

November 13, 2007

The Honorable Rick Perry
Governor
State Capitol
P. O. Box 12428
Austin, TX, 78701

Dear Governor Perry:

The undersigned Texas trade associations urge you to submit a letter to EPA Administrator Johnson during his current review of the National Ambient Air Quality Standard (NAAQS) for ozone, advocating for preservation of the existing standard. According to EPA's own analysis for the current standard, industry is required to spend \$9.7 billion per year to implement current obligations, and a new standard will cost manufacturers even billions more in compliance costs.

As you know, in the last 10 years Texas has made great strides in its goal for cleaner air, despite increased population and economic growth. Some of the most significant of these accomplishments are:

- Major point source reductions (50-90%) have occurred in the DFW non-attainment area as a result of SB7 and East Texas NO_x controls and other 1-hour control measures.¹
- In the Houston/Galveston/Brazoria non-attainment area: 1) there has been an 80% reduction in NO_x sources since 2001; 2) the number of ozone exceedances at all monitors has decreased; and 3) the size of the region and portion of the population experiencing higher ozone levels has also decreased.²

We ask that you urge EPA to fully implement the current 8-hour ozone standard before it considers any significant revisions to the standard. If revisions are made to the current standard, the limited resources of the states, regions, and the public would be spent on developing plans to meet the new standard instead of implementing actual controls to meet the current standard. This would benefit neither the stakeholders nor the environment and would actually hinder the current progress being made. A stricter standard will also impose economic burdens that will exacerbate the current natural gas crisis while undermining manufacturing employment. Since natural gas prices began to climb in 2000, spurred on by increased demand resulting from air quality regulations, manufacturing employment in our state has declined by 13.5%³

There are a variety of solid policy reasons for preserving the existing standard. According to EPA's own studies, air quality in the United States continues to improve under the existing ozone standard, with emissions from the six criteria pollutants under the Clean Air Act (CAA) having dropped by more than 54% during the last few decades.

¹ *Testimony* by TCEQ Chairman Kathleen Hartnett White on the State Implementation Plan before the Texas Senate Natural Resources Committee on July 13, 2006.

² *Progress to Attainment: Contributions from Industry Sources*, 8-Hour Ozone SIP Coalition, October 2007.

³ From 1,068,000 in Sept. 2000 to 923,000 in Sept. 2007, Texas Workforce Commission.

Letter to Gov. Perry
Nov. 13, 2007
Page 2

We are committed to implementing the current ozone standard, assuring that counties in which we have operations reach or remain in attainment of the current standard. If the EPA lowers the ozone standard, the number of counties that federal regulators would designate as being in “non-attainment” could triple nationwide. Based on data received from the Texas Commission on Environmental Quality (TCEQ), if EPA lowers the standard to .060 ppm as proposed, every county in Texas that has an ozone monitor would exceed the standard, resulting in 12 nonattainment areas, 8 more than today.

Given that projection, we also support the letter sent to EPA from TCEQ Chairman Buddy Garcia on Sept. 25, 2007 and the comments to the proposal submitted to EPA by TCEQ Executive Director Glenn Shankle on October 9, 2007, both of which advocated that the current 8-hour ozone standard not be lowered at this time.

As you know, state officials bear the ultimate responsibility of implementing the ozone NAAQS. Changing the standard before the current NAAQS has been implemented will impose a significant administrative burden on the relevant agencies charged with developing the relevant State Implementation Plan (SIP) and control measures, as well as technological challenges which pose a significant barrier to fulfill the “requisite” requirements pursuant to federal law.

For the above reasons, we ask that you urge EPA to fully implement the current 8-hour ozone standard before it makes any revisions to that standard.

Sincerely,

Bill Hammond
Texas Association of Business
1209 Nueces St.
Austin, TX 78701

Rob Looney
Texas Oil & Gas Association
304 W. 13th Street
Austin, TX 78701

Hector Rivero
Texas Chemical Council
1402 Nueces St.
Austin, TX 78701

John Fainter
Associated Electric Companies of Texas
1005 Congress Avenue, Suite 600
Austin, TX 78701

cc:

Stephen Johnson, USEPA Administrator
Kay Bailey Hutchison, U.S. Senator
John Cornyn, U.S. Senator
Joe Barton, U.S. Congressman
Kevin Brady, U.S. Congressman
Michael Burgess, U.S. Congressman
John Carter, U.S. Congressman
Mike Conaway, U.S. Congressman
Henry Cuellar, U.S. Congressman
John Culberson, U.S. Congressman
Lloyd Doggett, U.S. Congressman
Chet Edwards, U.S. Congressman

Louis Gohmert, U.S. Congressman
Charles Gonzalez, U.S. Congressman
Kay Granger, U.S. Congressman
Al Green, U.S. Congressman
Gene Green, U.S. Congressman
Ralph Hall, U.S. Congressman
Jeb Hensarling, U.S. Congressman
Ruben Hinojosa, U.S. Congressman
Sheila Jackson Lee, U.S. Congressman
Eddie Bernice Johnson, U.S. Congressman
Sam Johnson, U.S. Congressman
Nick Lampson, U.S. Congressman

Kenny Marchant, U.S. Congressman
Michael McCaul, U.S. Congressman
Randy Neugebauer, U.S. Congressman
Solomon Ortiz, U.S. Congressman
Ron Paul, U.S. Congressman
Ted Poe, U.S. Congressman
Silvestre Reyes, U.S. Congressman
Ciro Rodriguez, U.S. Congressman

Pete Sessions, U.S. Congressman
Lamar Smith, U.S. Congressman
William Thornberry, U.S. Congressman
TCEQ Chairman Buddy Garcia
TCEQ Commissioner Larry Soward
TCEQ Commissioner Bryan Shaw
TCEQ Executive Director Glenn Shankle
Zak Covar, Governor's Office