

Statement of the National Association of Manufacturers to EPA on March 5, 2007, re: EPA's Final Staff Paper on Ozone

My name is Bryan Brendle, Director of Energy and Resources Policy for the National Association of Manufacturers. Thank you for the opportunity to offer a statement with respect to the EPA's recent staff paper on the upcoming ozone rulemaking.

By way of background, the NAM is the nation's largest industrial trade association representing small and large manufacturers in every industrial sector and in all 50 states. The NAM's mission is to enhance the competitiveness of manufacturers and improve American living standards by shaping a legislative and regulatory environment conducive to U.S. economic growth. As a general matter, the NAM supports EPA regulations that are designed to provide real net benefits to environmental quality and the public health, including the health of manufacturing workers and their families. Conversely, the NAM opposes regulations that would impose overly burdensome compliance costs on the manufacturing sector, jeopardizing high paying manufacturing jobs and associated health benefits, the loss of which poses a serious challenge to public health in the U.S.

The NAM opposes any recommendation to revise the current ozone standard for the following reasons.

First, EPA has several air quality rules that are currently being implemented, including the Clean Air Interstate Rule (CAIR) and the highway and non-road diesel engine standards. These programs will not only continue to improve environmental quality and public health, but also reduce NO_x emissions, a pre-cursor to ozone. These programs will provide the American public the co-benefit of reducing ozone emissions, all without revising the current standard.

Secondly, according to EPA's own reports, air quality continues to improve under existing regulations. Total emissions of the six principal air pollutants decreased more than 51% between the early 1970s and 2005. Under existing rules, ozone pollution has decreased more than 22% since the early 1980's. These emissions will continue to fall without revising the current ozone standard.

During the same three decades since implementation of the CAA, energy consumption in the U.S. has increased by more than 176 percent.

Since implementation of the 1990 amendments to the Clean Air Act, the U.S. economy has expanded 50 percent; annual miles driven has risen 36 percent, and overall domestic energy use has increased 18 percent. Despite this overall growth, emissions of the key air pollutants continue to decline.

Thirdly, the NAM also believes that there is strong scientific evidence to justify not moving to a more stringent ozone standard.

For example, a study conducted by William C. Adams of the University of California, Davis, examined the impacts of exposures below the level of the present standard (i.e., 0.04 ppm and 0.06 ppm) and found that the group mean pulmonary function response at neither of these levels differed significantly from that to filtered air. This study, among others, should provide EPA with evidence that their 1997 standard, which was based largely on evidence of lung function changes at 0.08 ppm in studies similar to those by Adams, is at the level requisite to protect public health.

A 2006 study conducted by the NAM shows that American industry pays the equivalent of a 5.2 percent tax, or structural cost, in order to comply with pollution abatement regulations. This cost differential, or de facto tax, undermines U.S. competitiveness and has contributed to the loss of more than 3.2 million manufacturing jobs in the past six years. The loss of these high paying jobs contributes to the loss of health care benefits, creates uncertainty and psychological anxiety, and can ultimately undermine the health of a large number of American individuals and families. For these reasons, the NAM opposes any recommendation to propose a more stringent ozone standard. Thank you for the opportunity to comment this afternoon.