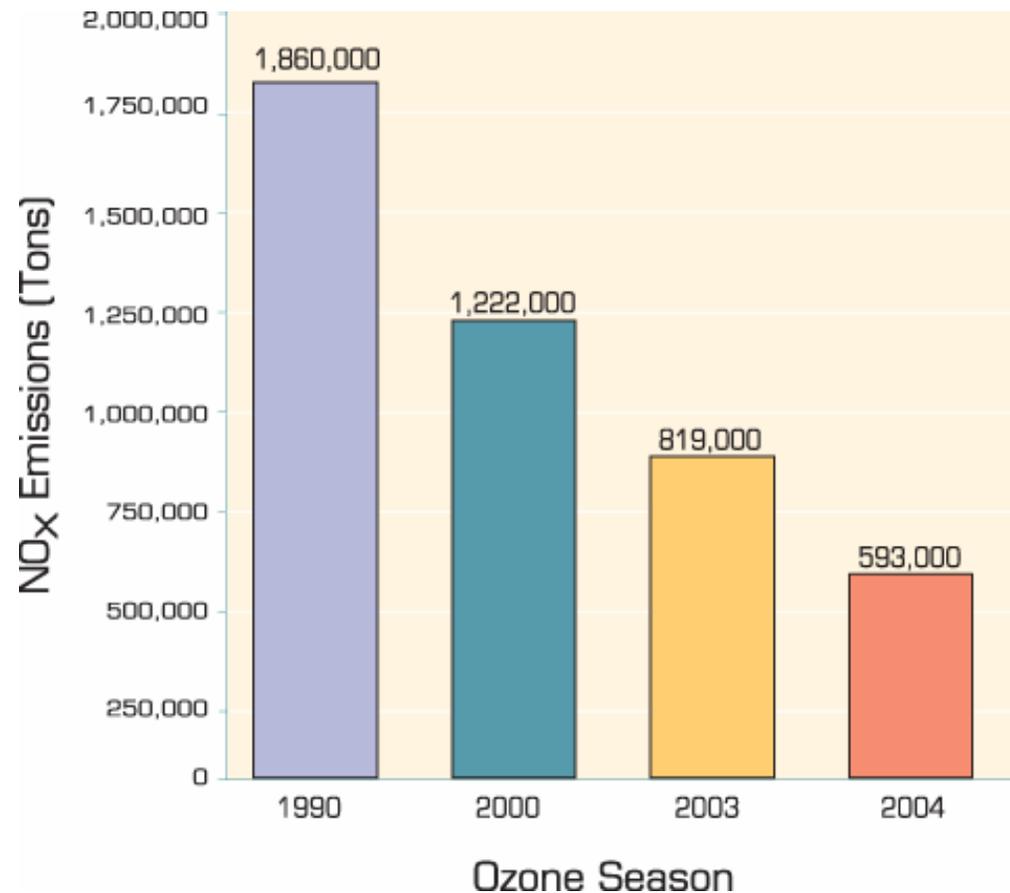
- There were 2570 units affected under the NBP in 2004
 - 13% Industrial Units
 - 87% Electric Generating Units

Ozone Season NO_x Emissions Have Declined across the Region

Total NBP Emissions in 2004 were about 593,000 tons

- NBP states reduced ozone season (May 1 – September 30) NO_x emissions about:
 - ▶ 70% from 1990 baseline
 - ▶ 50% from 2000 baseline
 - ▶ 30% from 2003

