

COMMENTS ON THE

IMPACT OF FEDERAL REGULATION ON DOMESTIC MANUFACTURING

AND

PRESIDENT TRUMP'S MEMORANDIUM ON

STREAMLINING, PERMITTING AND REDUCING REGULATORY

BURDENS FOR DOMESTIC MANUFACTURING

AND PROMOTING ENERGY INDEPENDENCE AND ECONOMIC GROWTH

то

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Executive Summary

U. S. Department of Commerce is to be commended for seeking comment to streamline permits. While there might be other broader issues that should be addressed to revitalize our manufacturing sector, it is hard to imagine any issue being more significant than streamlining U. S. Environmental Protection Agency (EPA's) Clean Air Act's New Source Review (NSR). NSR is the sword of Damocles as a threat to all those manufacturers, refineries and power plants that want to modernize and make energy efficiency improvements. Unfortunately, as the ancients said of the Dionysius fable, "there can be no happiness for one who is under constant apprehensions."

This current interpretation stymies the modernization and fuel efficiency measures at factories and at power plants. Modernization and fuel efficiency should be routinized decisions in the U. S. made by all sectors to keep the economy robust. It is hard to know the correct ranking of the issue compared to other stressors on the manufacturing sector such as the cost of capital, tax policy, labor and health care policies, tort liability, and trade. But it is certain that that factories must modernize to keep up with U. S. production needs and reduce wasteful energy consumption. Fixing the U. S. EPA's permitting system under NSR would make dramatic improvements that would benefit all.

The U. S. manufacturing sector and its sister, the power sector, face ridiculous risks each time they seek to make modest or significant energy efficiency measures and modernize. This ever-changing EPA interpretation of what was written in the 1977 law¹ needs to be corrected. Without making reasonable changes to NSR (through notice and comment), the manufacturing community will never be completely comfortable with risks associated with modifications. The manufacturing sector and the industrial manufacturing sectors need one another for shaving electric loads, providing customers to help pay for updating the needs of electric transmission and generation system that might not be affordable if only paid for by residential customers. Both sectors are essential for providing communities with excellent jobs. Manufacturing jobs provide healthcare, retirement, educational benefits and certainty to local communities with predictable tax revenue for schools, emergency services, hospitals and public amenities. The manufacturing sector needs stable and affordable electricity generation and the electric utility sector needs manufacturers to predict future electricity demand. Both sectors need improvements to NSR to improve the nation's economic strength as expressed in President Trump's policy objectives. Those policy objectives were expressed in two Executive Orders Streamlining, Permitting and Reducing Regulatory Burdens for Domestic Manufacturing (January 24, 2017) and "Promoting Energy Independence and Economic Growth" (March 28, 2017) as well as "Reducing Regulation and Controlling Regulatory Costs" (Jan. 30, 2017). These comments address the combined goals of all these actions.

Examples provided in these comments and in the attachments, demonstrate that the U. S. has a distorted notion of modernization of factories that trigger enforcement actions or very strict air pollution restrictions that make the modernizations uneconomical. **Major manufacturing countries including Germany, France, India, China, and other European nations encourage modernization of factories to remain competitive. It is ironic that U. S. EPA not only discourages energy efficiency measures, heat rate improvements or modernization measures and has enthusiastically taken**

¹ Last amended by Congress in 1990

enforcement action against any parties that violated its revised policies since the mid-1990s. (See documents within the comments in Part III).

The comments and recommendations are entirely mine and not representing any specific clients or industry groups.²

Relevance of FAST 41:

Department of Commerce's inquired about OMB's FAST 41³ program. Perhaps there are merits to allow for commenters (including my organization) to revisit lessons learned from FAST⁴ 41 permit streamlining later when the FAST 41 program is more mature. I request a placeholder within these comments for offering subsequent comments on FAST 41 at a later time. Perhaps a voluntary Dashboard⁵ (similar to FAST 41 Dashboard) with economic and other data including availability of offsets available in local air sheds would facilitate more manufacturing across the U.S. Having this public data in advance might propel the manufacturers to a permit application faster. Such facilitation might also streamline permitting if a similar Dashboard on permitting include basic descriptors on permitting needs for various regions so that the prospective manufacturer might know what might be expected. Example, the GIS might need to marry up ozone, PM, and regional haze or Clean Water Act TMDL or watershed protection requirements that necessitate special modeling for permit applicants. Alternatively, the website or Dashboard might also provide information if another party has undertaken permitting applications with air or water modeling it might indicate any public documents available to assist the new applicant to review for its own use. The purpose of a website or dashboard would not be to find new ways to challenge permitting. The U. S. EPA or state agency permitting process already provides opportunities for filing of public comments and hearings.

