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EPA STANDARDS WILL CHOKE OHIO'S ECONOMY

Last week the U.S. Environmental Protection Agency (US EPA) announced it is tightening the ozone standard for the second time in two years. For Ohio, the ramifications of these proposed changes will be significant.

US EPA plans to reduce the ozone standard to between 0.060 and 0.070 parts per million (ppm), down from the 2008 standard of 0.075 ppm. All 49 air monitors in the state would exceed even the least restrictive number being considered by US EPA, putting 32 Ohio counties out of compliance.

Areas that do not meet US EPA's standard are faced with more stringent air pollution control requirements and extensive permitting restrictions on new or expanding businesses. The cost to comply will be considerable. By US EPA's own estimates, states and businesses across the country would incur somewhere between \$19 billion and \$90 billion in compliance costs starting in 2020.

Air quality in Ohio and across the country has dramatically improved. Between 1980 and 2006, the national average for ozone levels decreased by 21 percent. Instead of shifting the goal mid-game, US EPA should evaluate the health and environmental benefits and economic impacts from the current level and focus on helping states comply with the existing ozone standard before imposing a new one.

This is US EPA's second regulatory announcement in a month that will dramatically impact Ohio's ability to remain competitive in the global marketplace. In December, the agency announced its intent to move forward with regulating greenhouse gases under the Clean Air Act. Should this occur, it would lead to a cascade of new air permitting requirements not just for large emitters, but small and mid-sized businesses as well.

US EPA plans to finalize the new ozone threshold by the end of August. States will need to identify the areas that do not meet the standard by August 2011 and then demonstrate how they plan to meet it by December 2013.

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