

**U.S. Environmental Protection Agency
Science Advisory Board
Economic Guidelines Review Panel**

**Summary Minutes for the Public Meeting
held on
April 23, 2020**

Meeting Participants:

Economic Guidelines Review Panel Members*

John D. Graham, Chair	Caroline Cecot	Craig Landry
Joseph E. Aldy	Karen Clay	Arik Levinson
Dan Black	R. Scott Farrow	Richard A. Williams
Spencer Banzhaf	Art Fraas	

*For the full Panel membership see Rosterⁱ

Designated Federal Officer (DFO)

Dr. Shaunta Hill-Hammond, EPA Science Advisory Board Staff Office.

Other Attendees

See Attachment A.

Meeting Summary:

Meeting convened

The Science Advisory Board (SAB) Economic Guidelines Review Panel (also referred to as EGRP or Panel) convened for a public teleconference on April 23, 2020. Dr. Shaunta Hill-Hammond, DFO for the EGRP opened the meeting at approximately 11:00 a.m. (Eastern Time). She gave an opening statement informing participants that the EGRP operates under the Federal Advisory Committee Act and federal ethics laws. Dr. Hill-Hammond noted that six registered speakersⁱⁱ would provide oral comments during the meeting. Dr. Hill-Hammond then asked Mr. Thomas Brennan, director for the SAB staff office to offer some opening remarks. Mr. Brennan offered welcoming remarks and thanked the Panel for their efforts on the advisory activity. Dr. John Graham, chair for the EGRP was then invited by Dr. Hill-Hammond to offer remarks.

Dr. Graham proceeded with his welcoming remarks and then conducted a roll call of the Panel. Following the rollcall, the EPA was asked to proceed with their presentationⁱⁱⁱ. Al McGartland, Alex Marten, Nathalie Simon, Ann Wolverton, Robin Jenkins and David Evans from the EPA's National Center for Environmental Economics (NCEE) participated in the presentation, providing background information on the revised Guidelines for Preparing Economic Analysis^{iv} (also referred to as the Guidelines). Following the Agency's presentation, Dr. Graham asked two questions. The first was for clarity on where the SAB review fits in NCEE's overall process of finalizing the Guidelines. The second question was whether other offices in EPA or other federal agencies (OMB, CEA) have commented on the revised Guidelines. Al McGartland, director for

NCEE responded to share that the revised chapters were shared for comment within the Agency's Economic Forum (available to any economist at EPA) and with each program office at EPA. He also shared that OMB is reviewing a draft of the revised Guidelines.

Dr. Hill-Hammond then directed the public comment period.

Public comments

Mr. Jason Schwartz thanked the NCEE for its work on grounding the Guidelines in the literature. He also shared that written comments were submitted and noted that a redline copy of the document, and additional comment periods for the document would be helpful. Mr. Schwartz highlighted comments on the VSL section, baselines section, EPA's failure to address climate change in the section on standing, moving beyond superficial analysis, and co-benefits. He then requested additional time to review and comment on the revised Guideline document. He then responded to comments submitted by BakerHostetler. He noted that courts often criticize agency analyses that focus only on cost or benefits independently instead of both. He also shared that regulations can have both positive and negative effects on employment.

Dr. Graham offered a point of clarification for the remaining public commenters noting that the Panel would have additional meetings where comments would be accepted. Mr. Schwartz asked if the meeting dates were already announced. Dr. Hill-Hammond responded sharing that the meeting dates would be announced in a Federal Register notice.

Mr. Roy Gamse was the second speaker. He shared that previous guidance to the EPA had explicitly required co-benefits, but that the EPA ignored that with the MATS rule and the retrenchment of the Obama Clean Power Plan. He noted that the revised Guidelines buries the co-benefits issue in a footnote on p. 5-18. He requested that the Panel recommend to the EPA the inclusion of co-benefits be required and asked that the Panel see his submitted written comments.

The third speaker was Mr. Robert Cheren. He noted that EPA's regulations have the potential to result in plant shutdowns and layoffs and noted that it is critical for the EPA to evaluate potential impacts when enforcing environmental laws. He asked the Panel to review and comment on the revised Guidelines – in particular chapter 9. He noted that his submitted written comments would provide more detail. He then thanks the EPA for their improvements to the Guidelines.

