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# United States Senate

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

WASHINGTON, DC 20510-6175

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May 25, 2011

The Honorable Barbara Boxer  
Madam Chairman  
Senate Committee on Environment and Public Works

Dear Senator Boxer:

I appreciate your agreement to hold hearings on the Environmental Protection Agency's (EPA) clean air regulations. As you are aware, I am concerned with the lack of oversight the Committee on Environment and Public Works (EPW) has exercised over EPA's new and pending mandates. These rules, many of which are projected to threaten the economic viability of America's manufacturing base, and put hundreds of thousands of jobs at risk, deserve the full scrutiny of the Committee. With your commitment, this Committee should begin to take a detailed look at the design and implementation of the EPA's aggressive agenda.

As members of the EPW Committee, our role is not only to legislate, but to ensure that our nation's environmental laws are implemented in a manner that reflects Congress' intent as well as the best interest of the public. While a number of hearings have been held at the subcommittee level, focusing narrowly on the benefits of clean air, the full Committee has not held any oversight hearings on the specific policies and regulations EPA is advancing. Certainly you will agree that regulations implementing the Clean Air Act - which involve challenging policy, legal and technical issues and that affect people across the country, at different income levels, and in different lines of work - deserve a thorough, on the record review and vetting by the full Committee.

Over the course of the past several Congresses, this Committee has aggressively sought to fulfill its oversight responsibilities. In fact, EPW has a tradition of careful and deliberate scrutiny of EPA's clean air rules, regardless of the party in control. Irrespective of our differences of opinion on the Obama Administration's policies, the members of this Committee have an obligation to understand how EPA's regulations will affect their constituents, regulated industries, and the country's economic well-being and environment.

During the past two years, EPA has moved forward with an unprecedented number of rules that will have enormous consequences for families, businesses, and the nation's fiscal well-being. Some 132 "economically significant" rules have been advanced by the

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current Administration in its first two years - a rate 40% higher than either the previous Bush or Clinton Administrations. Known in the power sector as the "EPA train wreck," these regulations will increase the cost of energy across the economy, hitting those who can least afford it—the working poor, the elderly, and veterans—the hardest. They will also hurt our schools and hospitals that are working on limited operational budgets in these tough economic times.

The scope EPA's regulatory agenda adds to our concern and underscores the need for effective oversight. For example, EPA's new greenhouse gas (GHG) regulations, which are projected to have no impact on climate change but will cost hundreds of billions of dollars to implement, require the scrutiny of this Committee. The Agency's voluntary reconsideration of the National Ambient Air Quality Standards for ground-level ozone - a decision being made based on outdated data that could lead to significant economic constraints on large sections of the country - is an additional Agency action in need of Congressional oversight.

EPA has moved forward with new regulations at a pace that also calls for oversight. Indeed, the Agency's aggressive schedule for a number of rulemakings has resulted in hastily proposed and poorly supported regulations which reflect negatively on EPA's technical prowess. EPA's adherence to sound regulatory development processes - such as providing sufficient time for stakeholders to comment, and allowing itself enough time to analyze those comments - is also a valid area for EPW inquiry. EPA's recent handling of the Maximum Achievable Control Technology standards for Industrial Boilers ("Boiler MACT") is a prime example of what can happen when effective oversight is not applied. In this instance, EPA finalized standards that were divorced from technological realities, only to have to stay and reconsider those regulations after they were finalized. Noting that the EPA is working under a similarly abbreviated schedule for its proposed Maximum Achievable Control Technology standards for electric utilities ("Utility MACT"), we hope this Committee will work to ensure a similar debacle doesn't ensue.

Finally, a number of current regulatory deadlines were set by consent decree allegedly to resolve litigation. Yet many of these agreements were made in the absence of stakeholder input and resulted in the Agency making significant policy decisions and regulatory commitments, over the objection of policymakers, and well beyond the scope of Congressional direction (e.g. EPA's commitment to issue New Source Performance Standards setting GHG limits for new and existing power plants and petroleum refineries).

Even in instances where regulation is required or warranted, there is no question that the suite of clean air rules now being implemented will have enormous effects on our economy and that we have an obligation to fulfill our oversight responsibilities. Similarly, regardless of disagreements over the direction of EPA's rules, we all have a responsibility to ensure the agency is conducting its business in a manner that is consistent with the law and standard practices of good government.

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Again, I appreciate your agreeing to hold hearings on EPA's clean air rules. It is my hope that through these hearings, we will examine the full range of implications the Agency's rules may impose on our nation's families and workers, regulated companies and our nation's fiscal well-being. I look forward to working with you on a sensible, effective, and thorough oversight schedule that befits the proud tradition of our Committee.

Sincerely,



James M. Inhofe

Ranking Member

Committee on Environment & Public Works