

The Clean Air Rules of 2004: The Next Chapter in America's Commitment to Clean Air

**Address to the National Press Club
US EPA Administrator Michael Leavitt
April 14, 2004**

Today I will define a new chapter in America's commitment to clean air; it lays out a vision that acknowledges our nation's environmental aspirations and the realities of economic globalism. It is a vision that contemplates new and better approaches in producing one of the most productive periods of air quality improvement in our nation's history.

Sitting in my study recently, I started listening to one of those best-of-the-60s-and-70s CD collections. The music swept me back.

Nothing conjures up that era quite like Three Dog Night, Chicago, or the Rolling Stones. Crank up songs like *Joy to the World*, *Saturday in the Park*, *I can't get no Satisfaction*; and you get that "change the world" feeling all over again.

In 1970, I was 19 years old and left home to live in Oregon. What an era that was – Vietnam, flower children, long hair and bell-bottom pants. But what was also memorable to me was the emergence of a new environmental consciousness.

For years we had been reckless with our beautiful blue planet. Air pollution was turning noon to night. Rivers caught fire. Toxic wastes threatened our communities. Alarms were going off.

Then on April 22, 1970, millions of people across the nation and around the world came together for the first Earth Day.¹ It stirred public opinion. People felt it.

I wasn't involved in politics at all back then, but I have a clear memory of Governor Tom McCall of Oregon proposing the nation's first bottle bill and imposing fines for littering. It was controversial, but I got it. It resonated with me. We were a nation ready to change.

Do you remember the classic television ad with Chief Iron Eyes Cody² looking over the land and then, without words, a tear rolled down his cheek? "People start pollution," said the narrator's voice, "people can stop it." That ad expressed for millions something we felt inside. We were wasting the world. It moved a generation.

Some dismissed the early environmental movement as a fad. But a fad it wasn't.

Not long after the first Earth Day, the Environmental Protection Agency was

created.³ Within a few years the Clean Air and Clean Water Acts were the laws of the land.

Subsequent decades brought more; more cleanups, more remediation, more improvement – and more of the personal changes of heart that transformed a throw-away culture into a recycling generation.

In three decades, the United States has taken on an environmental maturity and made more progress than any previous period in history. We have cut air pollution in half, cleaned up lakes and streams, installed sewer and drinking water systems and begun the process of healing the land from generations of abuse.

Environmental improvement became the job of every citizen; it created an assumption that environmental responsibility will be priced into our business models, factored into our plans and enforced by our laws.

Our environmental maturity has taught us many lessons:

We learned the importance of high national standards and neighborhood solutions.⁴

We learned that people do more, and they do it faster if they are given incentives to do what is in the public interest.

Thirty years have reinforced over and over again the lesson that science and technology are the engines of environmental progress. They make the improbable possible.

And perhaps the most important lesson: the job is never done. In fact, each increment of progress gets harder because we're now reaching for the high-hanging fruit. We have to keep moving forward, relentlessly pursuing improvement and finding better ways.

Environmental maturity wasn't the only world-shaping force at work over the past three decades. Computers and the Internet were erasing national boundaries, reordering social and economic systems and creating a global economy.

We started the 1970s as a world where continents and economic systems naturally limited competition. In thirty short years, we have been transformed into a place where ideas, capital and jobs can be transported with the click of a mouse and competition for all three has been expanded to involve the entire world. According to the Bureau of Labor Statistics,⁵ U.S. manufacturing companies pay compensation which averages \$21.33 an hour. We are competing with companies in Singapore that pay \$7.27 an hour, Taiwan (\$5.41 an hour) or Mexico (\$2.38 an hour).

There's a conundrum here. Without a healthy environment, prosperity can't be

sustained. The flip side: without economic competitiveness, environmental investment gets squeezed. Looking abroad, we are reminded that nothing promotes pollution like poverty. The resolution is obvious; we have to get better at achieving environmental progress.

That conundrum creates an undeniable tension between our environmental aspirations and our economic desires. That tension is felt in policy discussions, international trade talks, but most of all, in head-to-head business competitions every day.

Staying competitive in a global market requires constant improvement in every component of the economic process. In a manufacturing business, we look for micro-seconds of efficiency on the production line. That improvement process has to apply to our efforts at environmental protection. We have to learn to do it faster, less expensively and with less economic friction.