Specific recommendations to Department of Commerce (and U. S. EPA):

- 1. Correct the current U. S. EPA interpretation of New Source Review within the Clean Air Act that vexes permit applicants and state permit writers across the country. This should be corrected for manufacturing and electric utility sector along with all other parties.
- 2. Correct the U. S. EPA's Construction General Permit (CGP) rule under the Clean Water Act issued on Jan. 19, 2016 and where new permits became effective on Feb. 16, 2017. That rule recklessly places the construction industry under threat of joint and several liability for stormwater runoff on construction projects where that runoff might have been caused by other parties on adjacent construction projects. It is not clear if that joint and several liability might possibly extend to the manufacturers of home construction equipment and construction products if liability costs cannot be borne by the construction industry parties.
- 3. Address and correct the U.S. EPA ferroalloy NESHAP regulation (Clean Air Act) that puts hundreds of employees at risk for layoffs because of the summer 2017 effective date. Revise the permit requirements for using an unproven, undemonstrated camera detection device and let the companies and U.S. EPA find accurate pollution testing solutions. This might necessitate an

² This firm assisted Eramet in February, 2017.

³ 42 U. S.C. 4370m, et seq.

⁴ Fixing America's Surface Transportation Act (FAST) and 41 refers to the section with OMB's permit streamlining obligations. See <u>https://www.permits.performance.gov/about/fast-41</u>

⁵ <u>https://www.permits.performance.gov/projects</u>

extension of the rule's impending 2017 compliance deadline. This regulatory correction would save up to 150 jobs and >\$1 million in out of pocket costs.⁶

- 4. U.S. EPA should align and delay the 2018 compliance deadline for Effluent Limit Guidelines (ELG) for those indirect dischargers with the <u>2023 compliance</u> deadline for direct dischargers. EPA's rule places a 2018 capital expenditure deadline on indirect dischargers for controls while other direct dischargers are required to comply in 2023. This causes permitting confusion. In addition, indirect dischargers ultimately meet drinking water standards regardless so the 2018 compliance requirements may not be needed at all from a public health point of view.
- 5. Although this recommendation is not about a regulatory correction, it is impossible to make any meaningful policy decisions and permitting decisions for industry without adequate staff at the helm. Political appointments need to be announced for key agencies such as U. S. EPA, Interior (including The Services), Agriculture, NOAA, Bureau of Land Management, and Department of Energy, etc. Without political appointees in critical U. S. EPA programs (Office of Air, Office of Water, Office of Enforcement and Compliance Assistance, etc.) permitting decisions cannot be made. While Schedule C appointments for Regional Administrators are perhaps less significant than the naming and confirmation of Assistant Administrators, those Regional Administrators are needed. U. S. EPA and other key agencies need policy staff and clarity on routine policy decisions to direct the career staff and contractors. While prior administrations did not have political appointees confirmed until August of the first year, the sheer number of Obama era regulations needing revisions and actions under Executive Orders necessitates a full policy staff.

Questions on Manufacturing Permitting Process:

1. How many permits from a Federal agency are required to build, expand or operate your manufacturing facilities? Which Federal agencies require permits and how long does it take to obtain them?

Answer: See Resources for the Future 2016 study appended to these comments to answer these questions for refineries and power plants requiring permits from U. S. EPA. (See Section III).

2. Do any of the Federal permits overlap with (or duplicate) other federal permits or required by State or local agencies?

Answer: Yes, often state agencies would give approval for modernization or efficiency/heat rate improvements but are fearful of U. S. EPA disagreeing with their interpretations.

