

10:00 a.m. (EST)
1-866-362-9768
552-970-8972#



Environment Committee

October 22, 2015

Table of Contents

Agenda	2
Bios	3
Clean Power Plan documents	8
OMA Counsel's Report	25
OMA Public Policy Report	30
• House Bill 349	34
• Ozone documents	40
• Waters of the U.S. article	45
• NSPS Comments	47
• MECC agenda	52
OMA News and Analysis	58
OMA Environment Bill Tracker	64

Join me Oct. 29-30 at the ...





OMA Environment Committee October 22, 2015

Agenda

Welcome & Roll Call	Chairman Joe Bulzan, WestRock
Guest Presentation	Robert Bottom, Honda of America Mfg., Inc.
Guest Panel	Asim Z. Haque, Commissioner, Public Utilities Commission of Ohio Fred Nelson, Senior Advisor and Director of Major Litigation, Ohio Attorney General Office Adam Ward, Assistant Chief, Ohio EPA, Air Pollution Control Ross Eisenberg, Vice President, Energy and Resources Policy, National Association of Manufacturers
Counsel's Report	Frank Merrill, Bricker & Eckler
Public Policy Report	Rob Brundrett, OMA Staff
Lunch	

Please RSVP to attend this meeting (indicate if you are attending in-person or by teleconference) by contacting Denise: dlocke@ohiomfg.com or (614) 224-5111 or toll free at (800) 662-4463.

Additional committee meetings or teleconferences, if needed, will be scheduled at the call of the Chair.

Join me Oct. 29-30 at the ...



**Midwest Environmental
Compliance Conference**

CHICAGO MARRIOTT D'HARE
October 29-30, 2015

Asim Z. Haque
Term ends April 10, 2016

Commissioner Asim Z. Haque was appointed to the Public Utilities Commission of Ohio by Governor John R. Kasich in 2013, and currently serves as vice-chairman.

Commissioner Haque, an attorney, began his professional career at Ice Miller LLP (f/k/a Schottenstein, Zox & Dunn Co. LPA) where he represented a broad spectrum of clients in energy and utility matters. After six years of practicing at Ice Miller, Commissioner Haque took a position as legal counsel for Honda North America, Inc., where he worked immediately prior to his appointment to the Commission.

Commissioner Haque currently serves on the board of directors of the National Association of Regulatory Utility Commissioners (NARUC). At NARUC, he is also a member of the Gas Committee and the Critical Infrastructure Committee; vice-chair of the Clean Coal Subcommittee; and an appointed member of the NARUC Task Force on Environmental Regulation and Generation. Currently, he is a member of the board of directors of the Mid-Atlantic Conference of Regulatory Utilities Commissioners (MACRUC), and serves as president of MACRUC for the 2015-2016 term. In addition, Commissioner Haque serves on the Member Representative Committee of the North American Electric Reliability Corporation (NERC), where he was elected to represent state government interests in maintaining reliability of the electric grid.

Passionate about public service, Commissioner Haque is heavily involved in his local community. He is the immediate past president of the board of directors of the non-profit organization Community Research Partners. Commissioner Haque is also the president of The Columbus Academy Alumni Board and serves on the Academy's board of trustees. Additionally, he is a graduate of the FBI Citizens Academy, and has been a mentor in the Big Brothers/Big Sisters school-based mentor program.

Commissioner Haque is a graduate of Case Western Reserve University where he received a bachelor's degree in chemistry and political science, and is also a graduate of The Ohio State University Moritz College of Law. He graduated cum laude with department honors from Case, and was selected as an Ohio Super Lawyers Rising Star by Super Lawyers Magazine on multiple occasions during his time in private practice.

Commissioner Haque resides in Columbus with his wife, Dr. Huma Ansari Haque, and their son.

Fred Nelson



Fred Nelson is Senior Advisor and Director of Major Litigation for Ohio Attorney General Mike DeWine.

His prior government service includes work in the federal government as Majority Counsel for a subcommittee of the U.S. Senate Judiciary Committee, as Deputy Assistant Attorney General for the Office of Legal Policy in the Reagan Justice Department, as Associate White House Counsel under the first President Bush, and as the first Chief of Staff and Legal Counsel for Cincinnati Congressman Steve Chabot.

