



### ***This Week in Review – March 8-12, 2004***

**(1) STAPPA and ALAPCO Meet With OMB on Nonroad Rule (March 10, 2004)** – Bill Becker, representing STAPPA and ALAPCO, joined a group of representatives of national and regional state/local, health and environmental groups to urge officials of the Office of Management and Budget (OMB) to publish EPA's nonroad diesel proposal on time (by April 2004) and to include the regulation of locomotive and marine fuels down to 15 parts per million sulfur as part of the final rule. During the meeting with John Graham, Administrator of OMB's Office of Information and Regulatory Affairs, Bill complimented EPA on its nonroad proposal and indicated that state and local agencies throughout the country are relying heavily on the significant benefits expected from the rule, including the prevention, on an annual basis, of 9,600 premature deaths, 8,300 hospitalizations and one million work days lost. The group also recommended that EPA immediately initiate a rulemaking to set emissions standards for locomotive and marine engines (as a follow on to the fuels standards). Graham indicated that OMB expects to meet the April 2004 deadline for finalizing the rule, but provided no indication how the final rule will address these or other nonroad issues.

**(2) EPA Administrator Writes to STAPPA and ALAPCO to Affirm Commitment to 2007 Highway Diesel Rule (March 5, 2004)** – In a letter to STAPPA and ALAPCO's Presidents Jim Joy (SC) and Cory Chadwick (Cincinnati, OH), EPA Administrator Michael Leavitt states "that the Administration and the U.S. Environmental Protection Agency remain firmly committed to the successful and timely implementation of EPA's 2007 Clean Diesel Program for fuels and engines," and that the "overwhelming health benefits [of this program] will greatly outweigh the costs." In addition to the Clean Diesel Program, the Administrator outlined three other programs the agency is implementing to reduce diesel emissions and improve air quality: 1) the nonroad diesel rule, due out this spring, to reduce emissions from construction, agricultural, mining and airport equipment; 2) EPA's Clean School Bus Program, for which the Administration has requested \$65 million in the 2005 budget; and 3) the Smartway Transport Partnership program, a voluntary public/private partnership that promotes fuel efficiency and emission reductions in the ground freight industry. [For more information: Air Web – In the News and Mobile Sources and Fuels Committee pages]

**(3) STAPPA and ALAPCO Urge Against Exemptions from CAA for Military Readiness Activities (March 9, 2004)** – STAPPA and ALAPCO sent letters to the

House and Senate Armed Services Committees, opposing proposed exemptions from Clean Air Act requirements for Department of Defense (DOD) military readiness activities. The letters were prompted by the circulation by DOD of legislative language to amend a number of environmental and public health laws. Included among the proposed changes are ones to the Clean Air Act to allow military readiness activities to escape requirements of Section 176 of the CAA, requiring that these activities not cause or contribute to violations of health-based NAAQS, increase the frequency or severity of such violations or delay timely attainment of the standards or interim milestones. Similar exemptions were proposed by DOD last year and the year before, as part of the FY 2003 and FY 2004 defense authorizations, but were ultimately rejected by Congress. STAPPA and ALAPCO opposed the CAA exemptions for DOD both times, in May 2, 2002 and March 12, 2003 letters to the House and Senate Armed Services Committees. [For further information: Air Web – Mobile Sources and Fuels Committee page]