3. Briefly describe the most onerous part of your permitting process.
Answer: Meeting U. S. EPA's PSD/NSR multipart tests to make certain that modernization and heat rate improvements do not trigger enforcement. The part that is especially frustrating is sometimes the repair decisions need to be made quickly in order to get authorizations for expenditures and ordering of parts and engineering services contractors to make the repairs. If U. S. EPA does not make a quick decision it means waiting to order the parts and make arrangements for the repairs. This means having a power plant unit offline for days, weeks or perhaps months if the decision is not forthcoming. For larger factories or power plants perhaps a 'work around' can take place running another manufacturing facility or equipment. But for the power sector, this might mean not being able to dispatch a coal fired or natural gas fired power plant at critical times. While this would not lead to electric reliability problems in the broad

⁶ Nicholas Pyle, Government Relations, Eramet Marietta, Inc.

picture—it might create some localized reliability problems if there are unscheduled outages during peak summer cooling or winter heating season.

4. If you could make one change to the Federal permitting process applicable to your manufacturing business or facilities, what would it be? How could the permitting process be modified to better suit your needs?

Answer: Fix New Source Review (see details below).

5. Are there Federal, State or local agencies that you have worked with on permitting whose practices should be widely implemented? What is it you like about those practices? Answer: Many states would like to have more expedient permitting approvals but do not want to have perception that they are not following U. S. EPA programs. Think Tanks, lawyers, professional organizations and advocacy organizations have written about these examples for more than 15 years and I defer to those examples offered in comments. Some are provided in Part III.

Regulatory Burden/Compliance Questions:

1: Please list the top four regulations that you believe are most burdensome for your manufacturing [and electric utility] businesses.

Answer:

- 1. **Re-propose a rule to address the current interpretation of New Source Review by EPA staff. Details below**. This will affect dozens of manufacturing companies including steel, paper, refining, chemical plants, and power plants.
- 2. Correct the Obama Administration's Construction General Permit (CGP) under the Clean Water Act's stormwater program for the construction industry to remove risks of joint and several liability on construction sites. The joint and several liability provisions hurt the construction industry, many of these parties are 'mom and pop' family businesses who would not want to be contractors or subcontractors on large projects because of possible liability for their 'last in' on projects where others on the construction project might not have followed the CGP rule correctly. It is not clear if the joint and several liability could also extend to the product manufacturers for products used by construction industry if the construction industry parties did not have financial backing adequate to meet liability expenses. The Jan. 20 "Priebus" memo addressing delays in the Obama Administration regulations did not appear to address this CPG rule. CPG permits were effective Feb. 16, 2017 with this new risk. Joint and several liability was not good for CERCLA or Superfund cleanup and it would be worse in the construction industry.
- 3. Address and correct the U. S. EPA ferroalloy NESHAP regulation (Clean Air Act) that puts hundreds of employees at risk for layoffs because of the summer 2017 effective date. Revise the permit requirements for using an unproven, undemonstrated camera detection device and let the companies and U. S. EPA find accurate pollution testing solutions. This might necessitate an extension of the rule's impending 2017 compliance deadline. This regulatory correction would save up to 150 jobs and >\$1 million in out of pocket costs.⁷
- 4. U.S. EPA should align and delay the 2018 compliance deadline for Effluent Limit Guidelines (ELG) for indirect dischargers with the direct dischargers that have a 2023 compliance deadline. EPA's rule places a 2018 capital expenditure deadline on indirect dischargers for controls while

⁷ Nicholas Pyle, Government Relations, Eramet Marietta, Inc.

other direct dischargers are required to comply in 2023. This causes permitting confusion for those with NDPES permit renewals between 2018 and 2023. In addition, indirect dischargers ultimately meet drinking water standards regardless so the 2018 compliance requirements may not be needed at all from a public health point of view.

- 5. Although this is not a regulatory correction, it is impossible to make any meaningful policy decisions and permitting decisions for any industries without adequate staff at the helm. Political appointments need to be announced as soon as possible for key agencies such as U. S. EPA. Without political appointees in critical programs (Office of Air, Office of Water, Office of Enforcement and Compliance Assistance, etc..) permitting decisions cannot be made. While Schedule C appointments for Regional Administrators are perhaps less significant than the naming and confirmation of Assistant Administrators, those Regional Administrators need to be named as well. U. S. EPA and other key agencies need policy staff and clarity on routine policy decisions to be made by the career staff.
- 6. How Could regulatory compliance be simplified within your industry or sector? See below for suggestions to correct the NSR program.
- Please provide any other specific recommendations not addressed by the questions above, that you believe would help reduce unnecessary Federal agency regulation of your business.
 Please see Part II of the comments on page 7.

