

Summary Minutes of the  
U.S. Environmental Protection Agency (EPA)  
Science Advisory Board (SAB)  
Environmental Economics Advisory Committee (EEAC)  
Public Teleconference  
4/14/08

Committee Members: Dr. Cathy Kling, Chair  
Dr. Laura Taylor  
Dr. Peter Wilcoxon  
Dr. Billy Pizer  
Dr. Jim Hammitt  
Dr. Jim Shortle  
Dr. David Zilberman  
Dr. George Parsons  
Dr. Madhu Khanna  
Dr. Jim Opaluch  
Dr. Michael Greenstone

Date and Time: April 14, 2008, 12:00pm – 2:00pm

Purpose: The SAB EEAC discussed ideas for possible self-initiated advice. The EPA National Center for Environmental Economics (NCEE) presented a brief summary of its advisory requests to EEAC.

SAB Staff: Dr. Holly Stallworth, Designated Federal Officer

Other EPA Staff: Will Wheeler, Dave Evans, Kelly Maguire, Chris Dockins, Jim Democker, Alan Faucett, Paco Delachessnaye, Al McGartland, Nathalie Simon

Other: Amanda Lee, Office of Management and Budget  
Lisa Robinson, Harvard Center for Risk Analysis  
Brian Morrison, Industrial Economics, Inc.

Meeting Summary

The discussion followed the issues and general timing as presented in the meeting agenda.

**MONDAY, APRIL 15, 2008**

Opening of Public Meeting

Dr. Holly Stallworth, Designated Federal Officer (DFO), opened the meeting with a statement that the Environmental Economics Advisory Committee (EEAC) is a standing committee of the chartered Science Advisory Board. As such, EEAC is a federal advisory committee whose meetings and deliberations must meet the requirements of the Federal Advisory Committee Act.

Dr. Kling reviewed the agenda and purpose of the meeting then turned the floor over to Dr. Nathalie Simon of EPA's National Center for Environmental Economics (NCEE) who summarized NCEE's three project proposals requesting EEAC advice (Guidelines Review, Cost-Effectiveness Analysis and Measuring Mortality Risk). With respect to the first project, Dr. Simon described a forthcoming update of NCEE's *Guidelines for Preparing Economic Analysis*, which NCEE expects to complete in May. This updated version of the *Guidelines* will consist of approximately 260 pages; and EEAC will be asked to focus on whether the revised *Guidelines* reflect the state of economics literature on specific topics, with the text on discounting receiving the most extensive revisions since the *Guidelines* were first published in 2000. With respect to Cost-Effectiveness Analysis, Dr. Chris Dockins of NCEE described a cost-effectiveness chapter in progress, expected to be completed this summer. This cost-effectiveness chapter is written largely in response to OMB Circular A-4 and will focus on health measures. In response to a question from one member, Dr. Stallworth said the SAB Staff Office would be able to supplement the EEAC if additional expertise was needed in the area of health measures and economics. In regard to the third project, Measuring Mortality Risk, Dr. Simon said any NCEE review product on this topic would not be completed until sometime in 2009.

Following NCEE's remarks, Dr. Paco Delachetnaye of EPA's Office of Air and Radiation in the Climate Economics Branch described EPA's work using general equilibrium models to predict effects of various climate policy options. These models are constantly changing with updated projections on energy use from the Energy Information Administration and energy prices. Dr. Delachetnaye said his office had completed three formal analyses for legislative proposals in response to official requests from senators.

It was generally agreed that EEAC could be most useful at the "big picture" level, e.g. technological change, co-benefits, mitigations versus sequestration versus adaption, etc. One EEAC member suggested looking at lifecycle analysis for biofuels, particularly with respect to boundaries and metrics. Another member cautioned against duplicating valuation work that had already been done.

The meeting concluded with discussion of everyone's schedule and availability for a fall meeting. Dr. Stallworth promised to follow-up via e-mail and to choose a the best date for an EEAC meeting.

Respectfully Submitted:

Holly Stallworth, Ph.D. /Signed/  
Designated Federal Officer

Certified as True:

Cathy Kling, Ph.D.     /Signed/  
Chair

NOTE AND DISCLAIMER: The minutes of this public meeting reflect diverse ideas and suggestions offered by Committee member during the course of deliberations within the meeting. Such ideas, suggestions and deliberations do not necessarily reflect consensus advice from the panel members. The reader is cautioned to not rely on the minutes to represent final, approved, consensus advice and recommendations offered to the Agency. Such advice and recommendations may be found in the final advisories, commentaries, letters or reports prepared and transmitted to the EPA Administrator following the public meetings.