TESTIMONY OF LISA P. JACKSON ADMINISTRATOR

U.S. ENVIRONMENTAL PROTECTION AGENCY BEFORE THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS UNITED STATES SENATE June 15, 2011

"The Clean Air Act and Public Health"

Madam Chairman, thank you for inviting me to testify about EPA's ongoing efforts to protect the health of Americans by reducing air pollution. Pollutants such as mercury, arsenic, and particulate matter shorten or reduce the quality of Americans' lives and put at risk the health and development of future generations.

All Americans should be very proud of the significant progress we have made cleaning up our air. However, we still have more to do. For example, about 25 million people now battle asthma. One of those 25 million is my youngest son. I am reminded on a regular basis about the importance of cleaning up our air.

The Clean Air Act is one of the most important tools that the EPA has to protect public health. This landmark legislation was passed in 1970, and signed into law by a Republican President. It was substantially amended in 1990 under another Republican Administration. Simply put, protecting public health and the environment should not be – and historically has not been – a partisan issue.

In the 40 years since its enactment, the Clean Air Act has made steady progress in reducing the threats posed by pollution and allowing us all to breathe easier. Last year alone, the Clean Air Act is estimated to have saved 160,000 lives and prevented more than 100,000 hospital visits. ¹

Some may find it surprising that the Clean Air Act also has been one of our country's best economic investments. In contrast to doomsday predictions, history has shown, again and again, that we can clean up pollution at the same time the economy is growing and jobs are created. Over the 40 years since the Act was passed, the Gross Domestic Product of the United States grew more than 200 percent.²

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¹ USEPA (2011). *The Benefits and Costs of the Clean Air Act from 1990 to 2020*. Final Report. Prepared by the USEPA Office of Air and Radiation. February 2011. Table 5-5. This study is the third in a series of studies originally mandated by Congress in the Clean Air Act Amendments of 1990. It received extensive peer review and input from the Advisory Council on Clean Air Compliance Analysis, an independent panel of distinguished economists, scientists and public health experts.

² Bureau of Economic Analysis, National Economic Accounts, "Table 1.1.5. Gross Domestic Product," http://bea.gov/national/index.htm#gdp.

The Clean Air Act saves lives and strengthens the American workforce, and, as a result, the economic value of clean air far exceeds the costs. Expressed in dollar terms, the benefits of the Clean Air Act Amendments of 1990 alone are projected to reach approximately \$2 trillion in 2020 with an estimated cost of \$65 billion in that same year – a benefit to cost ratio of more than 30 to 1.³

It is also important not to overlook the jobs that come from building and installing pollution control equipment. For example, the U.S. boilermaker work force grew by approximately 35 percent, or 6,700 boilermakers, between 1999 and 2001 during the installation of controls to comply with EPA's regional nitrogen oxide reduction program. In an Op-Ed in the Wall Street Journal, 8 major utilities that will be affected by our greenhouse gas pollution standards said, "Contrary to claims that EPA's agenda will have negative economic consequences, our companies' experience complying with air quality regulations demonstrates that regulations can yield important economic benefits, including job creation, while maintaining reliability."

The Clean Air Act is a comprehensive statute that encompasses many different programs and parts. Each of these plays an important role in meeting the overall goal of improving public health by reducing air pollution. I will focus my remarks today on two current proposals required by the Act that are of critical importance to that goal.

Mercury and Air Toxics Standards Proposed Rule

On March 16, EPA proposed standards for mercury and other toxic air pollution from power plants. Although it has been many years since Congress enacted the requirement for standards to reduce power plants' toxic air emissions, when finalized, these standards would be the first-ever national standards for reducing toxic air pollutant emissions from power plants. While many power plants already meet these standards, the standards will require additional power plants to install widely available, proven pollution control technologies.

In 2016, deployment of these technologies will have the co-benefit of reducing particulate matter and ozone exposures which are estimated to prevent:

- 17,000 premature deaths
- 11,000 heart attacks

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³ Dale W. Jorgenson Associates (2002a). An Economic Analysis of the Benefits and Costs of the Clean Air Act 1970-1990. Revised Report of Results and Findings. Prepared for EPA.

