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Obama pulls back proposed smog standards, in victory for business

Washington Post
Friday, September 2, 10:40 AM
By Juliet Eilperin

President Obama abruptly pulled back proposed new national smog standards Friday morning, overruling the Environmental Protection Agency's efforts to compel states and communities nationwide to reduce local air pollution in the coming years or face federal penalties.

The move represented a win for the business community, which had lobbied to postpone new restrictions on ground-level ozone—known as smog—until 2013 in light of the current economic downturn.

In a statement, Obama praised EPA administrator Lisa P. Jackson's effort to improve the nation's air quality, but said he had asked her to withdraw the draft standards since they were scheduled to be reconsidered two years from now anyway.

"Work is already underway to update a 2006 review of the science that will result in the reconsideration of the ozone standard in 2013," Obama said. "Ultimately, I did not support asking state and local governments to begin implementing a new standard that will soon be reconsidered."

Ground-level ozone is formed when emissions from power plants, other industrial facilities, vehicles and landfills react in the sunlight. Smog can cause or aggravate health problems such as asthma and heart disease, and it has been linked to premature death.

The federal government normally reviews the standards for ground-level ozone—which includes a "primary" one for public health and a "secondary" one aimed at the environment-- every five years. But Jackson chose to revisit the standard, which was set under the Bush administration at 75 parts per billion in March 2008, because that level was significantly higher than the 60 to 70 ppb recommended by the EPA's scientific advisory committee at the time.

In January 2010, Jackson announced that she would set the standard somewhere between 60 and 70 parts per billion.

The proposed rule is so contentious because it requires counties to keep local pollution in check or risk losing federal funds, thereby halting or delaying the permitting of new industrial facilities. While the most polluted areas will have up to 20 years to meet the new standards, business leaders suggest it could stop certain operations from expanding once the economy rebounds.

The decision drew immediate fire from environmentalists.

“It’s unfortunate that the administration is siding with big oil over the health of children, seniors, and the infirm,” said Daniel J. Weiss of the Center for American Progress, a liberal think tank.

W.H. backs down on ozone rule

Politico
September 2, 2011 11:10 AM EDT
By Robin Bravender

President Barack Obama announced Friday that his administration has abandoned its plans to set tougher smog standards after coming under fierce pressure from industry and congressional Republicans.

Obama said he has asked EPA Administrator Lisa Jackson to withdraw her agency’s plans to tighten the George W. Bush administration’s 2008 ozone rule in light of his administration’s efforts to “underscore the importance of reducing regulatory burdens and regulatory uncertainty.”

Environmentalists immediately expressed great dismay at the decision.

"The Obama administration is caving to big polluters at the expense of protecting the air we breathe,” League of Conservation Voters President Gene Karpinski said in a statement. “This is a huge win for corporate polluters and huge loss for public health."

An EPA spokesperson did not immediately respond to a request for comment.

In January 2010, the EPA proposed to set the national health-based standard for ozone between 60 and 70 parts per billion when averaged over an eight-hour period. The Bush administration tightened the ozone limits from 84 ppb to 75 ppb in 2008, despite scientific advisers' recommendations to issue a standard between 60 ppb and 70 ppb.

Industry groups have launched an aggressive campaign in recent weeks to convince the administration to abandon its reconsideration, arguing that the final rule promises to be one of the most expensive environmental regulations ever imposed on the U.S. economy, with an estimated cost of up to $90 billion annually.

Obama on Friday said that the EPA should wait to revise the rule until the next scheduled round of review is due in 2013. Industry groups had made the same argument.

“Work is already underway to update a 2006 review of the science that will result in the reconsideration of the ozone standard in 2013,” Obama said. “Ultimately, I did not support asking state and local governments to begin implementing a new standard that will soon be reconsidered.”

Greens decried the decision Friday, and the White House is certain to face a backlash from the left over its decision.

"It's unfortunate that the Administration is siding with big oil over the health of children, seniors, and the infirm,” said Daniel Weiss, a senior fellow at the Center for American Progress Action Fund.

But Obama said his commitment to protecting public health and the environment is “unwavering,” adding that his administration “will continue to vigorously oppose efforts to weaken EPA's authority under the Clean Air Act or dismantle the progress we have made.”

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Obama Asks EPA to Withdraw Ozone Ambient Air Quality Rules
Bloomberg
September 1, 2011 04:00 AM
With assistance from Eric Martin in Washington. Editors: Steve Geimann, Larry Liebert

(Updates with comment from conservation group in fifth paragraph.)

Sept. 2 (Bloomberg) -- President Barack Obama said he's directed the Environmental Protection Agency to withdraw proposed rules to limit ozone emissions that lead to smog.

The draft rules have been faulted by Republicans and business leaders who contended the regulations would be too costly to implement. Obama said in a statement he is seeking to reduce regulatory burdens as the economy recovers.

