

ADVISORY COUNCIL ON CLEAN AIR COMPLIANCE ANALYSIS

Review Background and Charge Questions

September 2-3, 2010 Meeting

Review Background

Section 812 of the Clean Air Act Amendments of 1990 (CAAA90) requires the Environmental Protection Agency to evaluate the impacts of the Clean Air Act on the public health, economy and environment of the United States. The Section 812 benefit-cost studies are a unique series of EPA analyses. Unlike routine Regulatory Impact Analyses (RIAs) which focus on the incremental effect of proposed new rules relative to a continually changing, prevailing policy baseline, the 812 studies are intended to evaluate the benefits and costs of the Clean Air Act as a whole relative to a consistent baseline. In addition, Congress expressed its intent that the requirement for comprehensive and rigorous Section 812 studies should encourage and enable EPA to develop and continually refine its capabilities in clean air program assessment. Congress' stated objective was to ensure EPA could provide better information on clean air program benefits and costs in support of the next round of Clean Air Act reauthorization, whenever that might occur.

Section 812 also established the Council on Clean Air Compliance Analysis (the Council) to review and advise the Agency on issues of data, methodology, and utility of the required benefit-cost studies. The Council is supported by three technical subcommittees which advise the Council on emissions and air quality modeling, ecological effects assessment, and human health effect estimation. The technical subcommittees help the Council ensure its advice to the Agency meets the statutory objective of broad, multi-disciplinary review.

The Council subcommittees have each met in recent months to review components of the 812 Second Prospective Study for which they have particular expertise. Now that the three technical subcommittees have completed their reviews, the purposes of the September 2-3, 2010 review meeting of the parent Council are to—

1. consider the results of the final review of the emissions inventory and air quality modeling projection results reviewed by the Air Quality Modeling Subcommittee (AQMS) during their August 11, 2010 review teleconference;
2. review a revised draft of an overall report which integrates the analytical components comprising the Section 812 Second Prospective Study; and
3. review a new, shorter, supplemental draft report which summarizes the results of the Second Prospective Study for non-technical audiences.

Additional materials are also provided in the review package to facilitate the Council's September 2-3 review. In addition to a clean copy of the revised full integrated report, a limited redline-strikeout version comparing major revisions made since the April 2010 preliminary draft is included. The purpose of this redline-strikeout version—which does not reflect differences related to minor wording changes or reformatting—is to allow the Council to identify where the

most significant revisions have been made. The project team has also generated a table which lists each of the major elements of advice conveyed in the Council's July 29 advisory letter, provides a description of the team's response to each recommendation, and describes where in the two draft reports relevant revisions are manifest. This table is attached to this review background and charge document.

Following the September 2-3 meeting, the 812 Project Team will prepare final versions of the full integrated report and the new, less technical summary report which draw upon the full range of recent advice from the Council.

Charge to the Committee

The Clean Air Act Amendments of 1990 charge the Council to review and make recommendations in three areas: (1) data to be used in the analyses, (2) methodologies used in the analyses, and (3) the overall findings of the study and their validity. For the current Council review, the charge questions are as follows:

Review Charges. EPA respectfully requests that the Council review the draft full integrated report and summary report listed in the "Review Documents" section below. An earlier draft of the full integrated report was reviewed by the Council during its May 4-5, 2010 meeting. Consistent with the statutory language defining the role of the Council in reviewing the 812 studies, EPA respectfully submits the following charge questions to the Council for the present review:

1. Does the Council support the data choices made by the 812 Project Team for the development of the full integrated report and the summary report? If not, are there alternative data sets that should have been used?
2. Does the Council support the methodological choices made for analyzing the data referenced in Charge Question 1? If not, are there alternative methodologies that should have been used?
3. Does the Council have advice regarding potential revisions to the revised draft integrated report and/or the summary report that might enhance the utility of the final versions of these documents?

The general charge questions for review of the 812 studies have traditionally been interpreted as an invitation to the Council to evaluate and consider rendering advice on any aspect of the analytical design, implementation, and results which may be considered appropriate by the Council chair. Therefore, EPA welcomes any information or recommendations from the Council on any aspect of the 812 Second Prospective and related efforts, including advice which pertains to the current study or which might improve future Agency efforts pursuant to broad-scale program assessments similar to the present study.

Review Documents

The following documents are submitted for review by the Council during the September 2-3, 2010 meeting:

1. US EPA. *The Benefits and Costs of the Clean Air Act: 1990 to 2020: Revised Draft Report*, August 2010.
2. US EPA. *The Benefits and Costs of the Clean Air Act: 1990 to 2020 – Summary Report: External Review Draft*, August 15, 2010.

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