Background

It is commendable for Department of Commerce to solicit comments from the manufacturing sector regarding ways to streamline permitting as one of the many incentives needed to stimulate economic growth, jobs, and tax revenue for local, state and Federal government. There are many factors that can individually or collectively make manufacturing thrive. Those factors range from tax policy, incentives for new and small business, access to capital, energy costs, tort liability and other issues. However, for most of the last twenty years environmental permitting has vexed many existing or new manufacturing enterprises because of the complexity, length to obtain a permit, and cost in permitting preparation, submittal, and re-submittal in responses by U. S. EPA. No doubt Department of Commerce will receive many sophisticated studies and policy recommendations along with simple answers to the question posed in the call for comments. The identification of permitting bottlenecks before Federal agencies (in particular U. S. Environmental Protection Agency (EPA) are common. Many industry associations, think tanks and academics have written about this problem for almost 15 year and made numerous recommendations to Presidents Clinton, Bush and Obama-particularly after EPA's interpretation of the "New Source Review Program" within the Clean Air Act (CAA) became so problematic for many dozens of manufacturing plants (pulp and paper, refining, and the electric generating or power sector). None of the last three Presidents have corrected this problem.

The call for comments focuses on manufacturing. Department of Commerce and other agencies should be applauded for finding remedies for permitting delays, confusion and regulatory quagmires. But the corrections for manufacturing should also apply to the electric utility sector. After all, electricity prices for manufacturing sector is fundamental to economic growth and whether manufacturers seek to build new factories or expand and modernize existing ones. Further, without modernizing electric power generating stations (with coal, natural gas or other types of generation) to improve the efficiency of the power generation electricity prices will increase. Virtually all manufacturing industries have global competitors and it is very important that the cost of energy not price manufacturing plants out of the market due to price escalations simply because they are not allowed to make modifications to the generating station to reduce energy consumption (whether coal or natural gas).

Basic Primer on New Source Review within the Clean Air Act:

Adopted in 1977, New Source Review (NSR) was designed by Congress to address new, greenfield factories. NSR is often interpreted as a "new" source regulation but this name is now a misnomer. As initially implemented by EPA, an existing source would only be subject to NSR when a change was made to the source that resulted in a significant annual emission increase of a regulated air pollutant. Because of its broad nature, EPA included an exemption from NSR for routine maintenance, repairs, and replacement (RMRR). This exception was extremely important because without it, when a unit would shut down, emitting no emissions, it would violate the NSR emission increase criteria by simply restarting the unit.⁸ Under the Clinton Administration NSR application, the RMRR exception was greatly narrowed to the point that virtually any activity on a generating unit could trigger NSR for that unit. This narrowing was so prescriptive that efficiency improvements at existing factories and power plants could be NSR violations. The most egregious effect of NSR is to discourage modernization and expansions of factories, refineries, paper companies, steel mills, and power plants because it triggers Prevention of Significant Deterioration (PSD) and Best Available Control Technology Requirements (BACT) requirements that rarely can be economically justified for an existing unit. While NSR has been wielded as a cudgel against coal, recent actions by U.S. EPA and environmentalists against natural gas generation indicates that NSR challenges to modernization of factories will not be limited to coal

How to correct EPA's interpretation for U. S. manufacturing and power plants:

Unlike other regulatory impediments to manufacturing, correcting this problem does <u>not</u> require Congress to amend a law. The revised interpretation by U. S. EPA was a policy change expressed in the late 1990s and more widely applied after 2005. U. S. EPA merely needs to be instructed to initiate appropriate notice and comment as required under the Administrative Procedure Act, revise its policy on NSR. The policy correction should be applied to all industries and the power generation sector. <u>The</u> <u>revised policy should clearly apply to natural gas.</u> While the policy has not yet been used widely against natural gas, the architecture established by EPA in prior interpretations against emissions from coalfired factories or power plants could just as easily be used in opposition to natural gas because the statute is agnostic on the fuel type. (And the statute should be agnostic on fuel choices).