"Ultimately, I did not support asking state and local governments to begin implementing a new standard that will soon be reconsidered," Obama said today in a statement. The rules will come up for a regular review in 2013, he said.

The EPA's proposed regulations for ground-level ozone, a main ingredient of smog, would have tightened those issued during President George W. Bush's administration in 2008. EPA Administrator Lisa Jackson had said that those rules wouldn't stand up to legal scrutiny. The EPA's proposal would have cost the economy $19 billion to $90 billion, making it the most expensive new regulation under consideration by the Obama administration, according to the White House.

"The Obama administration is caving to big polluters at the expense of protecting the air we breathe," Gene Karpinski, president of the League of Conservation Voters, an environmental group, said today in an e-mailed statement. "This is a huge win for corporate polluters and a huge loss for public health."

Business group representatives had met Aug. 16 with White House Chief of State William Daley to push their case for scrapping the ozone changes. They said the costs would be much greater than the administration estimated.

"Environmental concerns are legitimate, but sometimes the cost these policies impose is very significant," said Phil Levy, a fellow at the American Enterprise Institute in Washington and an economist in the Bush administration. "To the extent he's moving to balancing them more carefully, that should be applauded."

--With assistance from Eric Martin in Washington. Editors: Steve Geimann, Larry Liebert

Obama halts controversial EPA regulation

Associated Press
By DINA CAPPIELLO

WASHINGTON (AP) — President Barack Obama on Friday sacked a controversial proposed regulation tightening health-based standards for smog, bowing to the demands of congressional Republicans and some business leaders.

Obama overruled the Environmental Protection Agency and directed administrator Lisa Jackson to withdraw the proposal, in part because of the importance of reducing regulatory burdens and uncertainty for businesses at a time of rampant uncertainty about an unsteady economy.

The announcement came shortly after a new government report on private sector employment showed that businesses essentially added no new jobs last month — and that the jobless rate remained stuck at a historically high 9.1 percent.

The withdrawal of the proposed regulation marks the latest in a string of retreats by Obama in the face of Republican opposition. Last December, he shelved, at least until the end of 2012, his insistence that Bush-era tax cuts should no longer apply to the wealthy. Earlier this year he avoided a government shutdown by agreeing to Republican demands for budget cuts. And this summer he acceded to more than a $1 trillion in spending reductions, with more to come, as the price for an agreement to raise the nation's debt ceiling.

A spokesman for House Speaker John Boehner, R-Ohio, had muted praise for the White House, saying that withdrawal of the smog regulation was a good first step toward removing obstacles that are blocking business growth.

"But it is only the tip of the iceberg when it comes to stopping Washington Democrats' agenda of tax hikes, more government 'stimulus' spending, and increased regulations, which are all making it harder to create more American jobs," Boehner spokesman Michael Steel said.

The withdrawal of the proposed EPA rule comes three days after the White House identified seven such regulations that it said would cost private business at least $1 billion each. The proposed smog standard was estimated to cost anywhere between $19 billion and $90 billion, depending on how strict it would be.

Republican lawmakers have blamed what they see as excessive regulations backed by the Obama administration for some of the country's economic woes, and House Republicans pledged this week to try to block four environmental regulations, including the one on some pollution standards, when they return after Labor Day.

But perhaps more than some of the other regulations under attack, the ground-level ozone standard is most closely associated with public health — something the president said he wouldn't compromise in his regulatory review. Ozone is the main ingredient in smog, which is a powerful lung irritant that occasionally forces cancellation of school recesses, and causes asthma and other lung ailments.

Criticism from environmentalists, a core Obama constituency, was swift following the White House announcement.

"The Obama administration is caving to big polluters at the expense of protecting the air we breathe," said Gene Karpinski, the president of the League of Conservation Voters. "This is a huge win for corporate polluters and huge loss for public health."

In his statement, the president said that withdrawing the regulation did not reflect a weakening of his commitment to protecting public health and the environment.

"I will continue to stand with the hardworking men and women at the EPA as they strive every day to hold polluters accountable and protect our families from harmful pollution," he said.