Fred Nelson was elected Judge of the Hamilton County, Ohio Court of Common Pleas in 2002. He served in that capacity from 2003 - 2009, handling felony cases ranging from murder allegations to white collar crime charges and also complex civil cases including constitutional law disputes, malpractice and personal injury claims, and commercial contract matters.

In the private sector, Fred practiced civil litigation with a major Cincinnati law firm both before and after his White House stint. He also ran a public policy development firm based in Cincinnati, and appeared as a regular panelist on the Cincinnati ABC-affiliate's public affairs TV roundtable *Hotseat*. Shortly after the breakup of the Soviet Union, he worked on legal reform issues with the office of the Counsel to the President of Ukraine in Kiev and with the Committee on Legislation of the Supreme Soviet in Moscow while serving under the auspices of the American Bar Association's Central and East European Law initiative.

He was valedictorian of his class at Hamilton College and graduated with honors from Harvard Law

School, where he was named best oral advocate as his team won the Ames Moot Court competition. He and his wife Shannon are the proud parents of Gabrielle and Alex Nelson, who attend public school in the Columbus area.

Adam Ward, Assistant Chief
Ohio Environmental Protection Agency
Division of Air Pollution Control
50 West Town Street, Suite 700, P.O. Box 1049
Columbus, OH 43216-1049
Phone: (614) 728-3784 Fax: (614) 644-3681
adam.ward@epa.ohio.gov

Adam Ward is currently an Assistant Chief in Ohio EPA's Division of Air Pollution Control. His responsibilities include oversight of State Implementation Planning, Ohio's Ambient Air Monitoring Program and Compliance & Enforcement Programs. Most recently he has led Ohio efforts responding to U.S. EPA's Clean Power Plan. He has broad experience in process improvement initiatives streamlining Agency functions and enhancing interactions with external customers.

Prior to his current position, he was the Assistant Chief for the Central Ohio region providing oversight of permitting, compliance and enforcement programs for Air Pollution, Surface Water, Drinking & Ground Water, Solid & Hazardous Waste, and Emergency Response. During Adam's 19+ years at Ohio EPA, he has also served as the Manager for Central Ohio's Air Pollution program, and a Senior Air Specialist responsible for managing complex permitting and compliance projects.

Adam earned a B.S. in Environmental Health from Bowling Green State University and a M.S. in Safety, Environmental and Emergency Management from the University of Findlay. He is a Certified Public Manager through The Ohio State University's John Glenn School of Public Affairs.

Ross Eisenberg

Vice President, Energy and Resources Policy



Ross Eisenberg is vice president of energy and resources policy at the National Association of Manufacturers (NAM). Mr. Eisenberg oversees the NAM's energy and environmental policy work and has expertise on issues ranging from energy production and use to air and water quality, climate change, energy efficiency and environmental regulation. He is a key voice for manufacturing on Capitol Hill, at federal agencies and across all forms of media.

Before coming to the NAM in 2012, Mr. Eisenberg spent more than five years as environmental and energy counsel at the U.S. Chamber of Commerce, the world's largest business federation. He was also executive for the Chamber's Environment & Energy Committee, the Chamber's primary vehicle for the creation and development of environmental and energy policy.

Prior to joining the Chamber, Mr. Eisenberg spent five years as an environmental, energy and insurance coverage attorney in the Washington, D.C., office of Greenberg Traurig LLP, a full-service international law firm with more than 1,700 lawyers. At Greenberg Traurig, Mr. Eisenberg represented large and small companies on a wide range of environmental and energy matters, including permitting and compliance with federal, state and local laws and regulations; pesticide registration; rights of way and ratemaking; environmental insurance coverage; and assorted litigation.

Mr. Eisenberg is a member of the State Bar of the District of Columbia. He has a B.A. from Emory University and a J.D. from Washington and Lee University School of Law.



U.S. EPA Announces Final Clean Power Plan

On August 3, 2015, U.S. EPA released the final version of the Clean Power Plan (CPP) under section 111(d) of the Clean Air Act (CAA) which regulates CO₂ emissions from existing coal-fired and natural gas-fired electricity generating units (EGUs).

Concurrent with the CPP release was the final version of the New Source Performance Standards (NSPS) for fossil-fuel fired power plants under 111(b) of the Clean Air Act and the proposed Federal Implementation Plan (FIP) and Model Rules for states that do not submit an acceptable implementation plan under 111(d). The proposed FIP and Model Rules will have a 90-day comment period once it is published in the Federal Register.