Many fine legal scholars, think tanks and public policy institutions⁹ have written about ways to surgically correct NSR without leaving the door open to NSR abuses. NSR needs to be clearer and to provide bright lines about what is permissible and what is not under RMRR. EPA should work with industry to develop a list of projects that can be categorically excluded from NSR under the RMRR provision of the regulation. This would help eliminate unnecessary NSR permitting that now averages 14 months for power plants and refineries.¹⁰

⁸ Until the reinterpretation under the Clinton administration, RMRR was applied to activities on the unit that was typical for that class of unit. In other words, routine maintenance, repairs, and replacement to a unit that was routine for that class of unit in the industry.

⁹ Including but not limited to Resources for the Future, Indiana University Law School, Heritage Foundation, and others. See Environmental Law Reporter, 47 ELR 10026, "EPA's New Source Review Program: Time for Reform?"., Environmental Law Institute (ELI), <u>http://www.eli.org</u>

¹⁰ Id, derived from EPA's RACT/BACT/LAER Clearinghouse 9(RBLC) as described in footnote 30 of ELI article.

Many other advocacy organizations, engineering experts and legal scholars have written papers on NSR and two are attached to these comments. Others are referenced within these comments as recommendations for U. S. EPA to re-read following their submittals in calls for comments since 1996.¹¹

Is this a regulatory rollback of environmental laws? Could this create a public health concern?

No. Revising and correcting NSR does not change the underlying pollution control requirements to reduce conventional ozone or smog, particulate matter, or hazardous air pollutants. Correcting the NSR program does not mean allowing companies and power plants to avoid their responsibilities for reducing emissions under NAAQS, HAP/NESHAP regulations, and other Title I pollution control requirements. A NSR fix should not mean carte blanche to make any changes the manufacturing plant or power plant owners wanted to do. But power plants and factories should be encouraged to undertake energy efficiency programs and to replace out of date components and equipment in order to be competitive economically as well as reduce air pollutant emission rates. Allowing energy efficiency modernization at power plants and factories can also be a "no regrets" and very reasonable approach to reduce energy consumption and also reduce carbon dioxide (CO₂). Surely there is no harm in reducing the consumption of energy if that modernization makes economic sense to the factory and to the power plants. In fact, as intermittent generation grows under renewable wind or solar power, efficiencies will reduce. Combined cycle power plants will start to function like simple cycle units unless efficiency tweaking is made. It would be ironic and quite possible for NOx emissions to eventually increase without efficiency tweaking on coal and natural gas fired generation due to the ramping up and down with intermittent generation.

Canada, France, Great Britain, Japan and Germany have vibrant economies with modern manufacturing plants and power plants. They have robust environmental regulations to protect public health. Scholars have asserted that these countries do not have the equivalent of New Source Review regulations based upon EPA's revised policies since the late 1990s. There is no reputable study asserting that there are more premature deaths or reduced public health protection in those industrialized nations because they lack the same interpretation of NSR in their countries. In fact, Germany, Japan, and other industrialized countries have policies encouraging modernization of existing factories to maintain their standing in major industries ranging from steel, petrochemicals, pulp and paper, wood processing, autos, electronics and precision instrumentation. The U. S. should have the same policies to encourage modernization of factories, reduce energy consumption and to make these decisions quickly without months of delays. As demonstrated in the Resources for the Future's New Source Review Program: Evidence on Processing Time, 2002-2014 study demonstrates, U. S. NSR permit processes averages an average of 410 months across 10 U. S. EPA regions.¹² This detailed study provides data collected from U. S. EPA's NSR/PSD Clearinghouse. U. S. EPA has created a permitting bottleneck while our industrial competitors have better policies that encourage efficiency and modernization.

