

Summary Minutes of the
U.S. Environmental Protection Agency (EPA)
Science Advisory Board (SAB)
Environmental Economics Advisory Committee (EEAC)
Public Teleconference
May 19, 2006

Committee Members: Dr. Maureen Cropper
Dr. Arik Levinson
Dr. Kathy Segerson
Dr. Jim Hammitt
Dr. Gloria Helfand
Dr. Ted Gayer
Dr. Jim Opaluch
Dr. Michael Greenstone

Date and Time: 1:00pm – 3:00pm, May 19, 2006

Purpose: The purpose of this teleconference is to discuss upcoming activities of the National Center for Environmental Economics (NCEE) that are related to NCEE's request for advice from the Environmental Economics Advisory Committee's (EEAC) on the valuation of mortality risk reduction. In addition, EEAC members will discuss the possibility of offering unsolicited advice to the EPA concerning recently proposed changes in reporting rules for the Toxics Release Inventory (TRI).

SAB Staff: Dr. Holly Stallworth, Designated Federal Officer

Other EPA Staff: Tony Maciorowski, Fred Talcott, Dan Fort, Jim Democker, Nathalie Simon, Erin Koch, Fred Snyder, Al McGartland, Mike Flynn, Mike Petruskaa, Ron Evans, Julie Hewitt, Will Wheeler

Other: Linda Roeder, Bureau of National Affairs
Cheryl Hogue, Chemical and Engineering News
Kevin Bromberg, Small Business Administration
Jim Laity, Office of Management and Budget

Meeting Summary

The discussion followed the issues and general timing as presented in the meeting agenda (Attachment A).

FRIDAY, MAY 19, 2006

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. Stallworth's full opening statement is included as Attachment B.

Dr. Cropper opened the meeting with a review of the agenda and discussed the origins of EEAC's interest in the TRI Burden Reduction Rule. Dr. Cropper said her understanding was that approximately 1/3 of all firms currently using the longer form would become eligible for the shorter Form A. In addition facilities would be allowed to report every other year. Dr. Cropper described problems of data comparability that may occur under burden reduction.

Mike Flynn of EPA's Office of Environmental Information (OEI) clarified that the TRI Burden Reduction Rule proposed last fall proposes only changes in eligibility for Form A and does not pertain to biennial reporting. In a separate action, EPA sent a Notice to Congress stating EPA's intention to consider making a change to the frequency of reporting. Jim Laity of OMB told members that the TRI Burden Reduction Rule had been through Executive Order 12866 procedures and it was likely that any future rule would be treated the same way. Dr. Greenstone offered some background information on the TRI Burden Reduction Rule, describing TRI as the only plant-level data set of emissions available for 600 toxics. Dr. Greenstone's simulation [of the new rule on the 2000 version of TRI] shows that 1 out of 8 facilities would experience a greater than 50% change in their facility-level reportable amounts.

Mike Petruskaa of EPA's Office of Environmental Information clarified the difference between Form A and Form R and explained that Form R requires quantities associated with all media. Thus the "burden reduction" was the time saved going from Form R to Form A. For most chemicals, that would amount to 25 hours rather than 17 hours.

Kevin Bromberg of the Small Business Administration also offered some clarifications. Bromberg said that Form A is not based on total emissions but rather on the amount of chemical managed. Bromberg said that 99.9% of releases would still be reported under Form R. The burden reduction results from an increase of 10,000 firms who become eligible to use Form A. Bromberg said 10% of TRI reports are reporting zeroes.

One member asked whether EPA had discussions with the academic community as part of its dialogue with stakeholders.

Dr. Cropper then asked the eligible members of EEAC (Opaluch, Hammitt, Levinson, Segerson and Gayer) whether they thought EEAC should provide unsolicited advice on TRI burden reduction. One member asked whether the EEAC could still actually

comment on the proposed rule given that the comment period had closed. The general consensus was that EEAC could still comment.

Jim Laity of OMB said he didn't think EEAC had heard an objective presentation of what was included and considered when the TRI Burden Reduction Rule was proposed. Laity recommended that EEAC read the analysis posted on the EPA website before providing any specific advice to EPA. Mr. Laity expressed doubt as to whether EEAC had enough information to render a judgment about impacts of the TRI Burden Reduction Rule on the research community. In response, one EPA staffer offered details on where to find the analysis of the TRI Burden Reduction Rule. (Go to www.epa.gov/tri and click on Burden Reduction.)

Dr. Cropper clarified that the EEAC would comment only on the effects on the research community, not whether benefits exceeded costs in a quantitative sense. EEAC would merely be pointing out a category of "costs" that might not previously been considered.

Turning to the topic of valuing mortality risk reduction, Dr. McGartland of NCEE spoke about work that would impact any valuation of mortality risk reduction. Dr. McGartland mentioned two recent developments: a report on cost effectiveness analysis from the Institute of Medicine and new meta analyses on the mortality risks of ozone. Dr. McGartland said NCEE is formulating charge questions for the National Academy of Sciences for its consideration of the new epidemiological work on ozone-mortality. Dr. Nathalie Simon briefed the EEAC on NCEE's work on applying meta analysis to the value of statistical life (VSL) issue. NCEE hired two statisticians, Drs. Ingram Olkin and Betsy Becker and convened a larger workgroup (with 6 additional statisticians) to discuss the issues of applying meta analysis to the VSL. Three authors of recent meta analyses presented their work to the larger workgroup.

Dr. Cropper said that charge questions would be needed to go with the Olkin-Becker report and EEAC would need to receive both by the beginning of July. At the conclusion of the teleconference, EEAC members discussed their availability for meetings in the summer and fall.

Respectfully Submitted:

/Signed/ Holly Stallworth
Designated Federal Officer

Certified as True:

/Signed/ Maureen Cropper

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.