

Press Statement



U.S. Environmental Protection Agency
Office of Inspector General
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WASHINGTON, D.C. – Statement of Inspector General Nikki L. Tinsley on the Office of Inspector General Report *Additional Analyses of Mercury Emissions Needed Before EPA Finalizes Rules for Coal-Fired Electric Utilities*, dated February 3, 2005:

“We commend EPA's initiative to regulate airborne mercury emissions from coal-fired electric utilities for the first time. This proposed rule is an important step in reducing the public's exposure to toxic methylmercury. While we are not advocating one regulatory approach over another, we recommend that EPA conduct sufficient analysis to better ensure that the approach it chooses would accomplish the lowest achievable emissions levels in the shortest time possible.

Our review concludes that EPA's development of the Maximum Achievable Control Technology (MACT) floor was compromised, and therefore may not represent the lowest emission levels that could be achieved by coal-fired electric utilities. Because the MACT floor developed by EPA may be misrepresented, any cost-benefit comparison conducted between the two proposed regulatory alternatives—the MACT standard and the cap-and-trade program—may be inappropriate.

We found that the interim cap under EPA's proposed cap-and-trade alternative could be tightened in order to encourage earlier development of mercury-specific control technology, and that EPA has not fully analyzed the potential for hot spot formation under this alternative. We concluded that EPA's rule development process for this case was inconsistent with expected and past EPA practices, including a failure to fully assess the rule's impact on children's health and insufficient opportunity for key EPA offices to assess and comment on the proposed rule.

We developed a number of recommendations to help EPA address our findings and conclusions; however, EPA did not specifically comment on our recommendations in its review of our draft report. We urge EPA to take the necessary steps to implement our recommendations before the mercury rule is finalized. We appreciate the efforts of both the Office of Air and Radiation and the Office of Research and Development in working with us throughout the evaluation and in providing prompt input to the draft report so that we could issue our report in a timely manner.”

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