Holland & Hart

**Paul Babbitt**

Associate & Director of Federal Affairs
202.289.3490
Washington, DC
PJBabbitt@hollandhart.com

**Doug Benevento**

Partner
303.293.5248
Denver
dhbenevento@hollandhart.com

# EPA Proposes Sweeping Repeal of GHG Standards for Fossil Fuel-Fired Power Plants

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Administrator of the U.S. Environmental Protection Agency (EPA) Lee Zeldin on June 11, 2025, announced a proposed rule titled “Repeal of Greenhouse Gas Emissions Standards for Fossil Fuel-Fired Electric Generating Units.” In this rule, EPA proposes to repeal all GHG standards for fossil fuel-fired power plants and, as the agency purports, “resolve a decade's worth of regulatory uncertainty.” Alternatively, EPA proposes to rescind a narrower set of standards previously established under the April 2024 rule. The proposed rule will go through a 45-day public comment period upon publication before its finalization.

The primary proposal, to repeal all GHG standards for fossil fuel-fired power plants, is premised on a determination that section 111 of the Clean Air Act (CAA) requires the EPA to make a finding that GHG emissions from fossil fuel-fired power plants contribute significantly to dangerous air pollution. Yet, the EPA is proposing a finding that GHG emissions from fossil fuel-fired power plants do not contribute “significantly to dangerous air pollution within the meaning of the statute.” The agency previously interpreted section 111 of the CAA as authorizing regulation of air pollutants so long as there was a rational basis for doing so.

In response to Executive Order 14154, “Unleashing American Energy,” the EPA is identifying “agency actions that impose an undue burden on the identification, development, or use of domestic energy resources.” The EPA identified GHG emissions standards for power plants as imposing an undue burden and not grounded in “clearly applicable law.”

Now, based on a reassessment of the 2015 new source performance standards and Carbon Pollution Standards, the EPA is proposing to repeal the GHG emissions standards for new and existing sources in the fossil fuel-fired power plant source category. In particular, the EPA contends that section 111 of the CAA is best read as authorizing the EPA Administrator to determine whether an air pollutant emitted by a source category causes, or contributes significantly to, air pollution which may reasonably be anticipated to endanger public health or welfare as the grounds to establishing emission standards. From this reading, the EPA is then proposing to determine that GHG emissions from fossil fuel-fire power plants do not contribute significantly to dangerous air pollution that requires “promulgation of new and existing source standards.”

**What Does This Mean for Energy Companies?**

This action is Administrator Zeldin aligning the agency with Executive Orders 14154 and the Administration's focus on energy dominance and independence. The proposal itself states that the "Administration's priority is to promote the public health or welfare through energy dominance and independence secured by using fossil fuels to generate power." The EPA continues to follow the direction of the president's actions and other agencies in centralizing energy policy decisions and reducing regulatory hurdles.

If EPA finalizes the primary proposal, then fossil fuel-fired power plants will no longer be subject to GHG standards under the CAA. In this scenario, to regulate GHG emissions from these power plants in the future, EPA would be required to reverse the proposed finding that GHG emissions from fossil fuel-fired power plants do not contribute significantly to dangerous air pollution and provide a reasoned justification for doing so.

However, if EPA finalizes the alternative proposal, then EPA would make the following amendments to the 2024 standards currently in effect:

1. EPA proposes to determine that 90 percent carbon capture and storage (CCS) is not the best system of emissions reduction (BSER) for existing long-term coal-fired steam generating units.
2. EPA proposes to determine that 40 percent natural gas co-firing is not the BSER for existing medium-term coal-fired steam generating units.
3. EPA proposes to repeal the requirements in the emission guidelines related to natural gas- and oil-fired steam generating units.
4. EPA proposes to repeal the CCS-based requirements for coal-fired steam generating units undertaking a large modification.
5. EPA proposes to repeal the phase 2 CCS-based requirements for new base load stationary combustion turbines.

On the same day, the EPA announced it would also repeal amendments to the 2024 Mercury and Air Toxics Standards (MATS) issued on May 7, 2024. This proposed action would release all facilities of the more stringent filterable particulate matter (PM) emission standard for coal-fired electric generating units (EGUs), the tighter mercury standard for lignite-fired EGUs, and the requirement to use PM Continuous Emissions Monitoring Systems (CEMS).

The EPA's action is widely seen as the first step to undo the 2009 CO2 Endangerment Finding issued by the Obama Administration following the *Massachusetts v. EPA* Supreme Court case. The EPA's decision on reconsidering the Endangerment Finding is imminent. If the Endangerment Finding is revoked, then the legal justification for regulating CO2 from power plants and vehicles goes away.

In addition to this regulatory relief, in April President Trump provided a two-year exemption to 66 coal-fired units from Biden-era regulations to keep the plants operating longer. However, while the repeal of the power plant regulation and the two-year exemptions are expected to give a lifeline to

multiple fossil fuel plants slated for closure, a number of these units are also set to retire under consent decrees between environmental groups and states that are expected to try and force the existing closure dates.

All of these actions will be litigated.

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