Timing

Submittals	Dates
State Plan or initial submittal with extension request	September 6, 2016
Progress Update, for states with extensions	September 6, 2017
State Plan, for states with extensions	September 6, 2018
Milestone (Status) Report	July 1, 2021
Interim and Final Goal Periods	Reporting
Interim goal performance period (2022-2029)	
- Interim Step 1 Period (2022-2024)	July 1, 2025
- Interim Step 2 Period (2025-2027)	July 1, 2028
- Interim Step 3 Period (2028-2029)	July 1, 2030
Interim Goal (2022-2029)	July 1, 2030
Final Goal (2030)	July 1, 2032 and every 2 years beyond

Ohio Targets

	Rate Based (lbs CO ₂ /MWh)	Mass Based (tons CO ₂)
2012 Baseline	1,900	102,239,220
Proposed CPP	1,338	-
Interim Period 2022-2029	1,383	82,526,513
Final Goal 2030+	1,190	73,769,806

What does this mean for Ohio?

While Ohio reduced carbon emission 30% from coal-fired electricity generation between 2005 and 2014, additional reductions are necessary. It is too soon to predict what impact the final CPP will have on Ohio-based electricity generation, grid reliability, and wholesale electricity costs for consumers.

What is Ohio doing?

- Analyzing the final rule and exploring appropriate next steps for Ohio.
- Developing comments to U.S. EPA on its proposed Federal Plan and Model Rules.
- Pursuing a two-year state plan extension request.
- Developing outreach and engagement efforts for Ohio.

Clean Power Plan: State at a Glance

Ohio

In the final Clean Power Plan (CPP), EPA is establishing interim and final carbon dioxide emission performance rates for the two types of electric generating units - steam electric and natural gas fired power plants - under Section 111(d) of the Clean Air Act. The CPP also establishes state-specific interim and final goals for each state, based on these limits and each state's mix of power plants. The goals are expressed in two ways—rate-based and mass-based— either of which can be used by the state in its plan. States that choose a mass-based goal must assure that carbon pollution reductions from existing units achieved under the Clean Power Plan do not lead to increases in emissions from new sources. EPA is offering an option to simplify this requirement for states developing plans to achieve mass-based goals. If a state chooses this route, its state planning requirements are streamlined, avoiding the need to meet additional plan requirements and include additional elements.

EPA has a "goal visualizer" tool on the web at www.epa.gov/cleanpowerplantoobox that walks through the exact calculations for Ohio.

Ohio's Interim (2022-2029) and Final Goals (2030)

OHIO			
	CO ₂ Rate (lbs/Net MWh)	CO ₂ Emissions (short tons)	
2012 Historic ¹	1,900	102,239,220	
2020 Projections (without CPP)	1,742	103,946,835	
	Rate-based Goal	Mass-based Goal (annual average CO ₂ emissions in short tons)	Mass Goal (Existing) & New Source Complement
Interim Period 2022-2029	1,383	82,526,513	83,476,510
Interim Step 1 Period 2022-2024 ²	1,501	88,512,313	88,902,150
Interim Step 2 Period 2025-2027 ³	1,353	80,704,944	82,020,069
Interim Step 3 Period 2028-2029 ⁴	1,252	76,280,168	77,522,714
Final Goal 2030 and Beyond	1,190	73,769,806	74,607,975

1. EPA made some targeted baseline adjustments at the state level to address commenter concerns about the representativeness of baseline-year data. These are highlighted in the CO₂ Emission Performance Rate and Goal Computation TSD.

2, 3, 4. Note that states may elect to set their own milestones for Interim Step Periods 1, 2, and 3 as long as they meet the interim and final goals articulated in the emission guidelines. In its state plan, the state must define its interim step milestones and demonstrate how it will achieve these milestones, as well as the interim goal and final goal. See section VIII.B of the final rule preamble for more information.

The final Clean Power Plan goals for Ohio look different from the proposed goals – the 2030 goal looks more stringent, and the interim goal looks more stringent.

States' goals fall in a narrower band, reflecting a more consistent approach among sources and states.

At final, all state goals fall in a range between 771 pounds per megawatt-hour (states that have only natural gas plants) to 1,305 pounds per megawatt-hour (states that only have coal/oil plants). A state's goal is based on how many of each of the two types of plants are in the state.

