

In this week's Washington Update:

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This Week in Review

(1) NACAA Comments on HFC Drawdown Proposal (July 2, 2021) - NACAA has filed comments on the May 19, 2021 EPA proposal titled "Phasedown of Hydrofluorocarbons: Establishing the Allowance Allocation and Trading Program Under the American Innovation and Manufacturing Act". EPA's proposal would establish regulations and set up an allowance allocation program to phase down HFC production and consumption to implement the bipartisan American Innovation and Manufacturing (AIM) Act (see related story in the May 15-21, 2021 *Washington Update*). HFCs include climate pollutants that have global warming potentials on average that are several thousand times stronger than CO₂. NACAA's comments support the proposal and offer design and implementation improvements drawing from the experience of the state and local agencies with existing HFC regulation programs. NACAA also offered recommendations on environmental justice and allowance distribution issues. In the comment letter, NACAA recommended that EPA should coordinate closely with state and local agencies, and with NACAA, on consistency in labeling record keeping, reporting, verification, enforcement, and other implementation areas. Regarding exemptions that preempt state and local programs, NACAA recommended that EPA must continue research into the development in deployment of alternatives for uses where HFC alternatives are not yet available, and that any modifications to the rule that preempt state and local authority be undertaken only after coordination with these agencies. NACAA also calls for EPA to clarify what roles our agencies will play, and to provide funding, technical assistance, guidance, and other resources to support those roles. The letter says that EPA's enforcement concepts for the proposed rule should include compliance assurance, and that a final rule should enumerate how international leakage and end of life concerns will be addressed. Finally, NACAA comments encourage EPA to explicitly anticipate and commit to the avoidance of disproportionate community impacts as it proceeds. For further information: http://www.4cleanair.org/wp-content/uploads/Final-NACAA_7_2_21_Comments_HFC_AIM_ACT.pdf

(2) House Appropriations Committee Marks-Up FY 2022 Bill, Calls for Air Grant Increase (July 1, 2021) – The House Appropriations Committee marked up and approved by a vote of 32-24 a bill that contains FY 2022 funding for EPA,

calling for \$320 million in grants to state and local air agencies under Sections 103 and 105. This is \$90.5 million above FY 2021 levels and \$1.5 million below the Administration's request. The amount is also consistent with NACAA's recommendations to Congress for air grants. The report language accompanying the bill states: "The Committee is providing substantial increases of resources to accelerate the deployment of air monitoring equipment, especially in overburdened communities, and to enhance ongoing efforts at the state level to address emissions of carbon pollution." Other provisions in the bill include:

- \$11.34 billion for EPA's total budget (approximately \$100 million over the Administration's request and \$2 billion above FY 2021 levels);
- \$150 million for grants under the Diesel Emissions Reduction Act (DERA) (equal to the Administration's request and \$60 million above FY 2021 levels);
- \$70 million for Targeted Airshed Grants (\$11 million above the Administration's request and FY 2021 levels);
- retention of PM_{2.5} monitoring grants under Section 103 authority (the Administration's request called for shifting it to Section 105 authority);
- nothing for Multipurpose grants (\$10.2 million in the Administration's request and \$10 million in FY 2021); and
- \$100 million for six new Environmental Justice grant programs within the State and Tribal Assistance Grant account

For further information:

<https://docs.house.gov/meetings/AP/AP06/20210628/112856/BILLS-117-SC-AP-FY2022-Interior-AppropsInteriorDraftBillFY2022.pdf> (bill language, EPA begins page 79), <https://docs.house.gov/meetings/AP/AP00/20210701/112878/HMKP-117-AP00-20210701-SD002.pdf> (report language, EPA begins page 74, EPA charts begin page 210) and <https://www.4cleanair.org/wp-content/uploads/FY-2022-chart.pdf> (NACAA status chart)

(3) EPA Inspector General to Review "Overdue" Air Toxics Risk and Technology Reviews (June 25, 2021) – The EPA Office of Inspector General (OIG) has announced that it will begin an evaluation to examine overdue residual risk and technology reviews (RTR) of sources that emit hazardous air pollutants. The Clean Air Act calls for EPA to evaluate the risk that remains for each source category eight years after the implementation of Maximum Achievable Control Technology (MACT) standards and to consider new control technologies that have become available since MACT was adopted. Based on the review, EPA is to revise the MACT standards as needed. In recent years, EPA has issued numerous overdue RTR standards to comply with court-ordered deadlines. To begin the evaluation, OIG has asked the Office of Air and Radiation to supply information about the agency's budget and resource allocations for the RTR program for FY 2019-2021, staffing levels for the RTR program and information about the offices responsible for conducting the RTRs. For further information: <https://www.epa.gov/office-inspector-general/notification-overdue-residual-risk-and-technology-reviews>

(4) Biden Signs CRA Bill Into Law Restoring Previous Methane Rules (July 1, 2021) – President Joseph R. Biden Jr. has signed a bill that uses the Congressional Review Act (CRA) to nullify EPA’s 2020 Methane Rescission Rule and reinstate the 2012 and 2016 Oil and Natural Gas New Source Performance Standards (NSPS). The Congressional disapproval resolution (S.J. Res. 14) reinstates the methane requirements for the industry’s production and processing segments and the methane and VOC requirements for the transmission and storage segments, as well as monitoring and leak repair requirements for methane and VOCs. It also removes the requirements for EPA to make a “significant contribution finding” for emissions before it can regulate them. The Congressional disapproval resolution passed in the US House of Representatives on a 229-191 vote; the companion Senate resolution passed in April 2021 by a vote of 52-41. For further information:

<https://degette.house.gov/sites/degette.house.gov/files/DeGette-Peters-Lamb%20methane%20CRA%20res.pdf>

The Week Ahead

- Congress in Recess – July 5-9, 2021
- [EPA Board of Scientific Counselors' Executive Committee Teleconference on Equity and Barriers to Environmental Justice](#) – July 6, 2021

NACAA
1530 Wilson Blvd., Suite 320
Arlington, VA 22209
(571) 970-6678
4cleanair@4cleanair.org