The decision mirrors one made by Obama's predecessor, President George W. Bush. EPA scientists had recommended a stricter standard to better protect public health. Bush personally intervened after hearing

complaints from electric utilities and other affected industries. His EPA set a standard of 75 parts per billion, stricter than one adopted in 1997, but not as strong as federal scientists said was needed to protect public health.
The EPA under Obama proposed in January 2010 a range for the concentration of ground-level ozone allowed in the air — from 60 parts per billion to 70 parts per billion. That's about equal to a single tennis ball in an Olympic-size swimming pool full of tennis balls.
Jackson, Obama's environmental chief, , said at the time that "using the best science to strengthen these standards is a long overdue action that will help millions of Americans breathe easier and live healthier."
Obama has scheduled a primetime speech to a joint session of Congress and the nation next Thursday night to outline plans he has made for combating high joblessness and spurring economic growth.
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Obama Tells EPA To Ditch New Ozone Regulations

ABC news
September 2, 2010
By AMY BINGHAM

The House will vote each week to roll back regulations on everything from more stringent Ozone standards to coal ash emissions. (Getty Images)

Just days after House Majority Leader Eric Cantor announced the House would begin voting to repeal proposed air quality regulations that he said would prevent job growth, President Obama instructed the Environmental Protection Agency to withdraw its proposed ozone regulations.

"I have continued to underscore the importance of reducing regulatory burdens and regulatory uncertainty, particularly as our economy continues to recover," Obama said in a statement.

Obama said the standards are already being revised and would have to be updated again in 2013.

"Ultimately, I did not support asking state and local governments to begin implementing a new standard that will soon be reconsidered," Obama said in the statement.

In a jobs agenda memo to House Republicans, Cantor said the proposed ozone regulations would be "possibly the most harmful of all the currently anticipated Obama administration regulations" and would cost at least $1 trillion over a decade to implement. The EPA estimates that the public health benefits from the regulations could save up to $100 billion per year.

Besides small business tax breaks, Cantor's plan to ignite job growth was focused entirely on preventing new federal regulations from taking effect. All but three of the 10 regulations Cantor targeted are Environmental Protection Agency rules geared toward limiting power plant emissions.

"By pursuing a steady repeal of job-destroying regulations, we can help lift the cloud of uncertainty hanging over small and large employers alike, empowering them to hire more workers," Cantor, R-Va., wrote in the memo to House Republicans.

But EPA Administrator Lisa Jackson wrote Wednesday in a Huffington Post Op-ed that delaying the implementation of the proposed standards would "leave companies uncertain about investing" and prevent them from creating more jobs.

"Pledges to weaken or slow proposed standards, many of which have been developed over years and with industry input, prevent businesses from investing in those jobs," she wrote.

Getty Images
The House will vote each week to roll back... View Full Size

Getty Images
The House will vote each week to roll back regulations on everything from more stringent Ozone standards to coal ash emissions. Will Company's Bankruptcy Hurt Obama Jobs Record? Watch Video
Obama's Battle for Jobs: A Timeline Watch Video
Jobs: Call Centers Back in U.S. Watch Video
Cantor claims the regulations are "costly bureaucratic handcuffs" and will destroy millions of jobs. Under his plan the House will vote each week to roll back regulations on everything from more stringent ozone standards to coal ash emissions, a by-product of coal-burning power plants.

"There are a plethora of clean air rules that are collectively and disparagingly called the 'train wreck' by the business community," said Luke Popovich, a spokesman for the National Mining Association.

Poppvich said the EPA rules are a "double whammy" because energy producers would either have to absorb the added cost of implementing the regulations or pass the costs on to consumers.

"What is at stake is it raises the cost of doing business or raises the cost of energy and therefore depresses economic investment and depresses job creation," he said.

An EPA official, on the other hand, said the agency has been implementing regulations like these since its inception in 1970, both when the economy was booming and when it was lagging.

"The EPA's regulations have had nothing to do with the current economic recovery that we're in," the EPA official said. "We've been doing this for 40 years. The bottom line is the economy continues to grow in the United States while we continue to do environmental control in the United States."

Some scientists claim that environmental regulation does not kill jobs because stricter standards spur innovation, which in turn creates jobs.

"In 1970 the Clean Air Act put out standards for cars that were beyond the capability of the car industry in 1970," said Marchant Wentworth, the deputy legislative director for the Climate and Energy Program at the Union of Concerned Scientists. "They met those standards because those standards spurred innovation.

"This is the pattern with environmental protection in this country," Wentworth continued. "Standards and regulations have spurred innovation in the marketplace."

Wentworth said Cantor is only looking at one side of the coin because it is far easier to calculate the cost of adding new technology to comply with more strict regulations than to calculate the benefits of less pollution.

"What is harder to determine is the benefits that your grandmother may feel when she avoids her next dose of asthma attack. Those are real benefits, but they are just diffused," Wentworth said.

While Cantor writes that the proposed regulations would cost billions of dollars to implement, the EPA argues that these initial costs would be dwarfed by the health care cost savings from improved public health.

"These rules aggregately will prevent tens of thousands of premature deaths," an EPA official said. "We're talking about mercury in children, fine particle soot pollution that causes cardiovascular impacts, and respiratory impacts that can result in premature deaths."

Popovich said the mining industry is not necessarily against the regulations, but is more opposed to the quick timelines set for implementing them, which he says do not give companies enough time to develop and implement new technologies.