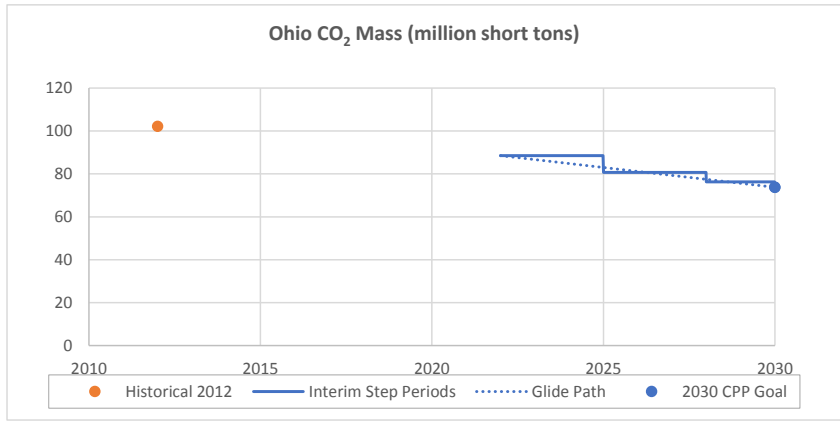
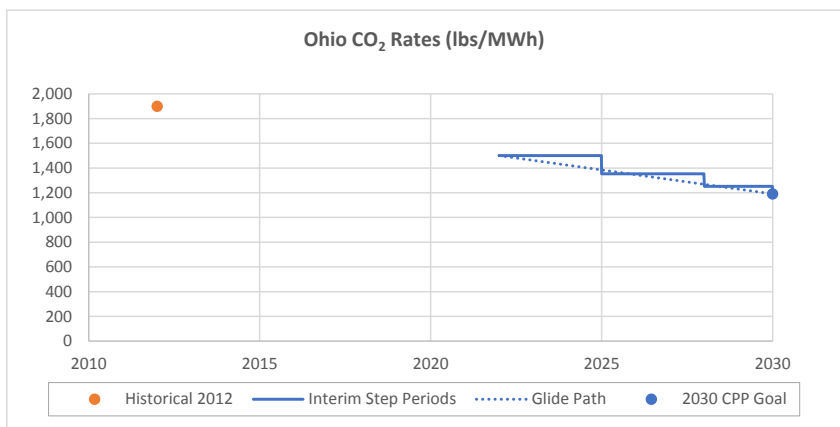
The goals are much closer together than at proposal. Compared to proposal, the highest (least stringent) goals got tighter, and the lowest (most stringent) goals got looser.

- o Ohio's 2030 goal is 1,190 pounds per megawatt-hour. That's in the middle of this range, meaning Ohio has one of the moderate state goals, compared to other state goals in the final Clean Power Plan.
- o Ohio's step 1 interim goal of 1,501 pounds per megawatt-hour reflects changes EPA made to provide a smoother glide path and less of a "cliff" at the beginning of the program.

The 2012 baseline for Ohio was adjusted to be more representative, based on information that came in during the comment period.

Pathway to 2030: While EPA’s projections show Ohio and its power plants will need to continue to work to reduce CO₂ emissions and take additional action to reach its goal in 2030, these rates – and that state goal – are reasonable and achievable because no plant and no state has to meet them alone or all at once. They are designed to be met as part of the grid and over time. In fact, the rates themselves, and Ohio’s goal, reflect the inherent flexibility in the way the power system operates and the variety of ways in which the electricity system can deliver a broad range of opportunities for compliance for power plants and states. EPA made improvements in the final rule specifically for the purpose of ensuring that states and power plants could rely on the electricity system’s inherent flexibility and the changes already under way in the power sector to find affordable pathways to compliance.

