

Statement of Timothy Hess
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On Behalf of the American Forest & Paper Association
House Subcommittee on Energy and Power
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Chairman Whitfield, Ranking Member Rush, and Members of the Subcommittee, my name is Timothy Hess. I am the Vice President of Engineered and Converting Products with Glatfelter, a specialty paper company that has been in business since the Civil War, and am here today to testify on behalf of the American Forest & Paper Association (AF&PA). Thank you for the opportunity to testify on the challenges presented by the cumulative impact of EPA regulations.

AF&PA is the national trade association of the forest products industry and advances public policies that promote a strong and sustainable U.S. forest products industry in the global marketplace. The U.S. forest products industry accounts for approximately 5 percent of the total U.S. manufacturing GDP. Industry companies produce about \$175 billion in products annually and employ nearly 900,000 men and women. The industry meets a payroll of approximately \$50 billion and is among the top 10 manufacturing sector employers in 48 states. AF&PA's member companies make more than 75 percent of the U.S.'s pulp, paper, paper-based packaging and wood building materials—products used every day that are made from renewable and recyclable resources that sustain the environment. The Association's membership represents the diverse spectrum of the forest products industry—from smaller family-owned mills, to large multi-product, public and private companies that manufacture pulp, paper, paperboard and wood products, to independent forest owners.

We in the forest products industry are proud of our environmental stewardship using a renewable resource to make essential products that businesses and families use every day. The forest products industry is also a national leader in renewable energy because of its efficient use of its raw material—wood, a renewable, recyclable and reusable resource. In fact, we produce and use more renewable energy than all the wind, solar and geothermal power combined. Wood biomass is used to manufacture paper and building products, and generate energy that is used to power manufacturing facilities.

We applaud this subcommittee and others for taking seriously the role of oversight of the laws that have been enacted. Many were enacted decades ago and have contributed to significant improvements in air and water quality. Forest products manufacturing is heavily regulated. We will continue to adapt to well reasoned regulations that are affordable and achievable. But we cannot respond to regulations in a vacuum. Businesses in our sector must consider the global competitive environment in which they operate. They must compete for capital globally and have the time needed to build new regulatory requirements into capital planning processes. They must also be able to rely on the government so that once a regulation is in place, it will not be selectively enforced or changed within a short timeframe.

A key issue for this committee to consider is the cumulative effect of all of the growing number of new regulations. Under the Clean Air Act alone, we are facing over twenty regulations, including Boiler MACT, that could have a dramatic impact on the sustainability of our industry. Attached to this testimony is a diagram of Clean Air Act regulations in the pipeline that will affect forest products industry manufacturing facilities. Some of these regulations are listed in the attached letter that we submitted in response to Chairman Issa's inquiry, but I should note that the letter also includes many other areas of concern, including EPA regulations on waste, greenhouse gases, and water.

In most cases identified below, significant capital investment will be required for equipment needed to meet the regulation that would otherwise go to growth in manufacturing capacity and the attendant production of jobs. The suite of potential clean air regulations could prevent new expansion or upgrade of existing forest products industry facilities in the U.S.

State of the Industry

The U.S. forest products industry – both paper and wood products-- has been facing trying economic times for more than a decade. Since 2006, the forest products industry has lost 31 percent of its workforce-- nearly 400,000 high-paying jobs, primarily in small rural communities that can least afford to lose them.

U.S. production of paper and paperboard declined 10% between 2007 and 2010. While we experienced some rebound in market demand in 2010, the decline reflects the still-weak economy, competition from electronic media, and cost pressures, including government regulations.

As a result, the paper industry has earned its cost of capital in only two of the past ten years, and has been forced to restructure to meet global competitive pressures. Paper and allied products industry employment has declined by 58,000 positions, equal to 13 percent of the industry's workforce as 52 paper mills have permanently closed their doors just since 2007.

According to a research paper by the Economic Policy Institute, for every 100 paper industry jobs, an additional 325 jobs are sustained in other industries resulting from the purchase of supplies and the re-spending of worker incomes.¹ Hence, the 58,000 jobs lost in the paper industry suggest total job losses inside and outside the industry of over 250,000.

The wood products side of the industry is also facing huge economic challenges due to the collapse of homebuilding, the leading end-use market for wood building products. Employment in the wood products manufacturing sector has declined by 31 percent (152,000 jobs) since the end of 2007, and by 45 percent (280,000 jobs) since the end of 1999. It will likely take years for wood product markets to fully recover.