**(4) GAO Releases Report on 2007 Highway Diesel Rule (March 11, 2004)** – The General Accounting Office (GAO) released a report, entitled *EPA Could Take Additional Steps to Help Maximize the Benefits from the 2007 Diesel Emissions Standards* (GAO-04-313). The report was compiled in response to a request by some members of Congress, who asked that GAO 1) assess effects on industry and emissions of the October 2002 heavy-duty diesel pull-ahead deadline under the diesel consent decrees and 2) obtain stakeholders' views on the readiness of technology for the 2007 highway diesel standards and EPA's efforts to ensure readiness. Although GAO states in the report that it "analyzed" information from EPA, 10 large trucking companies, the engine makers subject to the early deadline and other stakeholders, the report relies most heavily on input from trucking companies and repeats, rather than analyzes, the trucking perspectives on the 2007 diesel rule, thus presenting an inaccurate characterization of EPA's responsiveness to industry and an incorrect impression of the level of technological progress that has been made toward on-time compliance with the 2007 rule. Moreover, GAO relies on these misimpressions to draw erroneous conclusions and to make recommendations for unnecessary actions on the part of EPA, including that EPA should consider convening yet another independent review panel to address stakeholders' remaining concerns, assess and communicate the progress of technology development and determine what, if any, additional actions are needed to meet the 2007 standards, such as considering the costs and benefits of incentives for developing and purchasing the technology on time. GAO's report and recommendations do not, however, adequately reflect the significant scrutiny – political, legal and technological – the 2007 rule has already withstood, the substantial technological progress that has been made to date, EPA's commitment to continued technological review and the public statements made by major engine makers and the Engine Manufacturers Association that they are on track to produce compliant engines on time and that they will provide prototype engines to their customers for testing in 2005. [For further information: Air Web – In the News and Mobile Sources and Fuels Committee page]

**(5) EPA Extends Comment Deadline for Utility Mercury Proposal; IAQR Proposal Deadline Remains Unchanged (March 10, 2004)** – In response to

multiple requests, EPA has announced that it will extend to April 30, 2004 the deadline for the public to comment on the proposed rule to reduce emissions of mercury from electric utilities (the original deadline, as announced in the *Federal Register* on January 30, 2004, was March 30, 2004). April 30, 2004 is also the deadline for comments on the supplemental proposal related to the utility mercury regulation; the supplemental proposal was announced on February 24, 2004, and will be published in the *Federal Register* as early as next week (along with the deadline extension for the main proposal). EPA has scheduled a hearing for March 31, 2004, in Denver, Colorado, to gather public comments on the supplemental mercury proposal. The deadline extension does *not* apply to the proposed Interstate Air Quality Rule, which was also proposed in the *Federal Register* on January 30, 2004. Comments on the IAQR are still due to EPA by March 30, 2004. [For further information: [www.epa.gov/mercury](http://www.epa.gov/mercury)]

**(6) EPA Administrator Testifies on Proposed FY 2005 Budget (March 10, 2004)** – EPA Administrator Michael Leavitt testified before the Senate Environment and Public Works Committee, defending the President's proposed budget for the U.S. Environmental Protection Agency for FY 2005. According to Leavitt, the budget request "provides funding necessary for the Agency to carry out our missions...efficiently and effectively." In his testimony, Leavitt also indicated that the portion of the budget dedicated to air quality supports the President's Clear Skies initiative, among other things. In other budget-related activity, the Senate has been debating on the floor the FY 2005 budget resolution, which provides overall limits for each of the appropriations bills. In the House of Representatives, the Budget Committee has been considering its budget resolution; floor action will follow. [For further information: Air Web – Program Funding Committee page]

**(7) Connecticut Adopts Measures to Reduce GHG Emissions (March 9, 2004)** – Connecticut Governor John Rowland accepted a climate change steering committee's 38 recommendations for reducing GHG emissions. The recommendations include 1) a program allowing Connecticut ratepayers to choose to pay for electricity derived from clean energy; 2) new emission standards for cars, which could begin as early as model year 2007 (expected to be acted on by the General Assembly this year); 3) planned use of energy-efficient materials and design concepts in the construction of new state buildings; and 4) benchmarking of state facilities to identify which properties can be made more efficient users of electricity. These recommendations are projected to account for more than half of the GHG emission reductions Connecticut hopes to achieve by 2010. The recommendations came out of the Connecticut Climate Change Stakeholders Dialog – a process convened by the Governor from April to December 2003 involving nearly 100 stakeholders. [For further information: [www.ctclimatechange.com](http://www.ctclimatechange.com) and [www.ct.gov/governor/site/default.asp](http://www.ct.gov/governor/site/default.asp) (click on "Press Room")]