- o **Flexibility in state plans and easier access to trading programs.** States can use EPA’s model trading rules or write their own plan that includes trading with other “trading-ready” states, whether they are using a mass- or rate-based plan.
- o **Clean Energy Incentive Program available for early investments.** This program supports renewable energy projects – and energy efficiency in low-income communities – in 2020 and 2021.
- o **The period for mandatory reductions begins in 2022, and there is a smoother glide path to 2030.** The glide path gradually “steps” down the amount of carbon pollution. Note that states may elect to set their own milestones for interim step periods 1, 2 and 3 as long as they meet the interim goal overall or “on average” over the course of the interim period, and meet the final goals, established in the emission guidelines. To accomplish this, in its state plan, the state must define its interim step milestones and demonstrate how it will achieve these milestones, as well as the overall interim, and final, goals.
- o **Energy efficiency available for compliance.** Demand-side EE is an important, proven strategy that states and utilities are already widely using, and that can substantially and cost-effectively lower CO₂ emissions from the power sector. EPA anticipates that, thanks to their low costs and large potential in every state and region, demand-side EE programs will be a significant component of state compliance plans under the Clean Power Plan. The CPP’s flexible compliance options allow states to fully deploy EE to help meet their state goals.



Regional Point of Contact for Questions:

Alexis Cain / EPA Region 5
 312-886-7018
 cain.alexis@epa.gov

Updated 8/3/2015 5:15 PM

Clean Power Plan Timeline

15 Years

- January 1, 2030 - CO₂ Emission Goals met

Summer
2015

- August 3, 2015 - Final Clean Power Plan

1 Year

- September 6, 2016 - States submit initial state plan

3 Years

- September 6, 2018 - States submit final state plan

7 Years

- January 1, 2022 - Compliance period begins



OVERVIEW OF THE CLEAN POWER PLAN

CUTTING CARBON POLLUTION FROM POWER PLANTS

On August 3, President Obama and EPA announced the Clean Power Plan – a historic and important step in reducing carbon pollution from power plants that takes real action on climate change. Shaped by years of unprecedented outreach and public engagement, the final Clean Power Plan is fair, flexible and designed to strengthen the fast-growing trend toward cleaner and lower-polluting American energy. With strong but achievable standards for power plants, and customized goals for states to cut the carbon pollution that is driving climate change, the Clean Power Plan provides national consistency, accountability and a level playing field while reflecting each state’s energy mix. It also shows the world that the United States is committed to leading global efforts to address climate change.

WHAT IS THE CLEAN POWER PLAN?

- The Clean Power Plan will reduce carbon pollution from power plants, the nation’s largest source, while maintaining energy reliability and affordability. Also on August 3, EPA issued final Carbon Pollution Standards for new, modified, and reconstructed power plants, and proposed a Federal Plan and model rule to assist states in implementing the Clean Power Plan.
- These are the first-ever national standards that address carbon pollution from power plants.
- The Clean Power Plan cuts significant amounts of power plant carbon pollution and the pollutants that cause the soot and smog that harm health, while advancing clean energy innovation, development and deployment, and laying the foundation for the long-term strategy needed to tackle the threat of climate change. By providing states and utilities ample flexibility and the time needed to achieve these pollution cuts, the Clean Power Plan offers the power sector the ability to optimize pollution reductions while maintaining a reliable and affordable supply of electricity for ratepayers and businesses.
- Fossil fuels will continue to be a critical component of America’s energy future. The Clean Power Plan simply makes sure that fossil fuel-fired power plants will operate more cleanly and efficiently, while expanding the capacity for zero- and low-emitting power sources.

- The final rule is the result of unprecedented outreach to states, tribes, utilities, stakeholders and the public, including more than 4.3 million comments EPA received on the proposed rule. The final Clean Power Plan reflects that input, and gives states and utilities time to preserve ample, reliable and affordable power for all Americans.

WHY WE NEED THE CLEAN POWER PLAN

- In 2009, EPA determined that greenhouse gas pollution threatens Americans' health and welfare by leading to long-lasting changes in our climate that can have a range of negative effects on human health and the environment. Carbon dioxide (CO₂) is the most prevalent greenhouse gas pollutant, accounting for nearly three-quarters of global greenhouse gas emissions and 82 percent of U.S. greenhouse gas emissions.
- Climate change is one of the greatest environmental and public health challenges we face. Climate impacts affect all Americans' lives – from stronger storms to longer droughts and increased insurance premiums, food prices and allergy seasons.
- 2014 was the hottest year in recorded history, and 14 of the 15 warmest years on record have all occurred in the first 15 years of this century. Recorded temperatures in the first half of 2015 were also warmer than normal.
- Overwhelmingly, the best scientists in the world, relying on troves of data and millions of measurements collected over the course of decades on land, in air and water, at sea and from space, are telling us that our activities are causing climate change.
- The most vulnerable among us – including children, older adults, people with heart or lung disease and people living in poverty – may be most at risk from the impacts of climate change.
- Fossil fuel-fired power plants are by far the largest source of U.S. CO₂ emissions, making up 31 percent of U.S. total greenhouse gas emissions.
- Taking action now is critical. Reducing CO₂ emissions from power plants, and driving investment in clean energy technologies strategies that do so, is an essential step in lessening the impacts of climate change and providing a more certain future for our health, our environment, and future generations.

