**Businesses Should Make Their Voices Heard on EPA’s Stringent Ozone Proposal**

Businesses have a responsibility to their shareholders and employees to grow in a responsible manner. As such, businesses should review the Environmental Protection Agency’s (EPA) recently proposed standards for ozone and file comments by **March 17, 2015** encouraging EPA to retain current ozone standards.

**Background**

On December 17, 2014, EPA proposed stringent new Clean Air Act standards for ozone.[[1]](#footnote-1) Even though the current 2008 standard of 75 parts per billion (“ppb”) has not yet been fully implemented, EPA wants to lower it down to a range between 70 ppb to 65 ppb, and asks for comment on a standard all the way down to 60 ppb. Bowing to pressure from concerned stakeholders, including four Democratic Senators, EPA also asks for comment on maintaining the current 2008 ozone standard.

This is EPA’s second attempt in four years to revise the ozone standard. In 2010, EPA proposed to reconsider the current 2008 ozone standard. However, the Obama Administration halted that process, saying it could cause “uncertainty” and noting that it was important to “minimize regulatory costs and burdens, particularly in this economically challenging time.”

EPA’s ozone proposal will burden local economies across the country. The National Association of Manufacturers estimates that a 60 ppb ozone standard would reduce the GDP by $270 billion, result in 2.9 million fewer job years, and cost the average U.S. household $1,570 in lost consumption – each year through 2040.

**Concerns About EPA’s Proposed Stringent Ozone Standards**

* **Virtually the Entire Country Could Be Impacted:** EPA’s proposal will dramatically increase “nonattainment areas” unable to meet ozone standards. A 60 ppb standard would almost triple the number of such areas, covering almost the entire country.
* **Existing Jobs at Risk:** Existing businesses and industry in counties unable to meet EPA’s stringent ozone standards could be required to install restrictive control technology or take other costly measures that threaten existing jobs.
* **Cap on New or Expanding Business:** Regardless whether in a nonattainment area, implementing EPA’s proposal will immediately add red tape to economic development that is vital to growing new jobs. Nonattainment areas face even more severe requirements that significantly curtail business development. Companies building or expanding facilities in nonattainment areas are required to reduce ozone-forming emissions regardless of cost, and economic development cannot move forward unless such emissions are reduced from other sources.
* **Local Municipal Services and Infrastructure Stymied:** Economic development lost to nonattainment regulatory requirements reduces local tax revenues vital to funding municipal services like fire, police, and education. As well, federal highway funding in a nonattainment area is held up until the State can demonstrate that supported projects will not increase ozone.
* **Legacy of EPA Oversight:** These burdens continue long after ozone standards are achieved, as EPA requires nonattainment areas to submit maintenance plans listing numerous long-lasting measures.
* **New Standard Unachievable:** Many states, including “clean” Western states, have high “background” levels of naturally-occurring ozone from vegetation, wildfires, and other sources as well as ozone transported from Asia or Mexico. These states may be unable to meet EPA’s proposal even with costly controls. In fact, the proposal is so stringent that the Grand Canyon would fail the proposed 70 ppb standard, and Yellowstone National Park would fail the proposed 65 ppb standard.
* **EPA Delayed the Game, And Now Wants to Move the Goal Posts:** EPA effectively stopped implementing the current 2008 ozone standard for two years during the 2010 reconsideration. EPA’s delay put state implementation of the 2008 ozone standard well behind the normal schedule. Now, EPA now wants to move the goal posts in the middle of the game, straining the limited resources states have already committed to catch up and implement current ozone standards.
* **The Air is Already Cleaner Under Current Standards:** Ozone-forming emissions have already been cut in half since 1980. Air quality is improving – average ozoneconcentrations have dropped by 33% over that same period.

**Concerned Businesses Should File Comments on EPA’s Proposal**

Businesses officials should voice their concerns by filing comments with EPA highlighting the impact of proposed ozone standards and requesting EPA retain the current standard. Attached is a sample letter elected officials can utilize to express their concerns about these proposed stringent standards. Comments on the proposed ozone standards must be submitted to the Agency by **March 17, 2015**.

**How to Comment on Proposal**

**Electronic:** Comments may be submitted at <http://www.regulations.gov>, under the docket number “EPA–HQ–OAR–2008-0699.” From the docket folder entitled “National Ambient Air Quality Standards for Ozone” click the “Comment Now!” button.

**Mail:** Comments submitted by U.S. Mail should be addressed to: EPA Docket Center (EPA/DC), Mailcode 28221T, Attention Docket ID No. OAR–2008–0699, 1200 Pennsylvania Ave. NW., Washington, DC 20460. Please include a total of two copies.

