CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA

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July 16, 2018

The Honorable Greg Walden Chair Committee on Energy and Commerce U.S. House of Representatives Washington, D.C. 20515 The Honorable Frank Pallone Ranking Member Committee on Energy and Commerce U.S. House of Representatives Washington, D.C. 20515

Dear Chairman Walden and Ranking Member Pallone:

The U.S. Chamber of Commerce appreciates the Committee's work on commonsense improvements to the Environmental Protection Agency's New Source Review (NSR) preconstruction permitting program, and we support the New Source Review Permitting Reform Discussion Draft that was the subject of your May 16, 2018 hearing.

The NSR's current program and its implementation processes often impose unnecessary costs, uncertainties, and delays on stakeholders that discourage the investment and modernization of industrial facilities. In some cases, NSR has resulted in perverse incentives wherein affected entities are inclined to continue operating older and less efficient facilities instead of investing in pollution-reducing upgrades and expansions that improve reliability, efficiency, and safety.

The draft NSR reform legislation pending before the Committee would clarify that projects at existing facilities only require NSR permits if they increase that facility's maximum hourly emissions rate. This commonsense proposal is consistent with EPA's longstanding approach under the related New Source Performance Standards program, and would help provide much-needed regulatory certainty to businesses seeking to make improvements to existing facilities.

We look forward to working with you as the bill moves through the legislative process.

Sincerely,

Neil L. Bradley

cc: Members of the House Committee on Energy and Commerce