BENEFITS OF IMPLEMENTING THE CLEAN POWER PLAN

- The transition to clean energy is happening faster than anticipated. This means carbon and air pollution are already decreasing, improving public health each and every year.
- The Clean Power Plan accelerates this momentum, putting us on pace to cut this dangerous pollution to historically low levels in the future.
- When the Clean Power Plan is fully in place in 2030, carbon pollution from the power sector will be 32 percent below 2005 levels, securing progress and making sure it continues.

- The transition to cleaner sources of energy will better protect Americans from other harmful air pollution, too. By 2030, emissions of sulfur dioxide from power plants will be 90 percent lower compared to 2005 levels, and emissions of nitrogen oxides will be 72 percent lower. Because these pollutants can create dangerous soot and smog, the historically low levels mean we will avoid thousands of premature deaths and have thousands fewer asthma attacks and hospitalizations in 2030 and every year beyond.
- Within this larger context, the Clean Power Plan itself is projected to contribute significant pollution reductions, resulting in important benefits, including:
 - Climate benefits of \$20 billion
 - Health benefits of \$14-\$34 billion
 - Net benefits of \$26-\$45 billion
- Because carbon pollution comes packaged with other dangerous air pollutants, the Clean Power Plan will also protect public health, avoiding each year:
 - 3,600 premature deaths
 - 1,700 heart attacks
 - 90,000 asthma attacks
 - 300,000 missed work days and school days

HOW THE CLEAN POWER PLAN WORKS

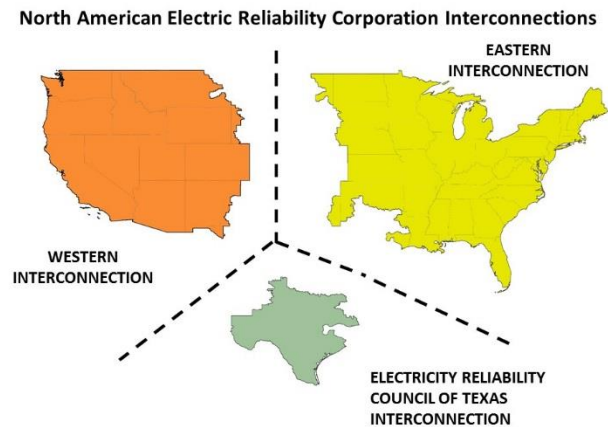
- The Clean Air Act – under section 111(d) – creates a partnership between EPA, states, tribes and U.S. territories – with EPA setting a goal and states and tribes choosing how they will meet it.
- The final Clean Power Plan follows that approach. EPA is establishing interim and final carbon dioxide (CO₂) emission performance rates for two subcategories of fossil fuel-fired electric generating units (EGUs):
 - Fossil fuel-fired electric steam generating units (generally, coal- and oil-fired power plants)
 - Natural gas-fired combined cycle generating units
- To maximize the range of choices available to states in implementing the standards and to utilities in meeting them, EPA is establishing interim and final statewide goals in three forms:
 - A rate-based state goal measured in pounds per megawatt hour (lb/MWh);

- A mass-based state goal measured in total short tons of CO₂;
- A mass-based state goal with a new source complement measured in total short tons of CO₂.
- States then develop and implement plans that ensure that the power plants in their state – either individually, together or in combination with other measures – achieve the interim CO₂ emissions performance rates over the period of 2022 to 2029 and the final CO₂ emission performance rates, rate-based goals or mass-based goals by 2030.
- These final guidelines are consistent with the law and align with the approach that Congress and EPA have always taken to regulate emissions from this and all other industrial sectors – setting source-level, source category-wide standards that sources can meet through a variety of technologies and measures.

