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March 17, 2015

The Honorable Gina McCarthy
Administrator
U.S. Environmental Protection Agency
William Jefferson Clinton Building
1200 Pennsylvania Avenue NW
Washington, D.C. 20460

Dear Administrator McCarthy:

I am writing to you today regarding the Environmental Protection Agency's (EPA) proposal to revise the National Ambient Air Quality Standards (NAAQS) for ground-level ozone. If enacted, this proposal will have dire consequences for businesses across Louisiana.

As you are aware, EPA is currently in the process of reviewing the ozone standard, which was last set at 75 parts per billion (ppb) in 2008. EPA is set to finalize this standard in December, reducing the current standard to within a range of 70 ppb to 65 ppb. Setting the standard at 65ppb changes the map considerably, placing almost the entire country in violation. This range, especially the lower end, presents a variety of problems for my home state of Louisiana.

Lowering the standard would put practically the entire state of Louisiana in violation. Even pristine national parks like the Grand Canyon and Yellowstone would be in non-compliance if the standard were set within the proposed range. There is obviously something very wrong with this picture if Yellowstone National Park is unable comply with EPA's lowered standard.

In February, the National Association of Manufacturers (NAM) released a study on the costs and economic impacts of a 65 ppb ozone standard, and found that it would be the single most expensive regulation in history.[1] Specifically, the State of Louisiana Gross State Product (GSP) would be reduced by $3 billion during the implementation of the standard. The state would suffer an estimated 33,829 job losses each year, with businesses having to pay an estimated $43 billion in compliance costs.[2] Further, the Baton Rouge Area Chamber states:

[1] What Could New Ozone Regulations Cost Louisiana?, NATIONAL ASSOCIATION OF MANUFACTURERS (2015), available at http://www.nam.org/Issues/Energy-and-Environment/Ozone/State-Data/Louisiana-Ozone-Data-2015.pdf.
[2] *Id.*

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"Since the EPA first proposed lowering the ozone standard in December, the Baton Rouge Area has seen four major industrial projects totaling 2,000 direct and indirect jobs, and more than $7 billion in capital investment, either put on hold or redirected elsewhere. These losses are in direct correlation with the uncertainty created by the newly proposed ozone standards rule. The direct impact on the Baton Rouge Area, in terms of new payroll created from the projects themselves, would have been over $86 million annually in wages for the local economy."[3]

If enacted, this standard will be responsible for the destruction of jobs and the economy just as we are starting to make some semblance of recovery. Louisiana, a bright spot in manufacturing, refining, and industry, has struggled to succeed in spite of short-sighted EPA regulations, but if the proposal moves forward, the state will experience a drastic reduction in economic growth.

On a broader scale, the proposal would reduce the U.S. GDP by $140 billion each year starting in 2017 through 2040.[4] The average U.S. household would lose $830 per year, while job impacts in the form of fewer hours worked, lower pay, and lost jobs averaged 1.4 million per year.[5]

One of the many problems with EPA's review of the ozone standard is that the current standard of 75 parts per billion hasn't even been fully implemented across the nation, so the full measure of its benefit has yet to be experienced. But for some reason, EPA is insisting on jumping the gun to further tighten the standard.

Additionally, the standard is implicated by the continued and chronic failure of the Agency to be forthright with important scientific information, as well as to be compliant with numerous laws and agency guidance. The EPA's failure to comply with the Information Quality Act, the Data Access Act, the Federal Records Act, and the Freedom of Information Act while developing the science and regulatory framework underpinning this standard warrants its withdrawal.

I ask that before you move forward with any revision of this standard, EPA make additional efforts to work with all those affected to first meet the current standard in place before placing additional burdens on the Louisiana and U.S. economies.

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[3] BRAC Public Policy Commentary: Eighteen of Twenty Top-Performing Metro Economies at Risk from New Ozone Standards, BATON ROUGE AREA CHAMBER (Mar. 2, 2015), http://www.brac.org/brac/news_detail.asp?article=1947.

[4] NERA Economic Consulting, *Economic Impacts of a 65 ppb National Ambient Air Quality Standard for Ozone ("NERA")*, February 2015, http://www.nam.org/Issues/Energy-and-Environment/Ozone/Economic-Impacts-of-a-65-ppb-NAAQS-for-Ozone-(NERA).pdf

[5] *Id.*

Sincerely,

David Vitter
United States Senate