



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

NOV - 8 2010

THE ADMINISTRATOR

The Honorable Joe Barton
Ranking Member
Committee on Energy and Commerce
House of Representatives
Washington, DC 20515-6115

The Honorable Michael C. Burgess
Ranking Member
Subcommittee on Oversight and Investigations
Committee on Energy and Commerce
House of Representatives
Washington, DC 20515-6115

Dear Congressman Barton and Congressman Burgess:

Thank you for your October 14 letter about EPA's work to follow Congress's instructions in the Clean Air Act. The pace of EPA's Clean Air Act regulatory work under this administration is actually not faster than the pace under either of the two previous administrations. In fact, EPA has finalized or proposed fewer Clean Air Act rules (87) over the past 21 months than in the first two years of either President George W. Bush's administration (146) or President Clinton's administration (115).¹

The chart attached to your October 14 letter highlights eight of EPA's current Clean Air Act rulemakings as having projected compliance costs exceeding one billion dollars. One of those rulemakings, however – the national ambient air quality standard for nitrogen dioxide – actually has projected compliance costs of only \$3.6 million (your chart states \$3.6 billion). Of the seven remaining rulemakings, one was initiated under the previous administration, two are in response to mandatory-duty lawsuits, and two are corrected versions of rules that were promulgated under the previous administration but then overturned in court for being inconsistent with Congress's instructions.

The chart attached to your letter does not present the projected economic benefits of any of the listed rulemakings. Those benefits projections can be found in the same documents from which the cost projections were drawn. Had the chart included the benefits projections, readers of it would have been able to see that the projected benefits of EPA's pollution reduction rules under the Clean Air Act exceed the projected costs by 13 to 1. According to the current, public

¹ All three counts include all Clean Air Act rules that amend the Code of Federal Regulations and that require the EPA Administrator's signature.

draft of an EPA report entitled “The Benefits and Costs of the Clean Air Act: 1990 to 2020,”² the benefits of Clean Air Act rules are expected to reach nearly \$2 trillion in 2020 – exceeding costs by more than 30 to 1.

EPA’s work to implement the Clean Air Act has a positive impact on employment in the United States. First of all, when we remove harmful smog and soot from the air, fewer Americans are forced to miss work due to pollution-related illnesses from which they or their loved ones suffer.

What is more, requirements to cut harmful air pollution at American facilities spur investments in the design, manufacture, installation, and operation of pollution-reducing technologies. All of those activities create jobs for Americans, and work installing or operating pollution controls on American facilities cannot be sent abroad. Many of the power plants and other facilities that will receive job-creating, pollution-reducing upgrades are concentrated in the very places that currently have the most unemployed workers.

Data from the International Brotherhood of Boilermakers indicates that the number of boilermakers in the United States increased by 6,700 – or 35 percent – from 1999 to 2001 as a result of EPA rulemakings implementing the Clean Air Act. The Institute of Clean Air Companies estimates that preparations to comply with just one of those rules have occupied approximately 200,000 person-years of labor over the past seven years.

The Department of Commerce estimates that, in 2007, environmental firms and small businesses in the United States generated \$282 billion in revenues and \$40 billion in exports, while supporting 1.6 million American jobs. Air pollution control equipment alone generated revenues of \$18.3 billion in 2007, including exports of more than \$3 billion. Thanks to the Clean Air Act and EPA’s implementation of it, American manufacturing companies now lead a growing global market in air pollution reduction technology.

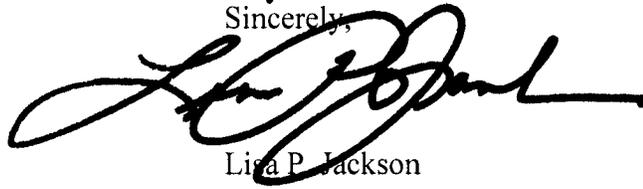
In sum: EPA’s common-sense steps to implement the Clean Air Act result in much greater economic value than cost for Americans. The companies whose products and services bring American industry into line with the Clean Air Act’s public health requirements support hundreds of thousands of American jobs. Those requirements foster global markets for American-made technologies.

EPA in the near future will complete and publish a periodic update of its regulatory agenda. At this time, the agency has identified three planned Clean Air Act rules that were not on your list but are likely “economically significant” (i.e., rules with projected benefits and/or costs greater than \$100 million). One proposed rule would set air pollution limits for commercial and industrial solid waste incinerators (cost estimate \$224 million; benefits estimate \$240-\$580 million in 2015). The second proposed Clean Air Act rule would set “Tier 3” emissions and fuel standards for motor vehicles. The third proposed rule would (in conjunction with a rule issued by the Department of Transportation) establish fuel economy and greenhouse gas emission standards for light-duty vehicles of Model Years 2017 through 2025.

² <http://www.epa.gov/oar/sect812/aug10/fullreport.pdf>

Thank you again for your letter. If you have additional questions, please feel free to contact me or to have your staff contact David McIntosh in EPA's Office of Congressional and Intergovernmental Relations.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa P. Jackson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Lisa P. Jackson