Germany's electric utility system with its tremendous investments in renewable energy (primarily wind and solar), has been exporting electricity from coal-fired generation to other European nations and meeting its domestic energy. This has meant some modernization of their existing coal plants. In addition, India has coal fired power and many thousands of factories. From all scrutiny of their policies

¹¹ Heritage Foundation's <u>http://www.heritage.org/environment/report/why-the-new-source-review-program-needs-reform-primer-nsr</u>, February, 2002; NEDA's paper referred to as 90-Day Review Background Paper, 2001 available at http://www.epa.gov/nsr/documents/nsr-review.pdf

¹² Resources for the Future's EPA's New Source Review Program: Evidence on Processing Time, 2002-2014, page 10., February, 2016, <u>www.rff.org</u>

encouraging modernization there is no indication that they have any program like NSR. See Indian utility example of the >14% combined efficiency improvements encouraged and viable at coal-fired power plants¹³. The modernizations allowed in India as described (and illustrated) on pp. 14-19 are generally not allowed under U. S. EPA's New Source Review program for power plants or manufacturers. Boiler tube and turbine blade replacements undertaken by industry and power sector have been subject to NSR enforcement in the U. S. but clearly encouraged in India and Germany. Yet individually boiler tube and blade replacements might increase efficiency by 2-5% if allowed in the U. S. Alstom's efficiency improvements for a German power plant is not allowed under U. S. EPA's New Source Review program¹⁴.

Part II

Answer to Question 3 regarding "recommendations, not addressed by the questions, that you believe would help reduce unnecessary Federal agency regulation of your business".

Given the newness of FAST 41, my company has only had one week to learn details about the FAST 41 program following an OMB presentation three days before these comments were due. FAST 41 is designed to address permitting streamlining for infrastructure and transportation projects before several dozen agencies when National Environmental Protection Act (NEPA) is triggered. (While NEPA rarely covers manufacturing plants, NEPA Environmental Impact Statement studies are often triggered for electricity transmission, natural gas transmission, port expansions, highways, LNG, and perhaps rail expansion etc. I would like the opportunity to file more detailed comments on this in a few months after the opportunity to see more about the FAST 41 approximate thirty projects. One aspect of that program that intrigues my firm is the Dashboard (administered by OMB) to assist applicants (or others in industry) to watch the process of agency inquiries for studies or reports and other findings.

It is too soon to know if the FAST 41 program will actually reduce permitting time for these important infrastructure and energy projects. It is not clear yet, to me, how the Federal agencies will be held accountable to meet timetables and interim milestones. It appears that many of the projects listed on the FAST 41 Dashboard are legacy interstate highway programs, bridges or natural gas pipelines that have been moved into the FAST 41 program. It is not yet clear how many other projects undergoing EIS reviews will request to be considered under FAST 41.

A superficial review of the Dashboard for FAST 41 raises <u>friendly questions</u> to explore whether a similar electronic architecture as that used by FAST 41 or EPA's Toxic Release Inventory (TRI) GIS program¹⁵ for Department of Commerce could host a similar GIS data from industry on a <u>voluntary basis</u>. This possible <u>voluntary</u> GIS system might enable manufacturers, economic development agencies and power sector to create a "one stop" location that might streamline permitting on the front end. These data factors would not necessarily be regulatory in nature but might shave many months off the "search" process in trying to find the right marriage of location. For example, before a new factory is planned by the industry, many questions are asked pertaining to infrastructure, air pollution (given National Ambient

¹³ Coal-fired Power Plant Efficiency Improvement in India, <u>http://www.iea-</u> <u>coal.org.uk/documents/83876/9674/Coal-fired-power-plant-efficiency-improvement-in-India</u>, page 19

¹⁴ <u>http://www.iea-coal.org.uk/documents/83876/9674/Coal-fired-power-plant-efficiency-improvement-in-India</u>

¹⁵ <u>https://www.epa.gov/toxics-release-inventory-tri-program</u>

Air Quality Standards, water access and electricity options along with access to rail, surface, marine, or aviation transport.

