The paper and wood products manufacturing industry has met many costly regulatory challenges over the years, spending billions of dollars as part of its environmental stewardship. Those investments have led to major improvements in air quality, including a 36 percent reduction in emissions of nitrogen oxide and 73 percent for sulfur dioxide by our pulp and paper facilities since 2000. Unfortunately, the industry faces challenges from new and existing regulations – driven in part by lawsuits under the Clean Air Act – that together could impose more than $10 billion in new capital obligations on the industry over the next 10 years. The cumulative burden being imposed on our business is unsustainable.

Policy Recommendations:

AF&PA members are working with the administration, Congress, states and other stakeholders to achieve a sustainable regulatory path for the future. In particular, AF&PA recommends that EPA take the following actions:

• Defer further tightening of the fine particulate and ozone National Ambient Air Quality Standards (NAAQS), absent compelling new health effects evidence, to allow existing emission reduction programs to take full effect and allow states and industry the time to meet current standards. Give states the flexibility to consider the contributions from international sources and exceptional events when developing NAAQS implementation plans.

• Reduce the number of mill projects that trigger New Source Review (NSR) by changing NSR policies for estimating emissions and when construction can begin. Examining EPA guidance that can be updated to allow more rapid investments to enhance manufacturing competitiveness.

• Adopt Prevention of Significant Deterioration (PSD) policies that allow use of more realistic emissions data and modeling tools to replace decades-old approaches. Current overly-conservative modeling tools and regulatory assumptions create permitting gridlock and halt needed facility expansions. Projects with limited impacts and using best controls should proceed without unnecessary and burdensome modeling requirements.

• Quickly revise select Boiler MACT emission limits as required by the court using EPA’s existing database so they are achievable and affordable.

• By the end of 2019, adopt PSD regulations consistent with the FY 2019 Omnibus Appropriations bill section on “Policies relating to Biomass Energy” to give the paper and wood products industry certainty that biogenic emissions are carbon neutral in federal regulations and air permitting programs.

• The government should vigorously defend air regulations in court that use the best science and set obligations for future air regulations for benefits to justify costs where not prohibited by the Clean Air Act.