



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

OCT 31 2012

DEPUTY ADMINISTRATOR

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Department of Chemical Engineering  
Cockrell School of Engineering  
University of Texas at Austin  
200 E. Dean Keeton Street Stop C0400  
Austin, Texas 78712-1589

Dear Dr. Allen:

I offer my sincerest thanks to you and the members of the U.S. Environmental Protection Agency's Science Advisory Board for your thoughtful and thorough review of the President's fiscal year 2013 budget request for the EPA's Office of Research and Development and its National Center for Environmental Economics. As noted in your report, the request for a modest increase in the EPA's research funding for FY2013 is a direct reflection of the value of research to the EPA's mission during this time of reduced budgets. The President's budget request underscores the importance of scientific research and innovation as essential to the nation's infrastructure and economy.

It is gratifying to hear that the SAB remains highly supportive of ORD's realignment of its research programs. It has been an especially ambitious year for ORD, integrating 13 distinct project areas into six overarching national programs in a relatively short time. The early guidance from the SAB and ORD's Board of Scientific Counselors has been instrumental in the success of this transition, as the SAB noted while commending ORD for its strategic research action plans. In addition, I thank the SAB for its strong support for the EPA's Science to Achieve Results grants and fellowships. I agree that these programs are immensely important. As the SAB states, they foster ORD interactions with the wider scientific community and are important for stimulating innovation and cross-program integration. In addition, we believe they are critical to preparing the next generation of professionals to protect human health and the environment.

The SAB makes clear that, although the EPA has requested a small increase in research funding, ORD funding in real dollars has declined over the years. This, too, is a reflection of the President's call to streamline and find efficiencies in the agency's operations while supporting the EPA's priorities. In this regard, I appreciate your recognizing that the resource decisions for the FY2013 ORD programs were indeed strategic in that the EPA chose to invest in some research programs while decreasing resources to others, rather than level changes across the board. While these compromises are difficult, I appreciate the SAB's overall support for the choices we have made.

Your letter highlighted major comments for each of the six programs and NCEE's Economics and Decision Sciences Program. The SAB's full report contains specific recommendations that are helpful as ORD moves forward in implementing the research programs.

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I strongly agree with the SAB that the President's request for the EPA's NCEE is a significant improvement over funding levels in recent years. The SAB reiterates its call for an increased commitment across all ORD programs to research in social, economic and decision sciences. The SAB's recommendation for improved coordination between ORD and NCEE has resulted in a commitment for a joint workshop this autumn to seek opportunities for collaboration on research activities. Significant new hiring in ORD to enhance economic and social-science expertise is difficult during times of budget constraint. However, NCEE is eager to collaborate with ORD and help strengthen the focus on sustainability by providing decision-science and economic expertise.

I appreciate your support for the recommended increase for air, climate and energy research, given the importance of multipollutant research, advanced monitoring initiatives, climate-change adaptation tools and research to understand the potential for air emissions related to hydraulic fracturing. I note that the SAB states that climate-change mitigation, full lifecycle analyses for energy options and research in the economic, social and decision sciences are underfunded. In the area of climate-change research, federal agencies have differing responsibilities. The EPA is not involved in mitigation-technology development; our role is limited to assessing potential environmental impacts and sustainability of mitigation technologies. The Air, Climate and Energy Research Program is working to leverage available resources with our federal partners in climate change and with the EPA partner offices, including the Office of Air and Radiation, which are actively involved in life-cycle analyses for energy options.

The Safe and Sustainable Water Resources Research Program has ambitious plans for the coming year, and I agree that the budget is appropriate for funding research on hydraulic fracturing, sustainable water resources and sustainable water infrastructure systems. As this research moves forward, I will certainly consider your recommendation that the public-health implications of water reuse require additional resources. The water-energy nexus is an important cross-cutting issue that is supported by this program as well as the Air, Climate and Energy Research Program.