"Much of the concern isn't telling the EPA you have no business doing this," he said. "It is simply telling them you are going about it the wrong way."

Obama Halts EPA Regulation On Smog Standards

Huffington Post
September 2, 2011
By JULIE PACE and DINA CAPPIELLO 09/ 2/11 11:31 AM ET

WASHINGTON -- President Barack Obama on Friday sacked a controversial proposed regulation tightening health-based standards for smog, bowing to the demands of congressional Republicans and some business leaders.

Obama overruled the Environmental Protection Agency and directed administrator Lisa Jackson to withdraw the proposal, in part because of the importance of reducing regulatory burdens and uncertainty for businesses at a time of rampant uncertainty about an unsteady economy.

The announcement came shortly after a new government report on private sector employment showed that businesses essentially added no new jobs last month – and that the jobless rate remained stuck at a historically high 9.1 percent.

The withdrawal of the proposed regulation marks the latest in a string of retreats by Obama in the face of Republican opposition. Last December, he shelved, at least until the end of 2012, his insistence that Bush-era tax cuts should no longer apply to the wealthy. Earlier this year he avoided a government shutdown by agreeing to Republican demands for budget cuts. And this summer he acceded to more than a $1 trillion in spending reductions, with more to come, as the price for an agreement to raise the nation's debt ceiling.

A spokesman for House Speaker John Boehner, R-Ohio, had muted praise for the White House, saying that withdrawal of the smog regulation was a good first step toward removing obstacles that are blocking business growth.

"But it is only the tip of the iceberg when it comes to stopping Washington Democrats' agenda of tax hikes, more government `stimulus' spending, and increased regulations, which are all making it harder to create more American jobs," Boehner spokesman Michael Steel said.

The withdrawal of the proposed EPA rule comes three days after the White House identified seven such regulations that it said would cost private business at least $1 billion each. The proposed smog standard was estimated to cost anywhere between $19 billion and $90 billion, depending on how strict it would be.

Republican lawmakers have blamed what they see as excessive regulations backed by the Obama administration for some of the country's economic woes, and House Republicans pledged this week to try to block four environmental regulations, including the one on some pollution standards, when they return after Labor Day.

But perhaps more than some of the other regulations under attack, the ground-level ozone standard is most closely associated with public health – something the president said he wouldn't compromise in his regulatory review. Ozone is the main ingredient in smog, which is a powerful lung irritant that occasionally forces cancellation of school recesses, and causes asthma and other lung ailments.

Criticism from environmentalists, a core Obama constituency, was swift following the White House announcement.

"The Obama administration is caving to big polluters at the expense of protecting the air we breathe," said Gene Karpinski, the president of the League of Conservation Voters. "This is a huge win for corporate polluters and huge loss for public health."

In his statement, the president said that withdrawing the regulation did not reflect a weakening of his commitment to protecting public health and the environment.

"I will continue to stand with the hardworking men and women at the EPA as they strive every day to hold polluters accountable and protect our families from harmful pollution," he said.

The decision mirrors one made by Obama's predecessor, President George W. Bush. EPA scientists had recommended a stricter standard to better protect public health. Bush personally intervened after hearing complaints from electric utilities and other affected industries. His EPA set a standard of 75 parts per billion, stricter than one adopted in 1997, but not as strong as federal scientists said was needed to protect public health.

The EPA under Obama proposed in January 2010 a range for the concentration of ground-level ozone allowed in the air – from 60 parts per billion to 70 parts per billion. That's about equal to a single tennis ball in an Olympic-size swimming pool full of tennis balls.

Jackson, Obama's environmental chief, , said at the time that "using the best science to strengthen these standards is a long overdue action that will help millions of Americans breathe easier and live healthier."

Obama has scheduled a primetime speech to a joint session of Congress and the nation next Thursday night to outline plans he has made for combating high joblessness and spurring economic growth.

Obama Pulls Back Proposal to Tighten Clean Air Rules

New York Times
By JOHN M. BRODER
September 2, 2011

WASHINGTON — The Obama administration is abandoning its plan to immediately tighten air-quality rules nationwide to reduce emissions of smog-causing chemicals after an intense lobbying campaign by

industry, which said the new rule would cost billions of dollars and hundreds of thousands of jobs, officials said Friday.

The Environmental Protection Agency, following the recommendation of its scientific advisers, had proposed lowering the so-called ozone standard from that set by the Bush administration to a new stricter standard that would have thrown hundreds of American counties out of compliance with the Clean Air Act. It would have required a major effort by state and local officials, as well as new emissions controls by industries and agriculture across the country.

The more lenient Bush administration standard from 2008 will remain in place until a scheduled reconsideration of acceptable pollution limits in 2013, officials indicated Friday.