¹ Economic Policy Institute, "Updated Employment Multipliers for the US Economy" (2003).

Since many wood and paper mills are located in rural areas where these high-paying jobs cannot be replaced, the effect of these job losses on local rural communities can be especially devastating. The closure of a mill in a small town has an enormous ripple effect when that mill is the largest employer and a major contributor to local taxes and community civic programs.

Government regulations that are not cost-effective can exacerbate what is already a bad situation. For instance, a recent study conducted for AF&PA by Fisher International concluded that several upcoming Clean Air rules other than Boiler MACT would cause 62 additional mills to close and 26,778 paper industry jobs to be lost. If supplier jobs and jobs associated with the re-spending of worker incomes are included, total job losses could reach nearly 114,000. Moreover, the recently announced “final” boiler MACT rules would likely cause thousands of additional job losses in the forest product industry and its related supply chain.

Job losses due to regulations can have long-term impacts on workers’ lives as well as on the U.S. economy. Economist Jacob Kirkegaard of the Peterson Institute for International Economics observed that workers’ skills atrophy as a result of unemployment because they are less able to keep up with developments in their field. And if the worker is able to shift to a new field, the human capital associated with the former occupation may wind up being of little or no use.²

Boiler MACT

The so-called “Boiler MACT” is a regulation issued under the Clean Air Act Amendments of 1990. The statute requires that EPA regulate hazardous air pollutants from emission sources, including boilers, using maximum achievable control technology (“MACT”). Although most boilers already are well controlled for key pollutants, EPA’s Boiler MACT rule will require more than 90% of boilers to make significant changes. For the forest products industry, our initial capital cost estimate of the final rule is well over \$3 billion. By comparison, forest product industry pre-tax profits averaged \$3.6 billion from 2008-2010.

Although there have been some improvements from the proposed rules, the final rules are still not achievable or affordable for our industry. As our technical experts delve deeper, their concerns about achievability and cost have only grown. Although the limits for mercury and hydrochloric acid became more reasonable for biomass boilers, the carbon monoxide limits for stoker fired biomass boilers actually became more stringent. When burning wet biomass, it will be very challenging, even with the combustion improvements EPA assumes necessary, to meet the more stringent limits.

Congress gave EPA the authority in section 112(d)(4) to set alternative standards for pollutants with health thresholds in cases where the regular MACT limits may be “far

² (See ‘Economists Suggest Long-Term Unemployment Holds Hidden Dangers,’ 11/19/2010) www.job.com/career-advice/employment-news/economists-suggest-long-term-unemployment-holds-hidden-dangers.html

more stringent than necessary to protect public health...”. Boiler MACT is exactly the type of situation Congress had in mind when giving EPA this authority. This rule covers boilers used in numerous industries and in a wide variety of applications and settings. The economics of each setting vary widely and impact a broad cross section of the economy.

While Congress gave EPA the ability to target and adjust controls for certain emissions where risks are low, EPA has failed to use this authority despite repeated requests by hundreds of members of Congress, Governors and stakeholders. Any reservations about setting health based emission limits have been addressed in public comments. AF&PA provided toxicological verification that several of the pollutants have health effect thresholds and suggested a way to account for any additive effects among these pollutants. We also challenged EPA’s perspective that any risk assessments must look beyond the boilers covered in this MACT when by definition MACT is limited to the source category. If EPA provides a health based emission limitation for threshold pollutants such as manganese and hydrogen chloride that is set for each qualifying facility, then costs could be significantly reduced while still protecting public health.

We think EPA made the right choice in relying on cost-effective work practices for more boilers in the final rule, such as gas units, biomass boilers at small mills and back-up boilers, providing an affordable way to reduce emissions. EPA could have and should have set flexible work practices for dioxin as well. Some of our mills are not even sure they can measure it at the very low limits being imposed, let alone control for it. Moreover, the final rule barely begins to account for the tremendous variability among boilers by establishing additional subcategories and using new emissions data to set slightly more realistic limits. EPA continues to ignore what real-world, best performing boilers can achieve over the range of normal operating conditions. EPA should ensure that limits are technically achievable for biomass and new boilers to encourage the use of a broad range of fuels and foster new investment in state-of-the-art boilers.

Finally, as more fully described below, in its final Non-Hazardous Secondary Materials rule, EPA has created a confusing and inappropriate definition for secondary materials that are solid wastes rather than fuels when burned, shifting many boilers under the more onerous Incinerator MACT. This also will cause various renewable biomass residuals to be classified as “solid waste,” resulting in them being landfilled rather than used as alternative fuels, as they traditionally have been, which is essential to the economic sustainability of some operations.

