

Memo to EPA Docket

From: Andrew Beck
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On July 12, 2006, a group of industry representatives met with EPA Administrator Stephen Johnson to share a synopsis of their previously submitted comments. This memo summarizes their concerns. Industry representatives said that they were greatly concerned with the proposed revisions to the PM2.5 standard. They also said that need to replace the existing standard is unsubstantiated based on the fact that the current standard meets the legal requirement of being “requisite to protect the public health,” and EPA’s own studies show that the existing standard is even more protective than initially perceived in 1997. Additionally, industry representatives said that EPA’s intent to move the goalpost before the existing standards are even implemented is an unreasonable burden to place on the States as they have not yet developed plans to implement the costly 1997 standard. They also said that an improper standard could have far-reaching economic impacts on the United States, as energy prices will rise and manufacturing jobs will be forced to move off-shore, causing increased consumer prices.

The group stated that the new science is ambiguous and does not compel more stringent PM2.5 NAAQS. Although many new studies have been published since the existing PM2.5 standards were established, the groups stated that EPA has chosen to “cherry pick” those studies which have selectively emphasized statistically significant reasons for tightening the standard, while discounting those studies that argue for the maintenance of the existing standard. The group also said that CASAC itself has overlooked the fact that under the current standard, health risks are lower than assumed in 1997. The Supreme Court has ruled that NAAQS are not a “zero risk” standard. Industry representatives said the cost of implementing a tighter standard, however, are fraught with risk. In order to meet EPA’s proposed 15/35 standard, the United States will be forced to spend \$20-60 billion/year on top of the existing standard, and at the expense of other air quality programs. They also said that the integrity of the carefully crafted CAIR rules will be jeopardized by States forced to conform to a more stringent standard, and the number of nonattainment counties will rise under EPA’s proposed revision. The consequences of being a nonattainment county will include stricter requirements for facilities; more restrictive and longer permitting processes; potential loss of federal highway and transit funding; and loss of industry and economic development, the group said.

The groups distributed materials that are also included in the docket.

The below list of stakeholders were present at the meeting:

American Petroleum Institute- Red Cavaney, President

American Chemistry Council- Jack Gerard, CEO

Portland Cement Association- Tom Gibson, Sr. Vice President, Government Affairs

American Forest & Paper Association- Donna Harman, Sr. VP, Government Affairs

U.S. Chamber of Commerce- William Kovacs, VP, Environment & Regulatory Affairs

Edison Electric Institute- Tom Kuhn, President

Engine Manufacturers Association- Jed Mandel, CEO

American Electric Power for Utility Air Regulatory Group -John M. McNamus, VP, Environmental Services

American Road & Transportation Builders Association- T. Peter Ruane, CEO

American Iron & Steel Institute- Andrew Sharkey, President & CEO

National Petrochemical & Refiners Association- Bob Slaughter, President

Hunton & Williams LLP- Joe Stanko

National Association of Manufacturers- Jay Timmons, Sr. VP, Policy & Government Affairs and Bryan Brendle, Director, Air Quality

Alliance of Automobile Manufacturers- Fred Webber, CEO

Associated General Contractors of America- Stephen E. Sandherr, CEO

EPA officials present were:

Administrator Steve Johnson

Charles Ingebretson, Chief of Staff

Jason Burnett, Office of Air & Radiation

Andrew Beck, Office of Public Liaison