In a statement, the president reiterated his commitment to environmental concerns, but said, “At the same time, I have continued to underscore the importance of reducing regulatory burdens and regulatory uncertainty, particularly as our economy continues to recover. With that in mind, and after careful consideration, I have requested that Administrator Jackson withdraw the draft Ozone National Ambient Air Quality Standards at this time.”

In a letter to Lisa P. Jackson, the E.P.A. administrator, the head of the White House office of regulatory affairs, Cass Sunstein, said that the president was rejecting her proposal to tighten the standard.

“He has made it clear he does not support finalizing the rule at this time,” Mr. Sunstein said.

Mr. Sunstein said that changing the rule now would create uncertainty for business and local government. He also said there was no compelling reason to rewrite the ozone standard in advance of the scheduled reconsideration in 2013, a key demand of business interests.

Ms. Jackson said in a statement, “This administration has put in place some of the most important standards and safeguards for clean air in U.S. history: the most significant reduction of sulfur dioxide and nitrogen oxide air pollution across state borders; a long-overdue proposal to finally cut mercury pollution from power plants; and the first-ever carbon pollution standards for cars and trucks.”

She said her agency would revisit the ozone standard, in compliance with the Clean Air Act.

Mr. Sunstein told Ms. Jackson that since the rule is due for reconsideration in 2013, an earlier review would promote confusion and uncertainty.

“In this light,” he wrote, “issuing a final rule in late 2011 would be problematic in view of the fact that a new assessment, and potentially new standards, will be developed in the relatively near future.”

Environmental advocates expressed dismay at the decision.

League of Conservation Voters President Gene Karpinski issued the following statement:

“The Obama administration is caving to big polluters at the expense of protecting the air we breathe,” Mr. Karpinski said. “This is a huge win for corporate polluters and huge loss for public health.”

Mr. Sunstein said he was carefully scrutinizing regulations across the government to assure that they are cost-efficient and based on the best current science. He said that the E.P.A.’s scientific advisory panel

should take a closer look at the most feasible level of ozone pollution consistent with environmental and health protections.

The issue had become a flashpoint between the administration and Republicans in Congress, who held up the proposed ozone rule as a test of the White Houses commitment to regulatory reform and job creation. Imposing the new rule before the 2012 election would have created political problems for the administration and for Democrats nationwide seeking election in a brittle economy.

Leaders of major business groups — including the United States Chamber of Commerce, the National Association of Manufacturers, the American Petroleum Institute and the Business Roundtable — met with Ms. Jackson and with top White House officials earlier this summer seeking to moderate, delay or kill the rule. They told William Daley, the White House chief of staff, that the rule would be very costly to industry and would hurt Mr. Obama's chances for re-election.

John Engler, the former governor of Michigan and chairman of the Business Roundtable, said that the rule should be reconsidered in 2013, regardless of who is president. But he added that he thought Mr. Obama's chances of retaining the office would be better if he dropped or delayed the ozone rule.

Representative Eric Cantor, the majority leader, said this week that the House would review the ozone rule, along with a number of other environmental rules that he characterized as "job-killers." The ozone rule, he said in a memo to Republican members, was one of the most onerous of the Obama administration's proposed rules.

"This effective ban or restriction on construction and industrial growth for much of America is possibly the most harmful of all the currently anticipated Obama administration regulations," Mr. Cantor wrote. He said that the impact would be felt across the economy and cost as much as $1 trillion and millions of jobs over the next decade.

The current standard for ozone is 75 parts per billion, set by the Bush administration in 2008 over the objections of E.P.A. scientists, who said that a standard between 60 ppb and 70 ppb was needed to protect public health. Ms. Jackson made clear her intention to follow the scientific advice and set a new, lower standard, by the end of this year. She has told associates that her ability to address this problem would be a reflection of her ability to perform her job.

Ozone, or smog, contributes to a variety of ailments, including heart problems, asthma and other lung disorders.

Obama Asks EPA to Withdraw Proposed Ozone Rule Article Comments (92) more in Politics & Policy

Wall Street Journal
September 2, 2011
By DEBORAH SOLOMON, JARED FAVOLE and TENNILLE TRACY

President Barack Obama, citing the nation's struggling economy, asked the Environmental Protection Agency to withdraw an air quality rule that Republicans and business groups have said could cost tens of billions of dollars a year or more and kill thousands of jobs.

The surprise move came as the economic recovery continued to show signs of stalling, with the labor market failing to add new jobs in August for the first time since September 2010.

In a statement, Mr. Obama said he supported efforts to promote clean air but added, "I have continued to underscore the importance of reducing regulatory burdens and regulatory uncertainty, particularly as our economy continues to recover."

The rule, which would have tightened standards for smog-forming ozone, has been under attack for months from industry groups and lawmakers. Republicans have cited the rule as a prime example of the regulatory overreach that they say is hampering the economic recovery.