It is my understanding now that a manufacturing plant (or power plant) would have to hire an engineering firm or research firm to collect all this data. This could cost millions for large factories, refineries, or power plants. Perhaps U. S. Department of Commerce could make any <u>publicly available</u> <u>information</u> available on a GIS system platform that marries many types of voluntary (non-proprietary) data on U. S. map (for 50 states and U. S. territories). **In some cases, this data may be available on other websites such as Department of Energy's Energy Information Agency and Federal Energy Regulatory Commission (FERC) and simply need to be applied in this new location. Suggestions include:**

- Land use available with size and zoning;
- Proximity to local water and sewage systems;
- Ability to obtain appropriate air pollution offsets or netting under air pollution regulations (Title I protections for ozone and PM) that might necessitate the purchases of offsets;
- Layering of EPA's anticipated 2015 ozone or PM standards for nonattainment (non-compliance); locations so the manufacturing plant could determine early on if this was realistic;
- Available land (Brownfield, former Superfund/CERCLA cleanup site or abandoned site);
- Proximity and service from electric transmission;
- Proximity and service from rail lines that can transport commodities including coal;
- Proximity and service from existing natural gas transmission (even if using FERC or other public data) and any public information about surplus capacity;
- Water rights available for purchase in western states;
- Proximity to natural gas compressor stations and pipelines;
- Proximity to natural gas storage location and general public information about available storage capacity;
- Proximity to natural gas LNG import or export facility;
- Proximity to subsurface water storage (aquifer);
- Proximity to Sole Source Aquifer;
- Any legacy tax incentives for manufacturing in that location (i.e. private-public partnerships, tax swaps, economic development zones, or tax exempt financing;
- Proximity to local port with deep water access capable of transporting durable goods;
- Proximity to local airports with cargo transport (as well as passenger transport);
- Retiring coal-fired power plant that may seek to sell property or components (without SCADA that cannot be sold easily to non-utilities) to manufacturing plant owner;
- Run of the river hydro capacity;
- Whether local electric utility (coop, investor, merchant or municipal) can provide district steam to a hospital or factory;
- Decommissioning of any power plants (nuclear, coal, natural gas, hydro, geothermal, or Renewable) with sale of scrap metal and other functioning equipment or airplane engines;
- If a manufacturing plant has a power island, self-supplies energy, or sells into the electricity market;
- Proximity to local bulk recycled materials, biomass, recycled coal ash, or other 'waste' goods that may be useful to minimize the manufacturing goods (Ex. Coal fired power plant or legacy coal ash that may be useful in cement manufacturing); and

• Proximity to data centers essential for some types of internet-based distribution of consumer goods,

While some local economic development agencies have some pieces of this data, it is hard to find a centralized system that layers this data into GIS mode for prospective new manufacturing facilities. This data should not be mandated but only should be provided on a voluntary basis or using other Federal government agency data. Some companies might seek to make any sale of assets completely proprietary and this should be respected. Perhaps, after FAST 41 has been in existence for a year, this idea might merit more discussions by Department of Commerce with various manufacturing and power sector representatives. Perhaps then it might be determined if there is any permit for public comment. These ideas are offered as a way to "prime the pump" in thinking creatively about how to streamline permitting. The goal is not to create more places for throwing sand into the permitting process but for a voluntary exchange of public information to encourage a resurgence in manufacturing.

Thank you for the opportunity to file comments on this important issue. I would be very pleased to serve on any advisory groups or participate in briefings with Department of Commerce and U. S. EPA to assist in this project. I have >30 years' experience representing manufacturers and the power sector. I would be pleased to bring electric utilities or manufacturers to meet with Department of Commerce, OMB, or EPA to discuss these matters. The views are not those from any associations, corporations, or current clients.

Contact: Theresa Pugh, 703-507-6843 or <u>theresapughconsulting@gmail.com</u> or <u>www.theresapughconsulting.com</u>

PART III

REFERENCES PROVIDED (WITH SEPARATE INDIVIDUAL PAGINATION)

- Resources for the Future's EPA's New Source Review Program: Evidence on Processing Time, 2002-2014 (16 pp) <u>www.rff.org</u>
- Coal-Fired Power Plant Efficiency Improvement in India, IEA Clean Coal Centre, using USAID information, November, 2015 (28 pp) <u>http://www.iea-</u> <u>coal.org.uk/documents/83876/9674/Coal-fired-power-plant-efficiency-improvement-in-India</u>
- Straight Talk About Electric Utilities and New Source Review, Edison Electric Institute, 2001 (10 pp) <u>http://www.eei.org/issuesandpolicy/environment/air/Documents/NSRST.pdf</u>