The only new boilers that may be viable are those that burn natural gas. After many concerns were expressed about the proposed natural gas standards, EPA eventually adopted much more flexible work practices. The net effect may be to curtail energy options for new boilers. This not only puts all our eggs in one energy basket but also raises serious practical problems. Many boilers simply do not have access to natural gas because the infrastructure is not there. Moreover, the economics of some manufacturers (including forest products) depend on the ability to use diverse energy sources. Our future will be jeopardized if we cannot use biomass in new boilers. We believe that penalizing renewable clean fuels like biomass, and thereby increasing the

use of fossil fuels, is counterproductive and contrary to the Administration's own energy policy.

We anticipate that the capital cost for all manufacturing from the Boiler MACT rule could be well over \$11 billion, plus billions more in annual operating costs. A wide range of manufacturers and the jobs they sustain would be impacted, as well as municipal utilities, universities, hospitals, federal facilities and other facilities that operate larger boilers.

EPA Jobs Study on Boiler MACT

Much has been reported about the dueling jobs studies on the Boiler MACT regulations. The EPA recently released a Regulatory Impact Analysis, which indicated that the final Boiler MACT rule would range from destroying 4,100 jobs to creating 8,500 jobs. The midpoint of the range was 2,200 jobs created. EPA's jobs analysis was based on a 2002 paper by Morgenstern, Pizer and Shih published in the *Journal of Environmental Economics and Management*.

In using the Morgenstern study, the agency relied on a model that was predicated on data from the 1979-1991 period. While the Morgenstern findings may have indeed been relevant for the 1980s when people had to use paper and foreign competition was not as keen, it needs to be rethought and updated to reflect today's reality. With increased foreign competition, electronic competition, and a weak economy, the paper industry is in a far different place today as compared with the 1980s. The EPA's approach fails to recognize that reality. We believe an updated methodology should be used for assessing job losses or gains reflecting today's global competitive factors.

As explained earlier, the U.S. forest products industry has already lost a large percentage of its workforce. If more mills are forced to close their doors permanently we will lose additional high paying, tax generating jobs. Exports will drop and imports will increase since no other country is contemplating requirements this extreme.

Other Pending Clean Air Act Regulations

- **Pulp and Paper MACT and Residual Risk:**

EPA is considering redoing the Pulp and Paper MACTs issued a decade ago even though MACT is supposed to be a one-time program. Given the stringency and unachievability of the Boiler MACT, we are very concerned that a similar approach will lead to a rule with over \$4 billion in additional capital costs. EPA's obligations are to look at the health risks that remain after MACT, not a total MACT do-over. We believe that the original MACTs reduced emissions significantly (and at great expense) to the point where remaining risks are generally very low based on the extensive information the industry has provided EPA. In addition, any plans to regulate hydrogen sulfide (which could cost close to \$3 billion) should be abandoned, since emissions are below levels of concern. Given the accelerated consent decree schedule EPA agreed to for issuing a rule, EPA should focus its resources on making a "Residual Risk" determination using reasonable risk assessment methods, data and assumptions, taking costs into account as Congress required in the Clean Air Act.

- National Ambient Air Quality Standards (NAAQS):

The National Ambient Air Quality Standard (NAAQS) program has greatly reduced emissions of criteria pollutants. Air quality has improved dramatically for all six NAAQS pollutants at significant cost to industry bringing many areas into attainment – and more reductions are on the way under existing programs. The forest products industry has been part of these reductions, reducing sulfur dioxide and nitrogen oxides by between 25 and 35 percent in the last fifteen years alone, as well as cutting emissions of hundreds of thousand of tons of particulate matter (PM) and volatile organic compounds (VOCs).

Yet, further tightening of the NAAQS is underway, with the short-term NO_x and SO₂ NAAQSs finalized last year and the ozone and PM NAAQS scheduled for this year. Collectively, these NAAQS revisions could cost the forest products industry over \$8 billion in capital costs. Of equal concern is the permitting gridlock caused when mills cannot satisfy modeling criteria for plant improvements (even ones that reduce emissions), preventing mill modernization and damaging competitiveness. EPA's standards are so close to background levels for some pollutants that even the dust from roads around a mill are enough to exceed modeling parameters and potentially stop permit revisions.