⁴ International Brotherhood of Boilermakers, *Boilermaker Labor Analysis and Installation Timing*, March 2005, EPA Docket OAR-2003-0053 (docket of the Clean Air Interstate Rule).

⁵ Peter Darbee, chairman, president and CEO,PG&E Corp.; Jack Fusco, president and CEO, Calpine Corp.; Lewis Hay, chairman and CEO, NextEra Energy, Inc.; Ralph Izzo, chairman, president and CEO, Public Service Enterprise Group, Inc.; Thomas King, president, National Grid USA,; John Rowe, chairman and CEO, Exelon Corp.; Mayo Shattuck, chairman, president and CEO, Constellation Energy Group; Larry Weis, general manager, Austin Energy, "We're OK With the EPA's New Air-Quality Regulations," Letter to the Editor, Wall Street Journal, December, 8, 2010.

- 120,000 cases of childhood asthma symptoms
- 11,000 cases of acute bronchitis among children
- 12,000 emergency room visits and hospital admissions
- 850,000 days of work missed due to illness.

The Mercury and Air Toxics Standards will dramatically reduce the amount of mercury emitted by power plants. Mercury is a toxin that, depending on the form and dose, may cause neurological damage to adults, children, and fetuses developing in the womb. Mercury, depending on the form and dose, may cause neurological damage, including lost IQ points, in children who are exposed before birth and is also associated with impacts on children's cognitive thinking, memory, attention, language, and fine motor and visual spatial skills.

In addition, these standards will also significantly reduce emissions of:

- metals such as arsenic, chromium, and nickel, which cause cancer and other health risks:
- acid gases that cause lung damage and contribute to asthma, bronchitis and other chronic respiratory disease, especially in children and the elderly;
- and fine particle pollution, which causes a host of health problems including premature mortality and lung and heart problems.

Charles D. Connor, President and CEO of the American Lung Association said of this rule: "When it becomes final, the cleanup rule that the EPA is putting forward today will save lives, protect the health of millions of Americans and finally bring about an action that is 20 years overdue. This must happen."

This proposed rule, which is going through a public comment process, is the product of significant outreach to industry and other stakeholders. The Clean Energy Group, a coalition of electric power companies, said: "Since 2000, the electric industry has been anticipating that EPA would regulate hazardous air pollutant emissions, and as a result, many companies have already taken steps to install control technologies that will allow them to comply with requirements of the rule on time. The technologies to control emissions at coal-fired power plants, including mercury and hydrochloric acid, are available and cost-effective."

Transport Rule

On July 6 of last year, the Agency proposed the "Clean Air Transport Rule," which would significantly improve air quality in cities throughout the eastern half of the U.S. by requiring 31 states and the District of Columbia to reduce their emissions of sulfur dioxide (SO2) and oxides of nitrogen (NOx) which contribute to ozone and fine particle pollution across state lines.

The proposed Transport Rule replaces EPA's 2005 Clean Air Interstate Rule (CAIR). A December 2008 court decision kept the requirements of CAIR in place temporarily, but directed EPA to issue a new rule to implement the Clean Air Act requirements concerning the transport of air pollution across state boundaries. This action responds to the court's concerns.

The final version of this rule is currently under OMB review; however, at the proposed rule stage, we estimated that the rule would result in more than \$120 billion annually in health benefits by avoiding:

- 14,000 to 36,000 premature deaths,
- 21,000 cases of acute bronchitis,
- 23,000 nonfatal heart attacks,
- 26,000 hospital and emergency room visits,
- 1.9 million days when people miss work or school,
- 240,000 cases of aggravated asthma, and
- 440,000 cases of upper and lower respiratory symptoms.

These numbers represent a major improvement in the quality of life of literally millions of real people throughout the country – especially working families, children, and older Americans. And that improvement translates into substantial benefits for our economy. These two rules demonstrate the common sense actions that have been and can be taken under the Clean Air Act in order to improve public health by reducing harmful pollution through the application of available technologies.

I look forward to your questions.