Unfortunately, this subject gets political. Critics in one party attempt to brand the other as uncaring and of stepping back from our national commitment. The reality: we have made a national commitment to environmental improvement. These debates are not just partisan: they are a tension between old thinking and new thinking;⁶ between those who seek to protect the status quo they created, and those who seek a better way, a way that is faster, goes further and does more with less cost.

Cleaning the air is a generational relay. Each generation and each Administration – from either political party – builds upon the work of those who came before.

Our goal is to accelerate the velocity of environmental progress and to do it in a way that maintains our national competitiveness. That objective is well illustrated in our national clean air strategy.

We call it a clean air strategy,⁷ but the impact is so much more. This is about health – people living longer, living better, living with less sickness and living with less suffering. It's about the fitness of the American economic team, now and in the future. It's about reducing the number of days our children miss school. It's about how productive our workers are. It's about how much of our national wealth needs to be devoted to treating the sick rather than educating the well. Quite clearly, it's about our ability to compete in the world.

A little Clean Air Act history⁸ will be helpful here. In 1970, Congress passed the Clean Air Act and required the EPA to periodically set standards for specific pollutants. In 1971 and again in 1979, the EPA established standards for smog, often referred to as the one-hour ozone standard. In 1987, we established the PM10 particle standard for soot.

Areas not attaining the national standards were designated, state plans were developed and the air began to improve.

Even as air was improving, research was showing two things: long-term exposure to levels of ozone below the existing standard was also harmful, and particles smaller than the 10 micron standard were of even greater concern than the larger particles.

In 1997, the EPA established an even more stringent requirement called the 8-hour ozone⁹ and PM2.5 standards.¹⁰ It's now time for the next steps on those new and more protective standards.

I want to pause here to emphasize an important point.

Earlier this week, I did an interview with a journalist about this subject. In the course of our conversation he used the phrase "dirtier air." In the United States, there may be a few places where the phrase "dirtier air" can be properly used but there are not very many.

Clean air is a national success story.¹¹ In the last 30 years we cut the pollution in half and now we're going to raise the bar for everybody, no exceptions. Cities and suburbs? Yes. Rural America? Yes. National parks? Absolutely.

This isn't about the air getting dirtier. The air is getting cleaner. These new rules are about our new understanding of health threats; about our standards getting tougher and our national resolve to meet them.

Tomorrow, in my role as Administrator of the Environmental Protection Agency, I will declare every part of the United States to be in one of two general categories: those who have attained the higher standards and those who have not.¹²

Those that don't will be classified in seven levels of non-attainment ranging from marginal to extreme. The further out of attainment an area is, the more rigorous their actions to clean their air must be.

There is a lot of good news in this announcement; 19 entire states are meeting the new more protective standard. We find no nonattainment areas in the northwest. There are no nonattainment areas in the five great basin and Rocky Mountain States, nor in the five great plain states north of Texas. The entire population in Iowa, Minnesota, Florida, Mississippi, Vermont, Hawaii and Alaska breathe healthy air.

There are roughly 2700 counties meeting the 8-hour ozone standard nationwide. Unfortunately, approximately a 100 metropolitan areas, including approximately 490 counties, are being designated as nonattainment for the 8-hour standard. By comparison, roughly 100 areas, including about 370 counties, were designated as nonattainment for the less stringent 1-hour standard in 1991.

I understand in an intimate way, the challenge of being designated in non-attainment. When I was elected Governor of Utah, portions of our state were not

in attainment for the old standards. Over the next several years, my neighbors had to implement every one of the basic requirements and more – auto inspection; finding pollution reductions before any new source would be permitted, making certain our transportation plans were consistent with our air quality plans. People weren't wild about the changes that these actions required, but they wanted the air cleaner and knew it had to be done. We did it; our air got cleaner; and our state got better.

That will happen across America now. When we are finished, our entire nation will have cleaner air.

Did non-attainment designation mean that we couldn't grow our economy or build highways? No. Did it mean we had to have a plan and take action to clean our air? Yes.

Today, I have used the phrase "better way." I've spoken of "old thinking" v. "new thinking." An illustration clarifies what I'm talking about.

