Thank you for the opportunity to speak today. I am Terry Webber, Director of Government Affairs for the American Forest & Paper Association and American Wood Council. I am pleased to present our views on the December 17, 2014 ozone NAAQS proposal.

The American Forest & Paper Association (AF&PA) serves to advance a sustainable U.S. pulp, paper, packaging, and wood products manufacturing industry through fact-based public policy and marketplace advocacy. AF&PA member companies make products essential for everyday life from renewable and recyclable resources and are committed to continuous improvement through the industry’s sustainability initiative - Better Practices, Better Planet 2020. The forest products industry accounts for nearly 4 percent of the total U.S. manufacturing GDP, manufactures approximately $210 billion in products annually, and employs nearly 900,000 men and women. The industry meets a payroll of approximately $50 billion annually and is among the top 10 manufacturing sector employers in 47 states.

AF&PA’s sustainability initiative - Better Practices, Better Planet 2020 - is the latest example of our members’ proactive commitment to the long-term success of our industry, our communities and our environment. We have long been responsible stewards of our planet’s resources. Our member companies have collectively made significant progress in each of the following goals, which comprise one of the most extensive quantifiable sets of sustainability goals for a U.S. manufacturing industry: increasing paper recovery for recycling; improving energy efficiency; reducing greenhouse gas emissions; promoting sustainable forestry practices; improving workplace safety; and reducing water use.

The American Wood Council (AWC) is the voice of North American wood products manufacturing, representing over 75 percent of an industry that provides approximately 400,000 men and women with family-wage jobs. AWC members make products that are essential to everyday life from a renewable resource that absorbs and sequesters carbon. Staff experts develop state-of-the-art engineering data, technology, and
standards for wood products to assure their safe and efficient design, as well as provide information on wood design, green building, and environmental regulations. AWC also advocates for balanced government policies that affect wood products.

Background

Under the Clean Air Act, EPA must update its assessment of the latest science and consider whether any changes are needed to National Ambient Air Quality Standards (NAAQS) at least every five years. The Administration has significant discretion in determining what is “requisite” to protect public health when setting NAAQS. In fact, in 2011 EPA started a process to reconsider the ozone NAAQS but President Obama intervened and asked Administrator Jackson to withdraw the rule, which she did.

EPA missed its five-year review deadline for ozone in 2013 and was sued by environmental groups. Under a court order, EPA signed a proposed rule on December 1, 2014 to lower the current 75 ppb limit to between 65 and 70 ppb. EPA also invited comment on retaining the current standard which we strongly support. A final rule is due under the court schedule by October 1, 2015 -- a very accelerated pace for a rule of this complexity and importance to the nation.

Position

States should proceed with implementing the 2008 ozone standard first before EPA moves the ozone goal posts again. California of all states knows how challenging it is to meet the ever tighter limits with its many serous, severe and extreme non-attainment designations in the South Coast and Central Valley, including right here in the Sacramento area. EPA’s ill-timed attempt to tighten the ozone NAAQS in 2011 drew focus away from the important tasks of designating areas as non-attainment and then identifying additional controls from mobile and stationary sources through State Implementation Plans (SIPs). States, EPA and regulated entities should focus on those designation efforts. Constantly moving these air quality goal posts creates significant business uncertainty for investments that are critical to our global competitiveness.

Air quality has gotten significantly better over the last several years and will continue to improve due to other EPA rules on the books, such as Boiler MACT, even if the ozone NAAQS is not changed. Nitrogen oxide (NOx) and volatile organic compound (VOC) emissions from pulp, paper and wood product mills continue to decline. In fact, NOx emissions are down by over 25% from 2000 to 2012 at pulp and paper mills.
We are pleased EPA has not chosen to set a secondary standard more stringent than
the primary standard as well as not propose a new “cumulative form” of the secondary
standard instead keeping to the 8-hour form. Our analysis concludes that any
cumulative form of the standard, such as the W126 mentioned in the EPA support
documents, is redundant with the 8-hour form and not based on any tree growth data.
In addition, forestry and potential biomass loss from ozone exposure have not been
demonstrated at current concentrations so the current standard is adequately protective
of trees.

AF&PA and AWC support clean air and realistic, science-based air quality standards.
However, the health effect evidence for ozone has not changed significantly since EPA
tightened the ozone NAAQS in 2008, so a further change is not justified. EPA continues
to rely on studies that reinforce their concerns while ignoring or giving little weight to
negative or ambiguous studies. Specifically, there is a lack of definitive evidence linking
low levels of ozone exposure – those below the current standard - to adverse health
impacts. The evidence on which EPA relies today is no stronger than it was the last time
the standard was reviewed in 2008. Furthermore, EPA’s new conclusions are not
consistent with the majority of the science on the subject. EPA’s analyses show that
few (if any) people would be adversely affected by ozone at the current standard.

U.S. ozone levels are increasingly attributable to natural sources and pollution from
other countries which must be considered when EPA reviews the ozone limits. Some
ozone is generated naturally from plants, fires, and ozone from the stratosphere that
comes into the troposphere. The proportion of ozone coming from other countries as far
away as China is steadily increasing and becoming part of the “background.” In some
places, background concentrations (ozone that originates from natural sources or
transported international emissions) contribute to over 80% of total ozone. Even EPA’s
advisory committee notes the lack of clarity regarding how ozone standards are
impacted by background concentrations.

Finally, while EPA cannot consider costs when setting the NAAQS, the costs of
mistakenly tightening the standard are significant when there is such scientific
uncertainty. EPA’s own cost benefit analysis would make the ozone rule one of the most

1 Gradient (Cambridge, MA) “Long-Term Ozone Exposure and Mortality.” Report to Utility Air Regulatory Group. (April 2013);
Gradient (Cambridge, MA) “Short-term Ozone Exposure and Mortality.” Report to American Forest and Paper Association (December 20, 2013);
2 Honeycutt, Dr. Michael, “Will EPA’s Proposed New Ozone Standards Provide Measurable Health Benefits?”, National Outlook,
Texas Commission on Environmental Quality (TCEQ) PD-020/14/07 (October 2014)
expensive air regulations ever at over $15 billion. More complete industry assessments put the economy-wide annual cost many times higher with significant energy cost increases and job losses. The revisions could place most of the country in nonattainment, putting five times more paper and wood product mills at risk. Our industry already has invested billions of dollars to help make our air clearer while making products essential for everyday life.

Conclusion

Given the significant scientific uncertainties and large economic impacts, AF&PA and AWC recommend that EPA retain the current standard of 75 parts per billion as protective of public health and not set a different secondary standard.