Earlier this week, Mr. Obama, in a letter to House Speaker John Boehner (R., Ohio), said the proposal could cost the economy an estimated $19 billion to $90 billion. House Republicans had said they would hold a vote this winter on a bill to prevent its implementation.

A passenger enters a Kansas City Metro bus that warns of an Ozone Alert in Kansas City, Missouri, last month.

In pulling the plug, the White House appears to have judged that it had more to lose from industry and Republican criticism than it had to gain from environmental groups and others who support the rule. It had already become an issue in the 2012 presidential campaign, with Republican challengers citing the proposal in speeches and debates.

In a statement Friday before the White House move, Mr. Boehner cited "excessive federal regulations" as one reason for the weak employment numbers.

The EPA issued its proposal in January 2010, calling for ozone standards to be tightened to a range of 60 to 70 parts per billion, down from the current 75. The tighter standard would have put many states and counties out of compliance and required them to come up with detailed plans to curb emissions. That in turn could have made it harder for some new oil and gas projects to go forward.

Reaction from environmental groups was swift. "The Obama administration is caving to big polluters at the expense of protecting the air we breathe," League of Conservation Voters President Gene Karpinski said in a statement. "This is a huge win for corporate polluters and huge loss for public health."

Mr. Obama left open the possibility that the EPA proposal could be revived later, saying the ozone standard will be reconsidered in 2013.

"Ultimately, I did not support asking state and local governments to begin implementing a new standard that will soon be reconsidered," his statement said.

White House officials said the president made the decision Thursday.

Write to Deborah Solomon at deborah.solomon@wsj.com, Jared Favole at jared.favole@dowjones.com and Tennille Tracy at tennille.tracy@dowjones.com

Obama decides against change in ozone standards

USA TODAY
By Richard Wolf

President Obama decided Friday morning not to raise ozone standards for air pollution favored by environmentalists but decried by business groups and Republicans.

In his decision, relayed to Environmental Protection Agency Administrator Lisa Jackson, Obama cited the need to remove uncertainty for businesses that would be affected.

"I have continued to underscore the importance of reducing regulatory burdens and regulatory uncertainty, particularly as our economy continues to recover," Obama said. "Ultimately, I did not support asking state and local governments to begin implementing a new standard that will soon be reconsidered."

The move was immediately heralded by Republican leaders as more important than Obama's upcoming speech on jobs to a joint session of Congress, set for next Thursday.

"This action alone will prevent more job losses than any speech the president has given," said Senate Republican leader Mitch McConnell. "I hope he will listen to the bipartisan calls from across the country to address his administration's negative impact on job creation."

Complying with the new regulation could have cost from $20 billion to $90 billion annually, making it by far the most expensive new rule on the federal books. It topped the list of proposed regulations that could cost more than $1 billion demanded recently by House Speaker John Boehner.

"We're glad that the White House responded to the speaker's letter and recognized the job-killing impact of this particular regulation," said Boehner spokesman Michael Steel. "But it is only the tip of the iceberg when it comes to stopping Washington Democrats' agenda of tax hikes, more government 'stimulus' spending, and increased regulations, which are all making it harder to create more American jobs."

The U.S. Chamber of Commerce, congressional Republicans and others had complained that raising ozone standards for air pollution would cost billions of dollars and result in lost jobs. A study last year by the Manufacturing Alliance predicted as many as 7.3 million jobs could be lost by 2020.

The issue of excessive federal regulations is gaining steam in Washington. Obama has ordered agencies to roll back old, redundant rules that are no longer needed. House Republicans are putting together a fall agenda focused on easing the regulatory burden on business.

When Congress passed the Clean Air Act in 1970, it required the EPA to review the allowable pollutant levels every five years. A new ozone standard was announced in 2008.

However, because it was set at 75 parts per billion and the EPA's outside panel of scientists had recommended a range between 60 and 70 parts per billion, clean air advocacy groups went to court to get it changed. Jackson said the 2008 level was not "legally defensible."

The administration already had missed several deadlines to change the standard for smog from the level set by the Bush administration in 2008.

More than 175 business organizations sent a letter to Obama last month asking that the pending standard, which would set a tougher air pollution standard for industries to meet, be delayed at least until 2013.

"The president's decision is good news for the economy and Americans looking for work," said Jack Gerard, president of the American Petroleum Institute. "EPA's proposal would have prevented the very job creation that President Obama has identified as his top priority."

Ross Eisenberg of the U.S. Chamber of Commerce said the decision points to possible compromise between the White House and Republicans on a regulatory agenda.

"We're hoping that this will springboard into real, serious regulatory reform legislation," he said.

White House officials said the decision had nothing to do with industry pressure or politics. But it came in the wake of another bad monthly jobs report that showed no jobs added in August on a net basis.