Mr. Hayden Hashimoto was the fourth speaker. Mr. Hashimoto shared that that the EPA appears to be currently engaged in efforts to undermine the full regulation of the Clean Air Act with respect to particulate matter reduction. He shared that the current administration recently put forward an effort to limit the EPA's consideration of epidemiology underlying particulate matter related benefits. Mr. Hashimoto commented that a single regulatory option that addresses multiple pollutants should be the most efficient form of regulation that is able to achieve the greatest health and environmental benefit with the lowest cost. He asked that the EPA fully consider all benefits and cost regulations in its economic analysis whether they are direct or non-direct and quantified or not.

The fifth speaker was Mr. Thomas Lampman who presented comments on behalf of West Virginia Attorney General Patrick Morrisey. He shared that his office has an active role in reviewing the EPA's powerplant regulations. He shared that his office needed to understand how regulations impact the job market. Mr. Lampman noted that their office was encouraged to see proposed Guidelines discuss worker dislocation with greater emphasis. Job shifting can cause severe regional unemployment even when there is no effect on overall employment. He applauded the proposed Guidelines for a more granular analysis of job dislocations. Mr. Lampman also shared that West Virginia was all too familiar with how unemployment can contribute to health problems (opioid crisis) and that none of the federal data can replicate the localized knowledge of state officials who deal with these problems every day.

Dr. Richard Williams asked if Mr. Lampman could share any papers or research that explain what's going on in West Virginia. Mr. Lampman noted he could at a later time.

Mr. Karl Hausker was the final speaker. He shared a compliment for the NCEE office regarding discount rates. He noted that recommendations are specific in stating that for long time horizons, analyses should not use 7% discount rate based on private cost of capital. Mr. Hausker stated that the analysis should include a declining discount rate or a rate lower than 3%. He recommended a more explicit guidance on DDR schedules. Mr. Hausker noted that the geographic analysis section is disappointing. The critical issues is when BCA should extend beyond the country's borders. If each country considers B and C only within its borders, we will fail to reduce greenhouse gases. The Guidelines should provide explicit direction on transboundary global commons problems. Mr. Hausker shared that the Guidelines appear to endorse a risk-neutral approach and should address explicitly how to deal with problems where society is not risk-neutral. He also noted that social cost of carbon estimates should incorporate a range of risk-averse assumptions.

Panel Discussion

Dr. Graham asked the Panel if there were any questions on Agency's Charge and none were raised. Dr. Graham then asked Dr. Hill-Hammond to provide some clarity regarding preliminary comments and how they would be shared. Dr. Hill-Hammond shared that Panel members are invited to provide preliminary comments on both their assigned and non-assigned chapters. Once received, she would compile a single document for the Panel and public's review. She noted that the deadline to submit comments would be May 7, 2020. She also shared that the subgroups could communicate regarding their assigned chapters and the she should be copied on all communications.

Dr. Hill-Hammond asked Dr. Graham to share the chapter assignments. Dr. Graham provided the information noting the lead reviews as Dr. Richard Williams -chapters 1, 2, and 3; Dr. Caroline Cecot - chapter 4; Dr. Scott Farrow - chapter 5; Dr. Joseph Aldy – chapter 6; Dr. Karen Clay – chapter 7; Dr. Joshua Linn – chapter 8; Dr. Dan Black - chapter 9; Dr. Spencer Banzhaf - chapter 10 and Dr. Graham - chapter 11, appendix A and B.

Dr. Graham asked the Panel if there were any remaining questions. One Panelist asked whether the NCEE had maintained a listing of pain points for the Guidelines used in the last ten years.

Al McGartland responded noting that NCEE had gained some experience with the existing Guidelines doing IRAs and realized there were gaps, so a lot of the changes made in the revised Guidelines are meant to clarify areas that were ambiguous.

Meeting adjourned

Dr. Hill-Hammond shared that a federal register notice will be available announcing the next meeting dates. Dr. Hill-Hammond then adjourned the meeting at approximately 1:00 p.m. (Eastern Time).

On behalf of the Panel,
Respectfully Submitted and Certified as Accurate,

_____/s/
Dr. Shaunta Hill-Hammond
DFO

_____/s/
Dr. John D. Graham
EGRP Chair

NOTE AND DISCLAIMER: The minutes of this public meeting reflect diverse ideas and suggestions offered by committee members during the course of deliberations within the meeting. Such ideas, suggestions, and deliberations do not necessarily reflect definitive 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.