Under the Clean Air Act, Congress directed EPA to consider, every five years, whether any changes are needed to the NAAQS. In March 2008, EPA replaced the 1997 ozone standard with a new, more stringent standard. Even before that standard will be fully implemented, EPA is considering tightening it further -- two years ahead of the usual statutory schedule. Last month, 38 newly elected Congressmen wrote to Administrator Jackson citing concerns about the impact on jobs and the economy and asking that she withdraw the proposed ozone rule and instead conduct a full science review under the usual five year schedule. A similar bipartisan letter signed by 51 House Members was sent to the Administrator last November. Given the significant economic burden imposed by the ozone NAAQS on the forest products industry and the still fragile economy, we agree that deferral is warranted.

- Cluster MACT Reopening:

EPA finalized Maximum Achievable Control Technology (MACT) rules for paper mills in 1998 and 2001 but has been petitioned by environmental groups (ENGOS) to make them more stringent. The Clean Air Act created MACT as a one-time program, and EPA has met its obligation for paper mills. EPA should focus on programs that are required under the Act and not put additional burdens on the paper industry by reopening the Cluster MACTs.

- Wood MACT:

In 2004, EPA promulgated the Plywood and Composite Wood Product MACT (so called Wood MACT) which required 90% reductions in certain hazardous air pollutant (HAP) emissions. In 2007, the D.C. Circuit Court of Appeals rejected a risk-based option that

could have allowed wood product mills to avoid controls where risks were demonstrated to be safe. That same court concluded that emission standards should be set for all process equipment at wood product mills. Unfortunately, gas-fired control devices (incinerators) have been widely installed to meet Wood MACT and other Clean Air Act programs such as New Source Review. These incinerators not only consume \$100Ks of fuel each year and cost millions to install, but also emit greenhouse gases and NOx largely in “NOx limited” areas. A life cycle inventory documented the negative nature of these systems, concluding that they do more harm than good. To make matters worse, more incinerator controls may be required in the future for the remanded units covered by Wood MACT. EPA should explore alternative policies that eliminate the need for existing and additional gas fired controls, such as use of work practices and limits that can be met using biological control systems.

Numerous other EPA rules on greenhouse gases, solid waste, and water are attached to the appendix to this testimony.

The TRAIN Act

We applaud the subcommittee’s effort to shine light on the cumulative and incremental impacts of EPA regulations. Agencies and policymakers typically consider any given regulation in a stovepipe and fail to consider the cumulative impact of multiple regulations on the competitiveness and sustainability of businesses and other regulated entities and the related adverse impacts on jobs.

The “Transparency in Regulatory Analysis of Impacts on the Nation Act of 2011” would require an interagency analysis and study of the cumulative effects of EPA rules. The Act focuses the study on “the global economic competitiveness of the United States, particularly with respect to energy intensive and trade sensitive industries.” The forest products industry is both trade sensitive and energy intensive, so unnecessary, excessive regulation can seriously undermine the competitiveness of the industry.

The TRAIN Act also will examine the impact of regulations on employment, “including secondary impacts associated with energy prices and facility closures.” As discussed above, the closure of a forest product facility not only involves the direct loss of high paying jobs, but also can cause a negative ripple effect throughout the supply chain and in the surrounding community. When these high-paying jobs cannot be replaced, a small rural town can reach an economic “tipping point.”

Given the state of the economy and the widespread concern about jobs, one might have expected more attention to be paid to the employment effects of the cumulative regulatory burden. It is our understanding that the longstanding guidance for regulatory analysis, OMB Circular A-4, does not specifically ask agencies to examine job loss from regulatory policies. While Executive Order 12866 does mention the adverse impact on jobs as part of the definition of an economically significant rule, and in the required analysis for them, we are not aware that job destruction has ever been directly addressed to the point where it really made a difference in the outcome of a rule or regulatory program being developed. Accordingly, the subcommittee may want to consider the impacts of the cumulative and incremental regulatory burden on the loss of

human capital, such as when worker's skills are no longer marketable, because, for example, manufacturing jobs are lost in the U.S. This could include real costs such as lost wages and the cost of new job training, and they could be added to compliance costs in the analysis.

Conclusion

Living with such an uncertain and costly regulatory environment can not only cost current jobs, but it can prevent new jobs from being created. Companies frequently find themselves tangled in a web of rules and restrictions that result in the decision to simply not make an investment because of the ambiguity and uncertainty of the regulatory process. Others roll the dice and hope that the rule they are making decisions under today will still be in place when their project is completed. When regulations such as Boiler MACT and NAAQS create great uncertainty and are not affordable or achievable, investing in an energy efficiency project, mill modernization programs, or a new biomass boiler can be very risky, preventing job creation in rural communities that desperately need it. Unfortunately, it is easier to see the jobs that are lost after the fact. But the greatest damage may be unknowable -- the loss of projects that are never built, the products never made, the jobs never created, or the entrepreneurial ideas that drown in the sea of red tape.