**\*\*\*Draft Letter for Local Businesses or Associations on Proposed Ozone Standards\*\*\***

[Month Day, Year]

The Honorable Gina McCarthy

Administrator

U.S. Environment Protection Agency

Attn: Docket ID No. EPA-HQ- OAR-2008-0699

Dear Administrator McCarthy:

As [one/an association representing some] of the many businesses, both large and small, that employ millions of Americans, [business or association name] is deeply concerned about the harmful impact that the Environmental Protection Agency’s (EPA) recently proposed rule to make ozone standards more stringent could have on the still struggling economy. Ozone standards at the levels considered in EPA’s proposal could push virtually the entire country into “nonattainment” – where local communities face burdens to commercial and industrial activity not only vital to creating jobs, but also to providing tax revenue that support important local services like public safety and education. This proposal’s hardship to the American worker is real and immediate, while the benefits are unverified and uncertain. Therefore, [business or association name] strongly urges you to retain the current ozone standard when finalizing this proposal.

We all value clean air. [Our managers and employees/The managers and employees of the companies we represent] as well as their families all breath the same air. We are proud that emissions of ozone-forming emissions have been cut in half since 1980, leading to a 33% drop in ozone concentrations. Moreover, EPA just updated ozone standards six years ago. These current standards are behind schedule due to EPA effectively suspending their implementation from 2010-2012 while the Agency unsuccessfully pursued reconsideration. This country can expect to see even greater reductions in ground-level ozone as states make up lost ground in putting the current standards into effect.

Indeed, states are currently committing substantial resources – both in time and money – towards achieving emissions reductions under those current ozone standards. Yet despite over three decades of cleaner air and before states can catch up with EPA’s delays in implementing existing ozone standards, EPA is now proposing a new stringent range of standards from 70 to 65 parts per billion that would bring vast swaths of the country into nonattainment. In some areas, this proposed range is at or near the level of background ozone that is naturally occurring or internationally transported, pushing even remote counties far from industrial activity into nonattainment. According to EPA’s own data, even the pristine Grand Canyon and Yellowstone National Parks would fail the proposed ozone standards.

If finalized, EPA’s proposed stringent ozone standards could limit business expansion in nearly every populated region of the United States and impair the ability of U.S. companies to create new jobs. EPA’s proposed range would immediately add red tape to companies seeking to grow even in areas that can attain those standards. The Clean Air Act carries even stiffer consequences for nonattainment areas, directly impacting economic vitality of local communities and making it difficult to attract and develop business. Increased costs associated with restrictive and expensive permit requirements would likely deter companies from siting new facilities in a nonattainment area. Making America a less attractive place to do business in this way risks shipping jobs overseas.

Companies building a new facility or performing major modifications to certain existing facilities resulting in increased ozone concentrations in, or near, a nonattainment area will be required to meet the most stringent Clean Air Act standard by installing the most effective emission reduction technology regardless of cost*.* As well, states are mandated to offset any ozone-formingemissions from new projects or projects undergoing major modifications by reducing emissions from other existing sources in a nonattainment area. If no party is willing to provide offsets, then the project cannot go forward. This offset can be a 2-to-1 ratio in certain situations. Nonattainment designation also has profound impact on infrastructure development vital to the business community. Beginning one year from the date of the nonattainment designation, federally-supported highway and transit projects cannot proceed in a nonattainment area unless the state can demonstrate that the project will cause no increase in ozone emissions.

These restrictions do not disappear when an area finally comes into attainment. Instead, former nonattainment areas face a legacy of EPA regulatory oversight. Before a nonattainment area can be redesignated to attainment, EPA must receive and approve an enforceable maintenance plan for the area that specifies measures providing continued maintenance of ozone standards and contingency measures to be implemented promptly if an ozone standard is violated.

Against these economic consequences, scientific uncertainties regarding the benefits of more stringent ozone standards have increased. Indeed, stringent ozone standards may have severe unintended consequences for public health. Studies show that by increasing the costs of goods and services such as energy, and decreasing disposable incomes, regulation can inadvertently harm the socio-economic status of individuals and, thereby, contribute to poor heath and premature death. As a [business/representative of businesses] employing needed jobs in [our/their] communit[y/ies], [business or association name] believes these scientific uncertainties should be better explored in order to best allocate resources in a manner that strengthens both the economy and the environment.

The air is getting cleaner, and current ozone standards need an opportunity to work. Therefore, in light of the economic hardship, reduction in funding for crucial civic services, and uncertain benefits all related to the stringent ozone standards that EPA is now considering, [business or association name] calls on EPA to retain the existing ozonestandards in the final rule.

Sincerely,

1. [79 Fed Reg. 75234](http://www.gpo.gov/fdsys/pkg/FR-2014-12-17/pdf/2014-28674.pdf). [↑](#footnote-ref-1)