Some communities recognized early-on that they would not meet our new, more-stringent ozone standards, and began to think creatively about how to clean the air more quickly and avoid designation. Thirty-three metropolitan areas collaborated with the EPA, states and environmental organizations to create an innovative, voluntary agreement called Early Action Compacts.¹³ The Compacts accelerate the planning, implementation and emission reductions before they were required in the Clean Air Act. If all the requirements are met, EPA defers the effective date of the non-attainment designation.

The Early Action Compacts are an example of new thinking. Approximately 10 million people will have cleaner air, faster. It was an effort to avoid some of the frustrating lessons we learned the hard way while implementing earlier standards. For example, we learned that polarizing conflict, endless litigation, and needlessly complex regulations are road blocks to cleaner air.

We learned that using collaborations, incentives and a direct focus on results accelerates our efforts to clean the air, and competitiveness. That's new thinking.

The EPA is optimistic about these Early Action Compacts and we want them to work. The best way to do that is to hold them to a high standard. Nearly all the submissions required significant actions to reduce ozone emissions before the December planning deadline. Regrettably a small number simply haven't demonstrated the necessary progress and they will be designated as non-attainment areas on April 15th.

Will someone object to the existence of Early Action Compacts? Probably. The tension between old thinking and new thinking remains. We will support the agreements because our experience in their development proves once again that we can make more progress, faster if we focus on collaborative, incentive-

driven and results-oriented solutions.

Let me also be clear that clean air progress requires more than voluntary agreements. For example, states cannot solve the problem of pollution that crosses state boundaries with voluntary solutions. A strong national approach is needed there because there are many states who believe they could take all the cars off their roads, clean up the power plants and close factories in their state and still fail to reach attainment.

We have proposed an interstate air quality rule that addresses power plant emissions that cross state lines and contribute significantly to conditions in other local areas.

Without rules that address transport of pollution, states will continue to be pitted one against the other, a wasteful and counterproductive process that does nothing to clean the air.

I will finalize the Clear Air Interstate Rule¹⁴ later this year. We would prefer the Clear Skies legislation,¹⁵ which would better solve the problem, but we can't wait. Similar to Clear Skies, the Interstate Rule uses a cap and trade system to reduce the target pollutants – nitrogen oxide and sulfur dioxide – by 70% when fully implemented. SO_x and NO_x, as we call them, are the primary ingredients for ozone and fine particulates.

The Clean Air Interstate Rule is another example of new thinking, of a better way. It uses market forces to reduce more pollution from power plants in a shorter time than anything done previously.

We are doing more. The Clear Air Non-Road Diesel Rule¹⁶ will be finalized within the next 30 days. I will say more about it at that time, but let me briefly say, this is a big deal. This rule will change the way diesel engines are made and the way diesel fuel is refined. In the 1970's, we removed lead from gasoline. Now we are taking sulfur from diesel fuel. The black puff of smoke you see coming from generators, bulldozers, tractors or other off-road equipment will be gone, forever.

The Diesel Rule is a model of new thinking, new technology and masterful collaboration between segments of industry, the environmental community and regulators that produces a better way.

Finally, the Clean Air Mercury rule¹⁷ will regulate mercury from power plants for the first time ever and result in a 70% reduction. Coal-fired power plants are the largest domestic source of mercury emissions. They must be cleaned up and we are on track to finalize the rule by the end of the year.

Next week we celebrate Earth Day-34.¹⁸ We have made monumental strides as a nation in thirty-four years – from fad to ethic, from awareness to accelerated action.

The steps being launched this week may not find a place on the calendar of historic dates. This is, after all, tax-filing time, the day the Titanic hit the iceberg and the anniversary of the debut of the San Diego Chicken. No one remembers where they were when leaded gas disappeared. Youngsters may never know that DDT was a pesticide – not a rap musician.

But they will be breathing cleaner air. Their children will be healthier. America's economic team will be stronger. America will benefit from the Clean Air Rules of 2004 and from the better ways and new thinking still ahead of us

¹ Senator Gaylord Nelson was founder of Earth Day. Some 20 million people participated worldwide. More information is available at: <http://earthday.envirolink.org/history.html>

² The "People Start Pollution, People Can Stop It," campaign was created by the "Keep America Beautiful" organization. It first aired on Earth Day 1971. More information is available at: <http://www.kab.org/psa1.cfm>

³ President Richard Nixon asked Congress on July 9, 1970, to assemble the EPA from the parts of three federal Departments, three Bureaus, three Administrations, two Councils, one Commission, one Service, and many diverse offices. More information is available at: <http://www.epa.gov/history/publications/origins6.htm>

