

standard for emissions of mercury from lignite-fired EGUs from 4.0 lb/TBtu to 1.2 lb/TBtu. The MATS RTR requires that existing coal-fired EGUs use PM CEMS to demonstrate compliance with the PM emission standard, eliminating the stack testing option. The LFE status option for PM, total non-Hg HAP metals, and individual non-Hg HAP metals for coal-fired and solid-oil derived fuel-fired EGUs has also been removed. The compliance deadline for both of these requirements is July 6, 2027.

On March 12, 2025, the Trump Administration announced its intention to reconsider the MATS RTR. In a fact sheet released that day, EPA cited concerns regarding the Rule. EPA stated that the Rule may be inconsistent with the authority granted under CAA and will require large estimated costs to comply, given that industry has already successfully reduced emissions of mercury and other HAPs.⁷ Otter Tail supports EPA's decision to reconsider the MATS RTR for the reasons identified in our comments⁸ in the MATS RTR docket.

2. The Presidential Exemption

CAA 112(i) sets a schedule for compliance. In Section 112(i)(4), Congress provided the President with executive discretion to exempt a stationary source from compliance with standards and limitations provided under Section 112.

The President may exempt any stationary source from compliance with any standard or limitation under this section for a period of not more than 2 years if the President determines that the technology to implement such standard is not available and that it is in the national security interests of the United States to do so. An exemption under this paragraph may be extended for 1 or more additional periods, each period not to exceed 2 years. The President shall report to Congress with respect to each exemption (or extension thereof) made under this paragraph.

The President's discretion may be exercised upon satisfying a showing that (1) the technology is not available for implementing the standard, and (2) the national security interests of the United States warrant the President's exercise of the discretion.

On March 12, 2025, EPA released a fact sheet⁹ regarding the MATS RTR as part of "Powering the Great American Comeback" (the Fact Sheet). The Fact Sheet recognizes the regulatory uncertainty for coal plants. It offers the opportunity for "any source interested in a Presidential exemption, [to] provide their recommendations to EPA by March 31, 2025." This

⁷ EPA, *Mercury and Air Toxics Standards (MATS): Powering the Great American Comeback Fact Sheet*, (Mar. 12, 2025), <https://www.epa.gov/system/files/documents/2025-03/fact-sheet-reconsideration-of-mercury-and-air-toxics-standards.pdf>.

⁸ *Otter Tail Power Company Comments on: National Emission Standards for Hazardous Air Pollutants: Coal- and Oil-Fired Electric Utility Steam Generating Units Review of the Residual Risk and Technology Review; Proposed Rule*, Docket No. EPA-HQ-OAR-2018-0794-5975 (June 23, 2023), https://downloads.regulations.gov/EPA-HQ-OAR-2018-0794-5975/attachment_1.pdf (Otter Tail Comments).

⁹ <https://www.epa.gov/system/files/documents/2025-03/fact-sheet-reconsideration-of-mercury-and-air-toxics-standards.pdf>.