Developing the FY2013 budget request required some hard choices during these economic times. The FY2013 request for the Sustainable and Healthy Communities Research Program, while reduced by 2.5 percent, does preserve ORD's important investment in the Science to Achieve Results and Greater Research Opportunities Fellowship programs and in the children's health centers. I do, however, recognize that direct funding for ecosystem research has declined over time. I note that while there is a reduction in extramural funds for this research program, the FY2013 request maintains a strong commitment to federal staffing levels — our most important asset. I agree wholeheartedly that this program's success depends on our commitment to integrated, transdisciplinary, community-based research. As ORD implements this program, I am confident that the human-health and ecosystem components will become more aligned with the principals of sustainability in a way that integrates ecosystem goods and services with human-health outcomes.

The Chemical Safety for Sustainability Research Program is a very exciting area for ORD, and I am pleased to know that the SAB agrees with the recommended increase for this important work. The Chemical Safety for Sustainability Research Program will help us evaluate thousands of chemicals in existence and under development, and, as the SAB states, it will also help advance the science underpinning cumulative-risk assessment and sustainability. The SAB's letter noted support for funding research on the fate of nanomaterials in the environment. I agree and believe we are maintaining a strong resource commitment in this area and are working on this important topic with our federal partners, including the National Science Foundation as well as academia.

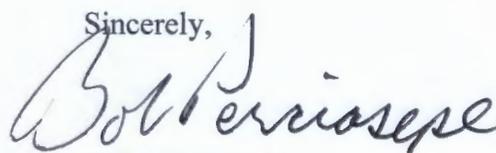
The SAB recognized that the recommended small increase in the Human-Health Risk-Assessment Research Program is needed to maintain its strategic directions, but voiced concern that it will not allow ORD to integrate new chemical-assessment approaches into human-health risk assessment. There is a strong commitment from ORD to ensure that this integration occurs.

In the area of Homeland-Security research, I am pleased about your support for the strategic directions of the program and the recognition that the FY2013 budget request will be adequate to achieve our current research objectives. I agree with the importance of research to support resilient infrastructure and allow communities to better adapt to extreme perturbations caused by disasters. Working closely with partners in other federal agencies, as well as ORD's own Safe and Sustainable Water Resources Program and the Air, Climate and Energy and the Sustainable and Healthy Communities research programs, there are opportunities to leverage resources and begin work toward this goal.

The SAB raised a concern about how collaboration and integration will occur, both across research programs and with other federal agencies. Clearly, to create synergies, leverage resources and conduct effective research, collaboration and integration are essential. It is important to recognize that the transition from 13 research programs to six national programs represents an integration of our research within the research programs. ORD is committed to further fostering integration across the research programs by identifying key areas and dedicating effort to building linkages. ORD is actively participating in cross-agency efforts for a number of research areas and will continue to seek opportunities for joint funding of research endeavors. To address the points you raise, it is my understanding that ORD described and discussed these efforts with the SAB and BOSC during your meeting in July.

Please accept my gratitude for your clear and informative comments and highly valuable recommendations on the allocation of resources for scientific research. The EPA's research program has been tremendously valuable in helping the EPA prepare for emerging environmental issues while actively supporting the current needs of our regions and national program offices. Through your insightful guidance, the EPA's research efforts will help us achieve our ambitious goals for sustainably protecting human health and the environment.

Sincerely,

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Bob Perciasepe



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

OCT 23 2012

DEPUTY ADMINISTRATOR

Taylor Eighmy, Ph.D.  
Chairman  
Research Budget Workgroup  
Science Advisory Board  
U.S. Environmental Protection Agency  
1200 Pennsylvania Avenue, NW  
Washington, D.C. 20460

Dear Dr. Eighmy:

I offer my sincerest thanks to you and the members of the U.S. Environmental Protection Agency's Science Advisory Board for your thoughtful and thorough review of the President's fiscal year 2013 budget request for the EPA's Office of Research and Development and its National Center for Environmental Economics. As noted in your report, the request for a modest increase in the EPA's research funding for FY2013 is a direct reflection of the value of research to the EPA's mission during this time of reduced budgets. The President's budget request underscores the importance of scientific research and innovation as essential to the nation's infrastructure and economy.

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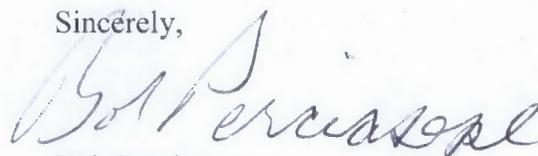
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Sincerely,

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Bob Perciasepe