## Climate Changed

## **EPA Plans to Rewrite Costs and Benefits of Anti-Pollution Rules**

By <u>Jennifer A Dlouhy</u> May 21, 2019, 3:13 PM EDT

- ► Environmental chief outlines plan in memo to top officials
- ► Move seeks consistent analysis of price of environmental rules

The Trump administration is planning to write new rules for how it weighs the human costs and benefits of environmental regulations, a move that could make it harder for future presidents to stiffen limits on pollution and combat climate change.

EPA Administrator Andrew Wheeler directed top agency officials to develop the changes, casting them as necessary to eliminate inconsistencies in assessing regulations. Environmentalists say the agency is altering its math to shrink estimates of how many lives are saved by rules governing clean air, chemicals and water contamination.

"Benefits and costs have historically been treated differently" depending on the

Environmental Protection Agency office and underlying laws at play, Wheeler said in a May 13 memo obtained by Bloomberg News. In some cases, "the agency underestimated costs, overestimated benefits or evaluated benefits and costs inconsistently."

Wheeler's May 13 memo does not lay out specific changes, other than prescribing the use of "sound economic and scientific principles."

The formal rulemaking initiative builds on other efforts by President Donald Trump's EPA to discount the health benefits of environmental regulations and limit what scientific research that can be used to justify them. Because it would take the form of federal rulemaking that could be finished during Trump's first term the changes could bind future administrations until they could be rewritten.

The efforts are part of a "systematic" effort to downplay how much clean air rules help save lives, said John Walke, clean air director at the <u>Natural Resources Defense Council</u>. The administration has repeatedly sought to "deny that there are benefits, lives saved and monetizable benefits from reducing deaths below air quality standards."

Advocates, including manufacturers and other businesses that chafed against Obama-era environmental regulations, say the agency has too often given short shrift to the potential price of some mandates and relied on inflated estimates of spared premature deaths and hospital visits to justify what they regard as burdensome rules.

The EPA has already proposed ignoring broad benefits that spring from limiting power plant emissions of mercury, including ancillary reductions in airborne particle pollution -- and associated heart and lung disease -- that isn't directly targeted by the mandates. The EPA's science advisers on Monday outlined plans for reviewing how the agency estimates and uses such potential indirect benefits. And agency officials have signaled disregarding further health benefits tied to paring the amount of fine particulate matter in the air below an existing EPA standard of 12 micrograms per cubic meter.

The EPA is also working to finalize a rule limiting scientific data and studies that could be used to guide regulations, after proposing limits that would bar reliance on research that can't be reproduced or where the underlying data are not public. Public health experts say the proposed measure would rule out long-term epidemiological and public health studies, including the Harvard "six cities" study that linked dirty air to shorter lives — and underpins

EPA anti-pollution mandates.

The Trump administration has been trying "to inaugurate a new way of looking at benefits," former EPA Acting Administrator for Air Quality Janet McCabe said at a House hearing on mercury regulation Tuesday.

Wheeler's May 13 memo told assistant EPA administrators to develop reforms to benefit-cost analysis that ensure consistent use of key terms in federal law, such as what is "practical," "appropriate," "reasonable" and "feasible" -- frequent benchmarks for mandates on pollution-controlling technology. Wheeler said the first of these rules should come from EPA's Office of Air and Radiation, which is tasked with implementing standards on ozone, limits on particulate matter and curbs on power plant emissions.

The agency also will update its internal guidelines for analyzing the economics of regulations, including new counsel on what methodologies, assumptions and models should be used to vet rules.

Federal agencies undertake formal analyses of regulations to assess the potential compliance costs for businesses and consumers, as well as the financial value of their benefits, whether reducing asthma attacks or electric power demand. In a 2017 executive order, Trump directed his agencies to identify regulations that "impose costs that exceed benefits."

"With these improvements to our regulatory decisionmaking, the EPA is taking another step to provide the public with a more open federal government and more effective environmental and public health protection," Wheeler said.

– With assistance by Amena Saiyid