



This Week in Review – March 1-5, 2004

(1) **EPA's Second Progress Report on Meeting 2007 Diesel Standards Finds Technology Development on Target (March 4, 2004)** – EPA released the second report in a series of technical reviews to document the status of engine and vehicle technology development to meet the 2007 highway diesel standards. In this report, the agency concludes that "engine manufacturers are on target to meet the more stringent 2007 clean-diesel regulations." EPA's first report, published in June 2002, concluded that progress to date was significant and in keeping with the schedule necessary for successful and timely implementation of the new standards. The focus of EPA's second review was on continued progress in the research lab, as well as on the transition of new technologies from the research phase to business plans, product development, field testing and the availability of products for sale in the marketplace in 2007. In addition to concluding that engine manufacturers are on track for 2007 implementation, EPA has also concluded that all manufacturers will use catalyzed diesel particulate filters for PM control; manufacturers will generally treat the NO_x standards as a two-step process; all manufacturers can comply in 2007 using existing, proven technologies; NO_x control should not have an adverse impact on fuel consumption and improvement over today's engines may be possible; engine manufacturers will provide prototype vehicles in 2005 for early customer fleet testing, consistent with their product development plans; and engine manufacturers' 2007 compliance plans serve as a "building block" for the technology package they intend to use for meeting the 2010 0.20 g/bhp-hr NO_x standard. [For further information: Air Web – In the News and Mobile Sources and Fuels Committee pages]

(2) **EPA Seeks Comment on Draft Program and Grant Guidance (March 3, 2004)** – EPA has provided STAPPA and ALAPCO with a draft of the Office of Air and Radiation's FY 2005 program and grant guidance and is seeking comment. In previous years, EPA has distributed and requested comments on the program guidance (which includes details for the EPA Office of Air and Radiation, as well as state and local agencies) and the grant guidance (which includes details for Section 105 and 103 grants) separately. This year, the agency is combining the two documents into a single guidance and structuring it around the goals in EPA's new Strategic Plan. The allocation information addresses FY 2005 only, while the guidance discusses priorities and activities for FY 2006-07. Included in the guidance is a draft spreadsheet showing the *proposed* distribution of Section 105 and 103 grants across programs and the regions. While it contains details for most of the

grants, there are still elements, primarily related to monitoring, that have yet to be filled in. As soon as EPA provides the missing information, STAPPA and ALAPCO will distribute that to the membership for review also. Except for some of the monitoring funds, the details of which we have not seen, the regional distribution is very similar to last year's allocation. Please provide any comments on the draft to Mary Sullivan Douglas of STAPPA/ALAPCO at mdouglas@4cleanair.org by the close of business, Friday, March 12, 2004. [For further information: www.epa.gov/ocfo]

(3) New Report Shows 0.7 Percent Increase in Human-Caused GHG Emissions (March 1, 2004) – A new report from EPA shows that human-caused greenhouse gas (GHG) emissions in the U.S. increased by 0.7 percent in 2002. In the report, *The Draft Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2002*, EPA states that economic conditions can influence human-based GHG emissions, and that slight improvements in the economy and a hot summer during the 2001-2002 period may account for the increase. The agency also notes that the same factors may have led to a 2-percent reduction in emissions during the 2000-2001 period, when we experienced a milder winter and a sagging economy. The largest source of U.S. GHG emissions is CO₂. In 2002, automobiles and coal-fired power plants accounted for 83 percent of all CO₂ emissions, up from 80 percent during the 1990s. According to the draft inventory, “on an annual basis, the overall consumption of fossil fuels in the United States generally fluctuates in response to changes in general economic conditions, energy prices, weather, and the availability of non-fossil alternatives.” [For more information: [yosemite.epa.gov/oar/globalwarming.nsf/UniqueKeyLookup/RAMR5WNMK2/\\$File/04executivesummary.pdf](http://yosemite.epa.gov/oar/globalwarming.nsf/UniqueKeyLookup/RAMR5WNMK2/$File/04executivesummary.pdf)]

(4) GAO Compares EIA and CEA Cost Estimates of Implementing the Kyoto Protocol (March 1, 2004) – The General Accounting Office (GAO) has issued an analysis that compares the cost estimates of implementing the Kyoto Protocol under the 1998 Energy Information Administration (EIA) and Clinton-era White House Council of Economic Advisors (CEA) reports. The EIA, an independent statistical and analytical agency within the U.S. Department of Energy, estimated that costs could reach \$397 billion, while the CEA estimated costs of between \$7 billion and \$12 billion. GAO was asked by Congress to identify likely reasons for the cost differences based on the economic models used and the assumptions incorporated into those models, including economic assumptions and assumptions about how the Protocol would be implemented. In its analysis, GAO identified several likely factors that could account for the estimated cost discrepancies. First, the two economic models focused on different time periods using different assumptions about how the economy would adjust to new policies. The CEA model employed a longer time period and assumed smooth adjustments, while the EIA model used a shorter time period and emphasized the near-term costs of economic adjustments. Second, the two models measured costs differently, with the EIA model being more comprehensive, and therefore capturing more costs than the CEA model. Third, the assumptions used with the two economic models were different. The EIA model assumed that all emission reductions would be achieved domestically, while the CEA model allowed for emissions trading among eligible nations. And fourth, the two models used different growth rates, with the EIA model assuming 2.3-percent growth and the CEA model assuming 2.1-percent

growth. Over the entire period of each model this would translate to a 41- and 37-percent growth rate, respectively, with the higher growth rate meaning higher emissions and deeper reductions. [For further information: www.gao.gov (click on For the Press, Today's Reports, and March 1, 2004)]

(5) Researchers Conclude that Aspen Air Quality Model Underestimates Health Risks (March 2, 2004) -- Researchers at the Johns Hopkins University Bloomberg School of Public Health have announced the findings of a study comparing the estimates of a widely used EPA model to monitored data of the same pollutants during the same time period. The study, titled *Personal Exposure Meets Risk Assessment: A Comparison of Measured and Modeled Exposures and Risks in an Urban Community*, focused on the exposure of 33 South Baltimore residents to volatile organic compounds (VOCs) over a three-day period. Researchers found the residents' actual exposure was significantly higher than estimated by the EPA model, Assessment System for Population Exposure Nationwide (ASPEN). The senior author of the study attributed the discrepancy to ASPEN's inability to estimate exposure to indoor sources of VOCs. The report stated, "[s]tudy results suggest that for pollutants primarily of ambient origin including benzene, carbon tetrachloride, methylene chloride and trichloroethylene, ASPEN provides a reasonable...central estimate for personal exposure...[but] for the remaining seven VOCs with significant indoor sources, ASPEN estimates are substantially lower than personal exposures." [For further information: ehp.niehs.nih.gov (the study will be available in the April 2004 on-line issue of *Environmental Health Perspectives*)]

The Week Ahead

- Senate Environment and Public Works Committee Hearing on 2005 Appropriations for VA, HUD and Independent Agencies, in Washington, DC – March 10, 2004

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