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Oral Statement

of Greg Bertelsen

Director

Energy and Resources Policy

National Association of Manufacturers

before the Clean Air Scientific Advisory Committee

*on "EPA's Second Draft Policy Assessment for the Review of the Ozone
NAAQS"*

March 26, 2014



**STATEMENT OF GREG BERTELSEN, NATIONAL ASSOCIATION OF MANUFACTURERS
BEFORE THE CLEAN AIR SCIENCE ADVISORY COMMITTEE**

Statement on:
“EPA’s Second Draft Policy Assessment for the Review of the Ozone NAAQS”

MARCH 24, 2014

Good afternoon. My name is Greg Bertelsen, and on behalf of the National Association of Manufacturers and its 12,000 members, I am pleased to offer the following remarks on the Environmental Protection Agency’s Second Draft of the Policy Assessment for the Review of the Ozone National Ambient Air Quality Standard. The NAM is the nation’s largest industrial trade association, representing small, medium and large manufacturers in every industrial sector and in all 50 states. Manufacturers are impacted by revisions to NAAQS both directly, as regulated entities and indirectly, from increased energy costs as upstream energy suppliers endure increased production expenses from environmental compliance requirements. Manufacturers are supportive of the objectives of the Clean Air Act to protect public health and welfare and have been integral in the United States reducing its collective emissions of EPA’s six criteria pollutants by nearly 70 percent since 1980.

Under the Act, this committee has the important task of providing a recommendation to the Administrator on what the ozone NAAQS should be; a recommendation that will greatly influence EPA’s final standard; a

recommendation that will play a role in determining which areas of the country will be able to attract new economic activities to create jobs and which areas will find themselves constrained by regulatory burdens; and a recommendation that in our view could ultimately determine the future viability and competitiveness of U.S. manufacturing. To make this point more succinctly: what you are doing this week is important.

For these reasons manufacturers urge you to consider two requests during these meetings and ultimately when making your recommendation to the agency.

First, the NAM asks that you recommend to the agency that it retains the existing standard of 75 parts per billion (ppb). As this committee has already heard from testimony this week and has read in the written submissions leading up to these meetings, experts in this field have called into question whether further reduction of the ozone standard is necessary to achieve the objective of the Act. More specifically, these experts have called into question EPA staff's preliminary conclusion that the evidence available today differs substantially from that of the evidence available during the last ozone NAAQS review and whether there is sufficient justification for lowering the standard.

Ozone concentrations were 25 percent lower in 2012 than they were in 1980 and EPA still has not issued a final rule implementing the 2008 standard; a

standard that will require substantial additional investments and even further reductions in ozone precursor emissions. It is safe to assume based on the laws already in place and industry's commitment to improving the efficiency of operations, the consistent trend of declining Nitrogen Oxides and Volatile Organic Compound emissions will continue into the foreseeable future. Given the progress that has already been made and the near certain emission reductions that will take place as the 2008 standard is implemented the question is whether further, stricter regulations are necessary to achieve the objectives of the Clean Air Act? The NAM strongly encourages you to consider that stricter regulations are not required at this time and to provide a recommendation to the agency as such.

Second, the NAM respectfully requests that in your review, deliberations and ultimately in your recommendation to the agency that you consider the economic impact of attaining and maintaining a stricter standard. Section 109(2)(C) requires this committee to advise the Administrator of "any adverse public health, welfare, social, economic, or energy effects which may result from various strategies for attainment and maintenance of such national ambient air quality standard". To our knowledge, this statutory requirement has never been adhered to by CASAC in their review and recommendations for NAAQS, which in our opinion has been an oversight by the Committee in fulfilling its responsibilities.

Strategies for bringing nonattainment areas into attainment and ensuring regions meeting standards maintain that status are complicated and often costly endeavors the impacts of which can reverberate throughout the economy. In the case of ozone, we know based on the agency's own estimates that potential strategies for achieving a significantly lower ozone standard could make a revision of the ozone NAAQS the most expensive environmental regulation ever. Yesterday, the NAM and 34 other organizations sent Chairman Frey a letter requesting that this committee adhere to its statutory duty to advise the Administrator about any adverse economic impacts that may arise from measures involved in attaining a new standard and I echo that request before you today.

Manufacturers are committed to protecting the environment through greater environmental sustainability, increased energy efficiency and conservation. We respect the challenge before you in considering volumes of data, pages of reports and conflicting conclusions. We ask that you carefully review the requirements of this committee under statute and forming charter and thank you for your consideration of our comments.