

U.S. HOUSE COMMITTEE ON ENERGY AND COMMERCE

Subcommittee on Energy and Power

Subcommittee on Commerce, Manufacturing, and Trade

HEARING ON EPA'S PROPOSED OZONE RULE:

POTENTIAL IMPACTS ON MANUFACTURING

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TESTIMONY OF STACEY-ANN M. TAYLOR

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Executive Summary

Most legislative and regulatory discussions on the impact of lowering the EPA's National Ambient Air Quality Standards (NAAQS) for Ozone focus on a few key industries, especially utilities, oil and gas production, and motor vehicle manufacturing. However, these discussions rarely cover the impact of the lowering of the NAAQS on every day consumer and commercial products.

Late last year, EPA issued a proposed rule to lower the NAAQS for Ozone from the current 0.075 ppm to 0.070 ppm. When the EPA lowers the NAAQS for Ozone, this requires the states to update their State Implementation Plans (SIPs) to try meet the EPA's new regulatory requirements. Inevitably, the individual states will have to a variety of air quality management methods in their SIPs to meet the lower standard. One of these air quality management methods is the regulation of Volatile Organic Compounds (VOCs) in consumer and commercial products.

As manufacturers of consumer and commercial building products, Henry Company and its representative trade association, the Roof Coatings Manufacturers Association (RCMA), believe that EPA should not be allowed to further lower the NAAQS for Ozone to 0.070 ppm until the vast majority of the air quality management districts across the country have reached attainment status under the current level of 0.075 ppm. The primary focus of the EPA should be to provide additional support to those air quality management districts currently in non-attainment status to help them reach attainment status under the current level, before making the goal of reaching attainment status even more difficult for the states to obtain.

Testimony

Good morning. Thank you Chairman Whitfield, Chairman Burgess, Ranking Members Rush and Schakowsky, and Members of the Subcommittees for the invitation to testify regarding the EPA's proposed ozone rule and the potential impacts on manufacturing.

My name is Stacey-Ann Taylor and I am Director, Product Stewardship at Henry Company. Henry Company is a privately owned building products manufacturer based in El Segundo, CA. Henry Company has manufacturing facilities in six states and employs about 450 people. We manufacture roof coatings, roofing adhesives and sealants, driveway sealers, air and vapor barriers, and a number of other residential and commercial building products.

Henry Company is a very active member of the Roof Coatings Manufacturers Association (RCMA) and I am also pleased to represent RCMA with my testimony as well. RCMA is the national trade association representing manufacturers of asphaltic and solar reflective coatings and their raw material suppliers. RCMA promotes the many benefits of roof coatings and provides regulatory and technical information to members.

Typically, legislative and regulatory discussions on the impact of lowering the EPA's National Ambient Air Quality Standards (NAAQS) for Ozone focus on a few key industries, especially oil and gas production, utilities, and motor vehicle manufacturing. However, these discussions rarely include an explanation of how lowering the NAAQS for Ozone will have an impact on every day consumer and commercial products.

In November 2014, EPA issued a proposed rule to lower the NAAQS for Ozone from the current 0.075 ppm to 0.070 ppm. When the EPA lowers the NAAQS for Ozone, this requires the states to update their State Implementation Plans (SIPs) to try meet the EPA's new regulatory requirements. Understandably, the states will have to include at a variety of air quality

management methods in their SIPs to meet the lower standard. One of these air quality management methods is the regulation of Volatile Organic Compounds (VOCs) in consumer and commercial products.

VOCs are gases emitted from certain chemicals found in consumer and commercial products. VOCs are also emitted from natural sources, such as plants and trees. VOCs react with Nitrogen Oxides (NO_x) and sunlight to form ground-level ozone. As we all know, breathing in ground-level ozone can result in adverse health effects, especially for sensitive populations. Therefore, it is appropriate for EPA and the states to regulate VOCs. However, VOC regulation of consumer and commercial products in certain air quality management districts around the country are approaching the point of diminishing returns in terms of actually contributing significantly to air quality improvement.

EPA and the states should carefully consider whether requiring manufacturers to achieve further drastic reductions in VOC content in consumer and commercial products is technically feasible at this time and also worth the time and resources spent by manufacturers to comply for a low return on investment in terms of improved air quality.

In addition, it should be noted that if manufacturers can't find reasonably priced technology to achieve these further VOC reductions, there will certainly be fewer consumer and commercial products available in the marketplace for purchase. Manufacturers will have to restrict non-compliant products from sale and if replacement products can't be manufactured and sold at prices the market will bare, then the result will be fewer products available for people to purchase.

In closing, I hope I have provided a clear explanation of how EPA's lowering of the NAAQS for Ozone will eventually result in further regulation of VOCs in consumer and commercial products that may not significantly help air quality management districts achieve

attainment status and may actually result in less product choice in the marketplace. As manufacturers of consumer and commercial building products, Henry Company and its representative trade association, RCMA, believe that EPA should not be allowed to further lower the NAAQS for Ozone to 0.070 ppm until the vast majority of the air quality management districts across the country have reached attainment status under the current level of 0.075 ppm. The primary focus of the EPA should be to provide additional support to those air quality management districts currently in non-attainment status to help them reach attainment status under the current level, before making the goal of reaching attainment status even more difficult for the states to obtain.