**(8) DOE Selects Eight Projects to Explore Innovative Ways of Capturing Carbon (March 8, 2004)** – The Department of Energy (DOE) announced that it has selected eight projects that will explore innovative technologies that could lead to practical and cost-effective means of capturing and sequestering carbon dioxide (CO<sub>2</sub>). Four of the

projects will focus on advanced separation techniques to capture CO<sub>2</sub> and hydrogen from fossil-fueled power plants. Of these four, two will study high-temperature membranes, one will investigate a new CO<sub>2</sub> absorbent and one will look at nanoscale materials as separation agents. Three of the remaining projects will focus on advanced subsurface technologies and geochemical methods for sequestering carbon. The final project embraces novel concepts involving CO<sub>2</sub> recycling and products. For this project, biocatalysts (microorganisms and their enzymes) will cause chemical reactions that can potentially convert CO<sub>2</sub> to value-added products, and ensure permanent storage of the CO<sub>2</sub>. [For further information: [www.fe.doe.gov/news/techlines/04/tl\\_novelapproaches\\_sel.html](http://www.fe.doe.gov/news/techlines/04/tl_novelapproaches_sel.html)]

**(9) “Abrupt” Climate Change Research Bill Approved by Senate Commerce Committee (March 9, 2004)** – The Senate Commerce, Science and Transportation Committee approved by voice vote a bill that would provide for the development and coordination of a comprehensive and integrated research program to understand, assess and predict human-induced and natural processes of abrupt climate change. Abrupt climate change means a change in the climate that occurs so rapidly or unexpectedly that human or natural systems have difficulty adapting to the climate as changed. The bill, S. 1164, would also authorize appropriations of \$60 million for this purpose. The bill will next go to the floor of the Senate. [For further information: [thomas.loc.gov/](http://thomas.loc.gov/)]

**(10) EPA Publishes MACT for Stationary Combustion Turbines (March 5, 2004)** – EPA has published in the *Federal Register* a final Maximum Achievable Control Technology standard to limit emissions of hazardous air pollutants (HAPs) from stationary combustion turbines. EPA’s rule includes establishing eight subcategories of turbines (including one subcategory consisting of turbines located on the North Slope of Alaska). EPA estimates that the MACT standard will reduce emissions of HAPs by 98 tons per year after five years. [For further information: 69 *Federal Register* 10512]

**(11) EPA Amends Rule on Refrigerant Recycling (March 12, 2004)** – EPA amended the rule on refrigerant recycling to clarify how the requirements of Clean Air Act section 608 apply to refrigerants that are used as substitutes for chlorofluorocarbon (CFC) and hydrochlorofluorocarbon (HCFC) refrigerants. For example, section 608(c)(2) of the Act prohibits the venting, release, or disposal of any substitute for CFC and HCFC refrigerants by any person maintaining, servicing, repairing or disposing of air-conditioning and refrigeration equipment. This prohibition applies unless EPA determines that such venting, releasing or disposing does not pose a threat to the environment. The final rule states that the venting prohibition will remain in effect for HFC and PFC substitute refrigerants. This rule does exempt from the venting prohibition certain refrigerant substitutes for which EPA has determined that their release does not pose a threat to the environment. In the final rule EPA made changes to a number of the regulations covering CFC and HCFC refrigerants. However, EPA did not finalize the proposal to extend all of the regulations concerning emissions reduction of CFC and HCFC refrigerants, found at 40 CFR part 82, subpart

F, to HFC and PFC refrigerants. The regulation is effective May 11, 2004. [For further information: 69 *Federal Register* 11945]

### ***The Week Ahead***

- Transport Topics' *Diesel Emissions Summit II*, in Fort Lauderdale, Florida – March 16, 2004

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