Total NBP Ozone Season NO_x Emissions

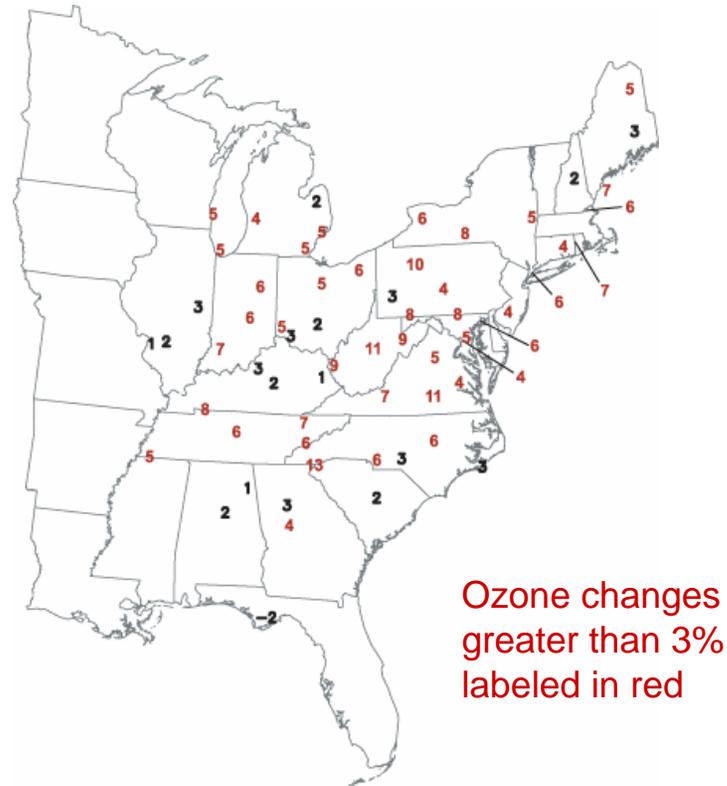


Greater Ozone Reductions after NOx SIP Call

Percent Reduction in Seasonal 8-Hour Ozone Per Year, 1997-2002 (before NOx SIP Call)