It was relayed to the EPA by Cass Sunstein, administration of the White House Office of Information and Regulatory Affairs. He wrote that Obama "has made it clear that he does not support" raising the ozone standards now.

"Finalizing a new standard now is not mandatory and could produce needless uncertainty," Sunstein wrote, noting that current ozone standards must be reviewed by 2013 anyway.

At the same time, administration officials took pains to defend their environmental record. Heather Zichal, deputy assistant to the president for energy and climate change, posted on the White House blog a list of achievements, such as new fuel efficiency standards for cars and trucks and the first national standard to reduce mercury from power plants.

"Over the last two and a half years, the Obama administration has taken unprecedented steps forward to protect the public health of American families by reducing harmful air pollution," Zichal wrote. "Taken together, the administration's clean air achievements will produce enormous benefits for public health and the environment, while promoting the nation's continued economic growth and well-being. "

Jackson defended her agency's actions on air pollution and said the ozone standard still will get reviewed in the future.

"Since day one under President Obama's leadership, EPA has worked to ensure health protections for the American people, and has made tremendous progress to ensure that Clean Air Act standards protect all Americans by reducing our exposures to harmful air pollution like mercury, arsenic and carbon dioxide," Jackson said.

"This administration has put in place some of the most important standards and safeguards for clean air in U.S. history: the most significant reduction of sulfur dioxide and nitrogen oxide air pollution across state borders; a long-overdue proposal to finally cut mercury pollution from power plants; and the first-ever carbon pollution standards for cars and trucks."

Nevertheless, environmental groups usually allied with the White House quickly blasted Obama's decision.
"The Obama administration is caving to big polluters at the expense of protecting the air we breathe," said Gene Karpinski, president of the League of Conservation Voters. "This is a huge win for corporate polluters and huge loss for public health."

Michael Brune, executive director of the Sierra Club, said Obama was "putting the interest of coal and oil polluters first."

" Half of U.S. families live in places where it is literally unsafe to breathe the air," he said. "Kicking the inhaler down the road will do nothing to protect our children."

Friends of the Earth managing director David Hirsch accused the president of "taking his cues from (House Republican leader) Eric Cantor."

"President Obama decided today to trash fundamental protections for Americans' health," Hirsch said. "His decision will mean more children suffering from asthma and more permanent lung damage for adults."

"Slow-walking is no way to govern when it comes to protecting the health of all Americans, especially children and the elderly, the most vulnerable among us," said Frances Beinecke, president of the Natural Resources Defense Council. "Our public officials, including those in the White House, are there to protect us from harm. They need to get on with doing their jobs."

The environmental law group Earthjustice had sued to challenge the standards on behalf of five other organizations, but it was put on hold while the administration considered raising them. The American Lung Association said Friday it will look to revive the lawsuit.

"The Obama administration knows the heavy cost of smog pollution but has made the terrible decision to leave outdated, weak standards in place, leaving thousands of Americans who suffer from lung and breathing problems at the mercy of this dirty air," said Martin Hayden of Earthjustice.

"Sacrificing American lives and forcing our friends and family members who suffer from asthma to breathe dirty air is a poor legacy for President Obama. Keeping weak, inefficient standards in place is not the change we were promised."

But Republicans in Congress heralded it as the right medicine for an ailing economy.

"Job creators scored a major victory today in the fight against Washington's red tape," said Sen. John Barrasso, R-Wyo., leader of Senate Republicans' effort on regulations. "After months of discussions, the White House finally admitted that its ozone rule was completely unnecessary and bad for our economy."

Others, however, have argued that tougher ozone standards would save money currently lost when Americans get sick from air pollution.

"Those rules will generate billions of economic benefits in excess of compliance costs," said Michael Livermore, executive director of the Institute for Policy Integrity at New York University School of Law.

"With each year of delay, that means additional costs imposed on the public, included lost productivity, hospital bills, more asthma cases, and untimely deaths."

Here's the president's statement:

Over the last two and half years, my administration, under the leadership of EPA Administrator Lisa Jackson, has taken some of the strongest actions since the enactment of the Clean Air Act four decades ago to protect our environment and the health of our families from air pollution. From reducing mercury and other toxic air pollution from outdated power plants to doubling the fuel efficiency of our cars and trucks, the historic steps we've taken will save tens of thousands of lives each year, remove over a billion tons of pollution from our air, and produce hundreds of billions of dollars in benefits for the American people.

At the same time, I have continued to underscore the importance of reducing regulatory burdens and regulatory uncertainty, particularly as our economy continues to recover. With that in mind, and after careful consideration, I have requested that Administrator Jackson withdraw the draft Ozone National Ambient Air Quality Standards at this time. Work is already underway to update a 2006 review of the science that will result in the reconsideration of the ozone standard in 2013. Ultimately, I did not support asking state and local governments to begin implementing a new standard that will soon be reconsidered.

