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EPA

Pruitt's cost-crunching plan could affect new climate regs

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Published: Friday, June 8, 2018

EPA's move to review how it does cost-benefit analysis could have consequences for rewrites of Obama-era climate rules.

Yesterday, the agency called for public comment on whether EPA could make its approach to analyzing costs and benefits more "consistent" and "transparent" in rulemaking. The agency is also looking for specific suggestions on how it should measure costs and benefits in regulations in order to make the process more streamlined.

The announcement drew swift criticism from environmental and public health groups.

"This seems like a big waste of time to create another tool to weaken protections," said Bill Snape, senior counsel for the Center for Biological Diversity.

EPA Administrator Scott Pruitt is "trying to redefine what data is acceptable under science, so here he is trying to define what are the acceptable costs under science," said Snape.

This latest proposal, if enacted, could be a prelude to how the agency would craft a replacement for greenhouse gas regulations, like Obama's Clean Power Plan. Pruitt would have to come up with some sort of replacement for the rule under Section 111(d) of the Clean Air Act if he decided not to go after the agency's endangerment finding for greenhouse gases, Snape added.

EPA's notice marks the latest effort by the agency to shift how it crafts regulations.

Earlier this year, EPA announced it was seeking comment on a proposed rule that would require the studies used in crafting new regulations to make their methods and data publicly available. Critics have argued that such a requirement would effectively limit the amount of public health data that could be used to justify pollution controls and would undermine the scientific backing of regulations.

This latest proposal is also the most recent in a series of actions by the agency that could reduce controls on greenhouse gas emissions from sources like power plants and automobiles.

The agency has already changed how it does some of its cost-benefit analysis related to climate change, specifically in how it values the societal costs of carbon emissions, known as the social cost of carbon. Under the Trump administration, EPA only uses domestic carbon emissions to estimate the monetary cost of climate-linked events like sea-level rise, drought and migration. This approach significantly undercuts the costs associated with emissions.

In a draft document published on EPA's website, the agency said that part of the reason for the evaluation came from comments from industry groups that wanted the agency to consider the costs of controlling individual pollutants, rather than total emissions.

EPA said other groups questioned why the agency considered reductions in pollutants not directly targeted by the regulation, known as "co-benefits," in deciding the stringency of regulations.

"EPA is requesting comments regarding perceived inconsistency and lack of transparency in how the Agency considers costs and benefits in rulemaking, potential approaches for addressing these concerns, and the scope for issuing regulations to govern EPA's approach in future rulemakings," the document read.

Some public health groups complained that EPA's notice said very little about health.

"They are asking a lot of big, complex questions and only offering 30 days for public comment. They seem to be mostly concerned about cost estimates and also, I think, trying to diminish benefits estimates," said Paul Billings, senior vice president for advocacy at the American Lung Association.

Ana Unruh Cohen, the managing director of government affairs at the Natural Resources Defense Council, said that the Trump administration's own Office of Management and Budget found that Americans gained \$12 in benefits for every \$2 spent on environmental safeguards (E&E News PM, Feb. 26).

"Scott Pruitt's latest gambit is as misguided as it is dangerous," Unruh Cohen said in a statement. "It also is founded on a big lie: that federal rules cost more than the benefits. In fact, the opposite is true — by a country mile. The benefits of public safeguards far exceed the cost of adopting them."

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