EPA has the power to protect public health while using its statutory authority to create more affordable programs. We hope the subcommittee's efforts will help encourage EPA to focus on the highest priorities.

Thank you for taking the time to listen to some of the many regulatory challenges the forest products industry is facing.

APPENDIX
ADDITIONAL EPA REGULATORY ACTIONS SIGNIFICANTLY AFFECTING THE
FOREST PRODUCTS INDUSTRY

Greenhouse Gas Regulations

- EPA Greenhouse Gas (GHG) Regulation Under the Clean Air Act:

Effective January 2, 2011, EPA's regulation of GHGs from stationary sources under the Prevention of Significant Deterioration (PSD) and Title V programs broke with longstanding precedent for biomass carbon neutrality, treating the combustion of biomass identically to the combustion of fossil fuels. EPA chose to treat biogenic emissions the same as emissions from fossil fuel in the Tailoring Rule. Two-thirds of the energy needs of forest products mills are met through wood biomass residuals. Counter to Administration objectives, EPA's treatment of biogenic emissions ignores the renewability of the resource and stymies investment in renewable energy. EPA subsequently postponed regulation of biogenic CO₂ emissions for three years while it conducts a study of the science and technical issues associated with these emissions. EPA plans to develop its own GHG accounting framework for biogenic emissions, differentiating different types of feed stocks based on their net emissions to the atmosphere over business as usual levels, specific time frames and geographic regions. This accounting framework will, in effect, regulate and significantly limit the use of forests and other biomass for renewable energy. There is currently a significant scientific foundation and policy precedent to support the carbon neutral status of biomass combustion. U.S. EPA and Forest Service data unequivocally show that land in the U.S. is a significant net sink for CO₂ – not a source that should be regulated. Furthermore, Congress, not EPA, should determine renewable energy policy for the country. EPA should uphold the principle of carbon neutrality and leave renewable energy policy to Congress.

- EPA Greenhouse Gas Mandatory Reporting Rule:

Facilities must report their 2010 GHG emissions beginning September 30, 2011. Unlike other regulations, EPA has not allowed facilities to propose alternative methods for calculating emissions or allowed *de minimis* emissions levels under which reporting is unnecessary. This inflexibility makes the rule more expensive to implement than is necessary. EPA has also proposed to make public individual facility inputs to GHG emissions calculations and production data which are traditionally considered confidential business information. Making such energy and production data available to the public will enhance the ability of foreign and domestic competitors to gain insight into production costs and will potentially impact pricing decisions in the marketplace.

Waste Regulations:

- **Non-Hazardous Secondary Materials:**

In February, as part of the Boiler MACT rules, EPA promulgated definitions for non-hazardous secondary materials for the first time, which determines the materials that are considered fuels under Boiler MACT and those that are considered solid wastes, and thus, regulated under the Commercial and Industrial Solid Waste Incinerators (CISWI) rules. Because the CISWI rules are more onerous, and mills want to avoid the stigma of having their boilers reclassified as incinerators in permitting reviews, many mills will stop burning solid wastes. In the forest products industry, most of these secondary materials are biomass residuals that are carbon neutral, renewable, and have been used safely for decades as fuels. In fact, they are critical to the sustainability of some mill operations. However, because the NHSM arbitrarily requires these materials to be comparable in terms of their constituents (called contaminants) to “traditional fuels” under the rule’s “legitimacy criteria,” they will get branded wastes. Yet, organic “contaminants” are completely combusted in boilers while other “contaminants” will be effectively controlled under Boiler MACT. In other programs, EPA and other agencies are trying to encourage the use of alternative fuels with the positive attributes of these biomass residuals to replace fossil fuels. EPA should modify its approach for classifying biomass residuals, such as resinated wood, paper process residuals, wastewater treatment residuals, and processed construction debris, as solid wastes by dropping the contaminant comparability test so more materials can be safely used as fuels and not truly wasted by being landfilled.