I want to be clear: my commitment and the commitment of my administration to protecting public health and the environment is unwavering. I will continue to stand with the hardworking men and women at the EPA as they strive every day to hold polluters accountable and protect our families from harmful pollution. And my administration will continue to vigorously oppose efforts to weaken EPA's authority under the Clean Air Act or dismantle the progress we have made.

Contributing: Elizabeth Weise

Obama asks EPA to back off draft ozone standard

Los Angeles Times
September 2, 2011, 8:20 a.m.
By Neela Banerjee

President Obama announced Friday that he has asked the Environmental Protection Agency to drop controversial rules to cut smog levels, a move welcomed by the business community that has long decried them as onerous but one sure to alienate the president's environmental base even further as his administration backs away from key anti-pollution initiatives.

In a statement issued by the White House, the president said: "I have continued to underscore the importance of reducing regulatory burdens and regulatory uncertainty, particularly as our economy continues to recover. With that in mind, and after careful consideration, I have requested that Administrator [Lisa] Jackson withdraw the draft Ozone National Ambient Air Quality Standards at this time."

"Work is already underway to update a 2006 review of the science that will result in the reconsideration of the ozone standard in 2013. Ultimately, I did not support asking state and local governments to begin implementing a new standard that will soon be reconsidered," the statement concluded.

Low-level atmospheric ozone occurs when sunlight reacts with air containing hydrocarbons and emissions like nitrogen oxide. Research shows that living in areas with high concentrations of ozone worsens respiratory ailments. The EPA estimates that up to 12,000 lives could be saved annually from implementing the new standards.

After agreeing to work with environmentalists who had sued over the standards, the EPA has delayed issuing rules on low-level ozone, the main ingredient in smog, four times since 2010.

Most recently, it brushed aside a self-imposed July 29 deadline. Many in industry and the environmental community had expected the EPA to issue the rules and implementation guidelines by an Aug. 12 deadline to file a proposal for next steps with a court, as part of a pending lawsuit.

Environmental groups swiftly criticized the decision as the most recent surrender by the administration to the business lobby.

"The Obama administration is caving to big polluters at the expense of protecting the air we breathe," said League of Conservation Voters President Gene Karpinski. "This is a huge win for corporate polluters and huge loss for public health."

Business groups welcomed the move as protecting job growth. "The president's decision is good news for the economy and Americans looking for work," said Jack Gerard, president of the American Petroleum Institute, the country's leading oil and gas lobby. "EPA's proposal would have prevented the very job creation that President Obama has identified as his top priority. Ozone levels and air quality continue to improve under current regulations and our industry is committed to making the air we all breathe cleaner while creating new jobs."

House Speaker John Boehner called the move a "good first step."

"But it is only the tip of the iceberg when it comes to stopping Washington Democrats' agenda of tax hikes, more government 'stimulus' spending, and increased regulations -- which are all making it harder to create more American jobs," he said.
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Obama administration delays ozone rules again

Houston Chronicle
By Matthew Tresaugue
September 2, 2011 at 10:21 am

The Obama administration is shelving plans to tighten federal limits for ozone, a lung-irritating pollutant that has fouled Houston’s air for decades.

Today’s decisions comes amid complaints from industry and business groups who say the new ozone, or smog, limit could be the most expensive environmental rule in U.S. history.

President Obama said in a statement that he asked the Environmental Protection Agency to wait until 2013 for the regularly scheduled review of the ozone limit before finalizing it. The federal agency already had delayed a final decision four times in the past year.

The American Petroleum Institute, an industry group, praised the move.

“The president’s decision is good news for the economy and Americans looking for work,” API President and CEO Jack Gerard said in a statement. “EPA’s proposal would have prevented the very job creation that President Obama has identified as his top priority.”

The EPA estimates that complying with the new limits would cost $19 billion to $90 billion a year but says those costs would be offset by the benefits to public health.

Smog is created when sunlight cooks a mixture of chemicals emitted mostly by vehicles, industrial plants and refineries. Ozone is the main ingredient of smog, and chronic exposure has been linked to asthma attacks, chest pain and premature death.

The proposed smog level would be 60 to 70 parts ozone per billion parts air, down from 75 parts per billion, as established by the Bush administration in 2008. The EPA says the more stringent standard reflects scientific studies showing that ozone poses greater health risks than previously thought.

EPA Administrator Lisa Jackson has said she thinks the 2008 smog limit is not legally defensible, given the scientific evidence of the widespread pollutant’s effect on public health. The agency said it intends to finalize the new limit “shortly.”

The 2008 decision went against the recommendation of an EPA-appointed panel of science advisers. The panel said the ozone limit should be no higher than 70 parts per billion and perhaps as low as 60.

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