Attachment A: Additional meeting participants in attendance or who requested the teleconference call-in number.

Name	Affiliation
Alex Guillen	POLITICO
Amanda Thomas	OMB
Amy Sharp	U.S. Nuclear Regulatory Commission
Anteneh T Tesfaw	USCG
Anthony Dvarskas	NY Attorney General
Caren Kagan Evans	ECI Communications
Cathe Kalisz	American Petroleum Institute
Chad Whiteman	U.S. Chamber of Commerce
Cheryl Hogue	Chemical & Engineering News
Christian Wisniewski	DE DNREC
Dale Whittington	University of North Carolina at Chapel Hill
David Buland	USDA NRCS
Doug Obey	Inside EPA
Flora Tsui	USDA
Fred Schofer	US NRC
Hayden Hashimoto	Clean Air Task Force
James Broughel	Mercatus Center
Jason A. Schwartz	Institute for Policy Integrity
Jerry Ellig	Regulatory Studies Center GWU
Jonathan D Gledhill	Policy Navigation Group
Jose Sanchez	USDA Forest Service
Karl Hausker	World Resources Institute
Ken Vieth	ACT Research Co., LLC
Kyle Harris	CA Dept. of Toxic Substances Control
Kyle Maryland	--
Laura Bloomer	Harvard Law School
Linda M. Wilson	NY Attorney General
Lisa Robinson	Harvard T.H. Chan School of Public Health
Luanne Lohr	USDA Forest Service
Max Sarinsky	Institute for Policy Integrity at NYU School of Law
Nancy Ostrom	California Department of Toxic Substances Control
Patrick Morrissey	West Virginia Office of the Attorney General
Richard Belzer	Regulatory Checkbook
Richard Newell	RFF
Robert D. Cheren	Baker Hostetler Law
Roy Gamse	--
Sandra Hoffmann	--
Sean Reilly	E&E News
Steve Tam	ACT Research Co., LLC
Stuart Shapiro	Rutgers University
Tatiana Borisova	University of Florida

Ted Steichen	American Petroleum Institute
Tim Denoyer	ACT Research
Tim French	Truck & Engine Manufacturers Association
Al McGartland	U.S. EPA
Alex Marten	U.S. EPA
Alisa Fisher	U.S. EPA
Amy Lamson	U.S. EPA
Andrew Schreiber	U.S. EPA
Ann Ferris	U.S. EPA
Ann Ferris	U.S. EPA
Ann Wolverton	U.S. EPA
Brett Snyder	U.S. EPA
Charles Griffiths	U.S. EPA
Chris Dockins	U.S. EPA
Chris Moore	U.S. EPA
Cody Rice	U.S. EPA
David Evans	U.S. EPA
David Smith	U.S. EPA
Elizabeth Chan	U.S. EPA
Elizabeth Kopits	U.S. EPA
Gloria Helfand	U.S. EPA
Heather Klemick	U.S. EPA
Holly Stallworth	U.S. EPA
Iris Goodman	U.S. EPA
Jennifer Bowen	U.S. EPA
Joel Corona	U.S. EPA
John Borntrager	U.S. EPA
Keith Sargent	U.S. EPA
Ken Munis	U.S. EPA
Khanna Johnston	U.S. EPA
Lisa Thompson	U.S. EPA
Matt Massey	U.S. EPA
Mel Peffers	U.S. EPA
Nathalie Simon	U.S. EPA
Neal Fann	U.S. EPA
Robin Jenkins	U.S. EPA
Russell D Owen	U.S. EPA
Sue Shallal	U.S. EPA
Thomas Brennan	U.S. EPA
Tina Bahadori	U.S. EPA
Will Wheeler	U.S. EPA

Materials Cited:

The following meeting materials are available on the SAB website (<http://www.epa.gov/sab>) at the page for the April 23, 2020

<https://yosemite.epa.gov/sab/sabproduct.nsf/MeetingCalBOARD/A0665AA24D1AA8D4852585350045C384?OpenDocument>.

ⁱ Roster.

ⁱⁱ List of Registered Public Speakers Revised.

ⁱⁱⁱ EPA Presentation to the SAB Economic Guidelines Review Panel Revised.

^{iv} Guidelines for Preparing Economic Analyses.