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**State, Local Clean Air Agencies Critique Boiler Industry’s Excessive Claims
of the Cost of EPA’s Proposed Air Pollution Rule for Industrial Boilers**

(Washington, DC) – Today, the National Association of Clean Air Agencies (NACAA) is issuing a report that refutes the exaggerated cost estimates that the boiler industry has claimed would result from EPA’s proposed air pollution regulations for industrial boilers. According to NACAA, industry’s claims include inflated estimates of how much EPA’s June 2010 proposed hazardous air pollution regulation for boilers would cost and the threat it poses to American jobs. In addition, the industry estimates ignore the enormous public health benefits and creation of new jobs that controls on emissions from industrial boilers would provide.

In August 2010, the industrial boiler industry published a report that purported to calculate the cost of the rule, without giving due consideration to its benefits. Besides claiming that the rule would cost \$113 billion economy-wide, the industry report stated that it would put over 300,000 jobs “at risk.”

NACAA’s detailed report entitled, *EPA’s Proposed Regulations on Hazardous Air Pollutants from Boilers: A Critique of the Boiler Industry’s Excessive Cost Claims*, sets the record straight by refuting the outsized estimates contained in the industry report. It describes some of the erroneous features of the industry analysis, including: (1) the number of sources that must install controls was grossly overestimated, (2) the “cost” of the rule did not incorporate positive economic benefits from new capital investment – including the creation of new jobs; (3) the positive impacts of increased life expectancy, reduced health care costs and other health-related benefits were not factored in the report; (4) one-time project costs were overestimated and (5) assumptions about the negative impact of investments in pollution controls are unlikely in the current economy.

“We prepared this analysis because we are very concerned about the impact erroneous cost information can have on the rulemaking process,” stated Bill Becker, Executive Director of NACAA. “Not only did the industry estimates focus on overly large cost estimates, but they failed to account for significant public health benefits. In addition, the industry analysis did not include the creation of new jobs, up to 40,000 in the next few years, which should result from the requirements to add control equipment to boilers. It is imperative that EPA set strong and effective regulations that reduce emissions of dangerous hazardous air pollutants from industrial boilers,” continued Becker.

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The industry report has been used to lobby extensively against the proposed boiler rule before Congress and EPA. The information in the industry report, if misused, could help convince Congress to rescind EPA's authority to protect the public from boiler emissions, or could be used to pressure EPA to weaken the proposed regulation significantly. Among the weakening provisions that concern NACAA would be the incorporation of health risk-based exemptions that are not consistent with the Clean Air Act and the continued inclusion of work-practice standards instead of emission limits in the final rule.

To view the Council of Industrial Boiler Operators' cost analysis (which NACAA critiqued in its report), *The Economic Impact of Proposed EPA Boiler/Process Heater MACT Rule on Industrial, Commercial and Institutional Boiler and Process Heater Operators*, see http://www.cibo.org/pubs/boilermact_jobsstudy.pdf.

NACAA is the national association of air pollution control agencies in 52 states and territories and more than 165 metropolitan areas across the country. To view *EPA's Proposed Regulations on Hazardous Air Pollutants from Boilers: A Critique of the Boiler Industry's Excessive Cost Claims*, or for more information about NACAA, visit the association's web site at www.4cleanair.org.

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