⁴ These concepts are captured in *The Enlibra Principles*, co-authored by then Utah Governor Mike Leavitt and former Governor John Kitzhaber of Oregon. Enlibra, from the Latin, means "move toward balance." More information is available at: <http://www.epa.gov/adminweb/leavitt/enlibra.htm>

⁵ These figures, from the Bureau of Labor Statistics, were issued as a news release, "International Comparisons of Hourly Compensation Costs for Production Workers in Manufacturing, 2001," dated September 27, 2001. More information is available at: <ftp://ftp.bls.gov/pub/special.requests/ForeignLabor/industry.txt>

⁶ The tension between old and new thinking as it applies to the environmental regulatory area has been expressed by David Struhs, former Secretary of the Florida Department of Environmental Protection and current Vice President of Environmental Affairs for International Paper.

⁷ The Clean Air Strategy is a commitment to a new chapter of clean air improvement. The strategy includes the Clean Air Rules of 2004. More information is available at: <http://www.epa.gov/cleanair2004/>

⁸ The Clean Air Act was originally passed in 1970 as comprehensive legislation to clean the air. The Clean Air Act was then updated in 1990 and 1997. More information is available at: http://www.epa.gov/oar/oaqps/peg_caa/pegcaain.html

⁹ In 1997, EPA established more protective, 8-hour ozone standard to protect people from longer term exposure to lower levels of ozone. These new standards will help people live longer and healthier lives. More information is available at: <http://www.epa.gov/ozonedesignations/>

¹⁰ In 1997, EPA strengthened its health protection standards for particulate matter (PM) by adding an indicator for even smaller-sized or "fine" particles. Fine particles generally come from industrial fuel combustion and from vehicle exhaust. These fine particles are most closely associated with health problems including increased respiratory disease, decreased lung function. More information is available at: <http://www.epa.gov/air/urbanair/pm/effrt1.html>

¹¹ The 2002 Air Trends Report highlights progress in air quality and pollution reduction. The report finds that since 1970, aggregate emissions of the six principal pollutants have been cut 48 percent. More information is available at: <http://www.epa.gov/airtrends/highlights.html>

¹² More protective health-based 8-hour ozone standards were implemented on April 15, 2004. Every area in the United States was designated as meeting or failing to meet these tighter standards. More information is available at: <http://www.epa.gov/ozonedesignations/>

¹³ In December 2002, a number of states submitted agreements pledging to start reducing air pollution to meet the 8-hour ozone standard at least two years earlier than required by the Clean Air Act. The states had to meet a number of criteria, as well as certain milestones. States meeting *Early Action Compact* Areas milestones, will have deferred 8-hour ozone nonattainment designations. More information is available at: <http://www.epa.gov/air/eac/>

¹⁴ EPA Administrator Mike Leavitt signed the proposed Interstate Air Quality Rule, now called the Clean Air Interstate Rule, on December 17, 2003. The proposed Clean Air Interstate Rule, part of the Clean Air Rules of 2004, addresses pollution that crosses states boundaries. This rule will reduce emissions of SO₂ and NO_x in 29 eastern states and the District of Columbia in two phases. More information is available at: <http://www.epa.gov/interstateairquality/>

¹⁵ EPA has proposed the Clear Skies legislation to Congress. Clear Skies is a mandatory program that would dramatically reduce and cap emissions of sulfur dioxide (SO₂), nitrogen oxides (NO_x), and mercury from electric power generation to approximately 70% below 2000

levels. More information is available at: <http://www.epa.gov/air/clearskies/>

¹⁶ The Clean Air Diesel Rule is part of the Clean Air Rules of 2004. It is a comprehensive rule that will use engine control and fuel restrictions decrease particulate matter (PM) and nitrogen oxides (NOx) emissions. More information is available at:

<http://www.epa.gov/nonroad/>

¹⁷ The proposed Mercury Rule is part of the Clean Air Rules of 2004. The rule will restrict power plant emissions and cut mercury emissions by nearly 70 percent when fully implemented. More information is available at: <http://www.epa.gov/air/mercuryrule/basic.htm>

¹⁸ Each year on April 22, the federal government and people around the world celebrate Earthday. More information is available at: (link) <http://www.earthday.gov/>