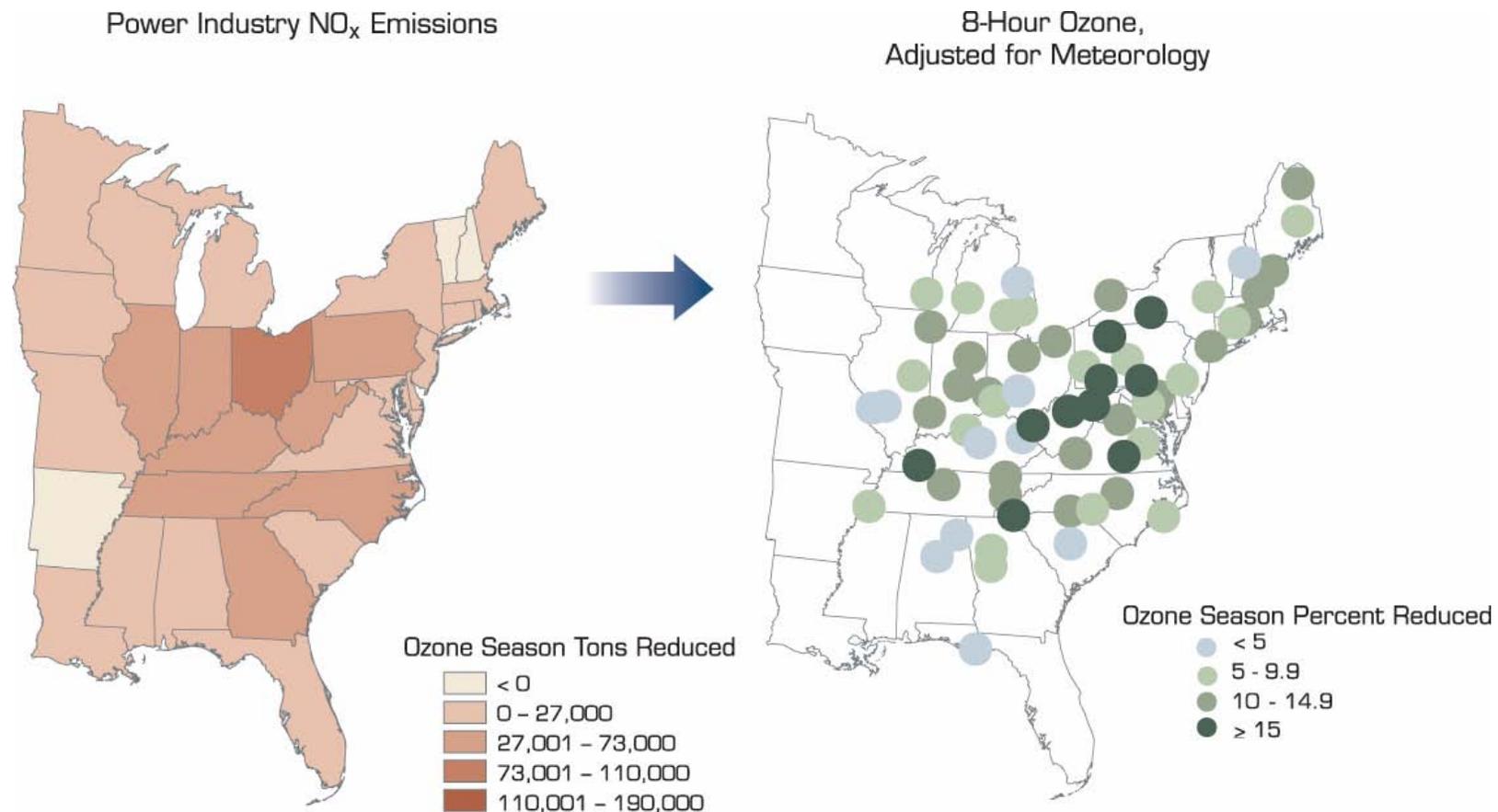


Percent Reduction in Seasonal 8-Hour Ozone Per Year, 2002-2004 (after NOx SIP Call)



- Ozone levels were adjusted for the influences of weather
- From 1997 to 2002, an average 1% per ozone season reduction
- From 2002 to 2004, an average 5% per ozone season reduction

Comparison of Power Industry NO_x Emission Reductions and Improvements in Ozone (2002 vs. 2004)

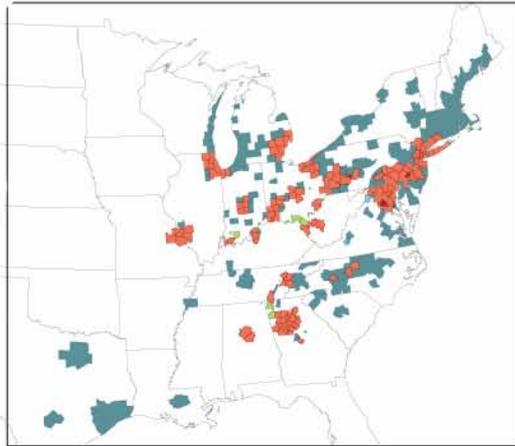


- Strong association between areas with the greatest NO_x emission reductions and areas exhibiting the greatest improvement in ozone

Continued Improvements from the Clean Air Interstate Rule (CAIR) and Other Programs

CAIR will build on the ozone season emission reductions from the NOx SIP Call. In 2015, CAIR, the NOx SIP Call, and other programs in the CAIR region will reduce power industry ozone season NOx emissions by about 50 percent and annual NOx emissions by about 60 percent from 2003 levels.

Ozone and Fine Particle Nonattainment Areas (April 2005)



Projected Nonattainment Areas in 2010 after Reductions from CAIR and Existing Clean Air Act Programs



Projected Nonattainment Areas in 2015 after Reductions from CAIR and Existing Clean Air Act Programs



-  Nonattainment areas for both 8-hour ozone and fine particle pollution
-  Nonattainment areas for fine particle pollution only
-  Nonattainment areas for 8-hour ozone only

For More Information

- The report and information on the NO_x SIP Call is available at <http://www.epa.gov/airmarkets/fednox>
- The report and information on ozone is available at www.epa.gov/airtrends