- **Coal Combustion Residuals:**

EPA has proposed to regulate coal combustion residuals from the electric utility industry as either hazardous or non-hazardous solid waste. Although the forest products industry would be exempt under the current proposal, states have indicated they would not differentiate between utility and non-utility residuals. EPA could regulate these materials under the non-hazardous waste provisions and modify the proposal to make those requirements consistent with the degree of harm posed by such residuals. Further, strict regulation under the hazardous waste regulations is not necessary to address the risks posed by coal combustion residuals. The forest products industry and other industries will pay increased electricity costs passed on by utilities if EPA chooses the hazardous waste option.

Water Regulations

- **Florida Nutrient Standards:**

Despite the fact that the State of Florida was making significant progress establishing its own nutrient standards, EPA promulgated extremely stringent numeric nutrient criteria for nutrients (nitrogen and phosphorous) for certain Florida waters based on a methodology that is not scientifically defensible. Stakeholders have estimated compliance with the rule will cost billions of dollars and will require expenditures for

cleaning up waters that are not impaired. EPA states that it does not intend to take over other state nutrient programs and promulgate federal numeric nutrient criteria in those states. Nonetheless, EPA has indicated that the Florida methodology should be viewed as a national precedent, and EPA is forcing other states to adopt numeric criteria, while also limiting implementation options. EPA should revise the methodology to better account for the lack of a stressor/response relationship in its data for certain waters and should allow states more flexibility in implementing the criteria.

- Cooling Water Intake Structures (CWIS) Rulemaking:

Last week, EPA issued a 413 page proposed CWIS rule applicable to certain utilities and manufacturers, including the pulp and paper industry. We are still analyzing the proposal to determine its impacts, but one thing is certain—many more industry facilities will face CWIS requirements in their water permits than would have been the case under the rule applicable to these facilities issued in 2006 (EPA is revising the rules in light of litigation, including a Supreme Court ruling). At that time, EPA determined that the costs of national categorical standards applicable to a more limited number of facilities would be “wholly disproportionate to the benefits.” Yet in this proposed rule, EPA would regulate the CWIS of much smaller facilities, capturing a much larger segment of the industry within the scope of the rule.

- “Waters of the U.S.” Guidance:

For nearly a decade beginning in 2002, legislation has been introduced in the House and Senate that would fundamentally alter the scope of the Clean Water Act and expand federal agency Clean Water Act jurisdiction. None of the bills ever came to a vote in either Chamber, and while one committee did consider a proposal, the measure died and was never brought to the floor. The Administration is now developing guidance that addresses similar issues raised in the bills; press reports providing a draft of the guidance strongly suggest that the Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers intend to significantly expand their regulatory control over many waters, including waters now considered entirely under state jurisdiction. The Administration should not legislate by guidance. At a minimum, this issue should be addressed in rulemaking, as opposed to guidance.

- Analytical Method for Polychlorinated Biphenyls (PCBs):

Polychlorinated biphenyls (PCBs) are a “legacy” pollutant; production was banned by Congress and EPA decades ago. However, PCBs in extremely low levels are ubiquitous in the environment. EPA has proposed an analytical test method that purports to measure in the very low range of parts per quadrillion, which is below the national EPA standard. Once the method is final and dischargers must use it for compliance, many municipal and industrial dischargers will find PCBs in their effluents at levels above the national standard. This will ultimately lead to permit limits with which compliance will be either impossible to achieve or unreasonably expensive. EPA should not issue the method until it adequately responds to the scientific questions raised in

comments on the proposal. EPA also should issue flexible permit implementation procedures that acknowledge and address the ubiquitous nature of PCBs.

- Chesapeake Bay Total Maximum Daily Load (TMDL):

At the end of 2010, EPA issued the final TMDL for the Chesapeake Bay. A TMDL is a calculation of the maximum amount of a pollutant that a water body can assimilate and still maintain water quality standards. As part of the TMDL process, EPA usurps the states' traditional role of TMDL implementation by threatening heavy-handed measures if certain clean up milestones are not met. EPA should withdraw the measures and allow states the flexibility to implement the TMDLs, as contemplated by the Clean Water Act.

Sound Science

- Integrated Risk Information System (IRIS) Assessments:

As the Administration has recognized, sound science is the foundation of an effective regulatory system. In Executive Order 13563, President Obama directed that "each agency shall ensure the objectivity of any scientific and technological information and processes used to support the agency's regulatory actions." Accordingly, scientific integrity must be the backbone of EPA's IRIS assessments. Assessments for chemicals such as methanol, formaldehyde, dioxin, hydrogen sulfide, acrolein and acetaldehyde have a major impact on regulatory costs for many sectors of the economy and deserve objective and unbiased development and review.

Potential Air Regulations Affecting Forest Products (2010-2020)

