August 5, 2010

Ms. Lisa P. Jackson, administrator
U.S. Environmental Protection Agency
Ariel Rios Federal Building – Rm 3000
1200 Pennsylvania Ave, NW
Washington, DC 20460

Re: National Emission Standards for Hazardous Air Pollutants From the Portland Cement Manufacturing Industry
EPA-HQ-OAR-2002; FRL-8898-

Dear Ms. Jackson:

We understand that EPA may shortly finalize the above-captioned National Emissions Standards for Hazardous Air Pollutants (NESHAP) for the Portland Cement industry. As the representatives of the industry, the Portland Cement Association (PCA) and its members are concerned that the final rule has not taken full advantage of a robust inter-agency process in producing the final rule.

While PCA appreciates the opportunities we have been afforded to interact with EPA on development of the rule, discussions we have had with our workers, legislators, other industries, and other agencies of the federal and state governments lead us to believe that fundamental policy, technical and economic concerns have yet to be fully addressed. For example, the failure of the rule to consider fully subcategorization within the sector is likely to produce substantial cost to the industry and to hamper its international competitiveness without correlated environmental benefits.

The U.S. cement industry provides more than 15,000 high-wage jobs to working Americans and, along with allied industries, generates nearly $27.5 billion in U.S. GDP. In recent years, our sector has shed 5,000 jobs, an approximate reduction of 25% of the sector’s workforce. Using EPA’s own economic model, PCA estimates that approximately 30 cement plants are at risk of closure in the event EPA issues a final rule in a form similar to the proposed NESHAP. This will hinder efforts to initiate infrastructure projects with American-made cement and put Americans back to work.

Cement manufacturers are facing an avalanche of regulations including tighter air quality standards and EPA-imposed limits on greenhouse gas (GHG) emissions, among other rules. Please note that much of the compliance cost associated with the rule are for control of two key pollutants - HCl and THC - which would require expensive control technology. Even though EPA agrees with PCA that HCl is not a risk from the cement industry, they seek to regulate HCl as a means of reducing SO2 emissions. EPA has many more efficient ways to reduce SO2 emissions. Furthermore, the closure of U.S. plants will merely result in relocation of capacity to
less-developed countries, resulting in higher GHG and mercury emissions and achieving no real environmental benefits.

The rule will impact the cost of cement, creating an additional burden on public infrastructure development. The industry has a low threshold for passing the cost to consumers, resulting in the aforementioned environmental and jobs leakage. Cement is a key ingredient for major job-creating projects such as road, highway, bridge and tunnel construction projects. Should EPA finalize this $4.7 billion rule without a truly complete inter-agency review, the result will provide uncertain environmental benefits while undermining the Administration’s goal to get the economy back on track.

Although EPA has imposed on itself an August 6 deadline for promulgation of a final cement NESHAP, we believe the Agency is under no legal obligation to do so. Therefore, we respectfully request that the Administration delay promulgation of any final rule and allow the Office of Management and Budget and other federal agencies to conclude an inter-agency process that truly examines the full extent of the rule’s regulatory and economic impacts.

Very truly yours,

Hon. John Spitaleri Shaw
Senior Vice President, Government Affairs

Cc: Senator Blanche Lincoln
Senator George Voinovich
Congressman Charles Dent, Co-Chair, Congressional Cement Caucus
Congressman Bart Stupak, Co-Chair, Congressional Cement Caucus
Hon. Rahm Emanuel, Chief of Staff