HOW EPA DETERMINED EMISSION PERFORMANCE RATES

- Under section 111(d) of the Clean Air Act, EPA determines the best system of emissions reduction (BSER) that has been demonstrated for a particular pollutant and a particular group of sources by examining technologies and measures already being used.
- Consistent with previous BSER determinations in 111(d) rulemakings, the agency considered the types of strategies, technologies and measures that states and utilities are already using to reduce CO₂ from fossil fuel-fired power plants.
- In the final Clean Power Plan, EPA determined that BSER consists of three building blocks:
 - **Building Block 1** - reducing the carbon intensity of electricity generation by improving the heat rate of existing coal-fired power plants.
 - **Building Block 2** -substituting increased electricity generation from lower-emitting existing natural gas plants for reduced generation from higher-emitting coal-fired power plants.
 - **Building Block 3** - substituting increased electricity generation from new zero-emitting renewable energy sources (like wind and solar) for reduced generation from existing coal-fired power plants.
- In determining the BSER, EPA considered the ranges of reductions that can be achieved at coal, oil and gas plants at a reasonable cost by application of each building block, taking into account how quickly and to what extent the measures encompassed by the building blocks could be used to reduce emissions.

- In assessing the BSER, EPA recognized that power plants operate through broad interconnected regional grids that determine the generation and distribution of power, and thus the agency based its analysis on the three established regional electricity interconnects: the Western interconnection, the Eastern interconnection and the Electricity Reliability Council of Texas interconnection.



- EPA applied the building blocks to all of the coal plants and all of the natural gas power plants in each region to produce regional emission performance rates for each category.
- From the three resulting regional coal plant rates, and the three regional natural gas power plant rates, EPA chose the most readily achievable rate for each category to arrive at equitable CO₂ emission performance rates for the country that represent the best system of emission reductions.
- The same CO₂ emission performance rates were then applied to all affected sources in each state to arrive at individual statewide rate-based and mass-based goals. Each state has a different goal based upon its own particular mix of affected sources.
- The agency is setting emission performance standards for tribes with affected EGUs— Navajo, Fort Mojave, and Ute (Uintah and Ouray). At this time, EPA is not setting CO₂ emission performance goals for Alaska, Hawaii, Guam or Puerto Rico so that the agency can continue to collect data that can form the basis of standards for power plants there in the future.

STATE PLANS

- The final Clean Power Plan provides guidelines for the development, submittal and implementation of state plans that establish standards of performance or other measures for affected EGUs in order to implement the interim and final CO₂ emission performance rates.
- States must develop and implement plans that ensure the power plants in their state – either individually, together, or in combination with other measures – achieve the equivalent, in terms of either or rate or mass, of the interim CO₂ performance rates between 2022 and 2029, and the final CO₂ emission performance rates for their state by 2030.
- States may choose between two plan types to meet their goals:

- **Emission standards plan**– includes source-specific requirements ensuring all affected power plants within the state meet their required emissions performance rates or state-specific rate-based or mass-based goal.
 - **State measures plan**– includes a mixture of measures implemented by the state, such as renewable energy standards and programs to improve residential energy efficiency that are not included as federally enforceable components of the plan. The plan may also include federally enforceable source-specific requirements. The state measures, alone or in conjunction with federally enforceable requirements, must result in affected power plants meeting the state’s mass-based goal. The plan must also include a backstop of federally enforceable standards on affected power plants that fully meet the emission guidelines and that would be triggered if the state measures fail to result in the affected plants achieving the required emissions reductions on schedule. States may use the final model rule, which EPA proposed on August 3, for their backstop.
- In developing its plan, each state will have the flexibility to select the measures it prefers in order to achieve the CO₂ emission performance rates for its affected plants or meet the equivalent statewide rate- or mass-based CO₂ goal. States will also have the ability to shape their own emissions reduction pathways over the 2022-29 period.
 - The final rule also gives states the option to work with other states on multi-state approaches, including emissions trading, that allow their power plants to integrate their interconnected operations within their operating systems and their opportunities to address carbon pollution.
 - The flexibility of the rule allows states to reduce costs to consumers, minimize stranded assets and spur private investments in renewable energy and energy efficiency technologies and businesses.
 - States can tailor their plans to meet their respective energy, environmental and economic needs and goals, and those of their local communities by:
 - relying on a diverse set of energy resources;
 - protecting electric system reliability;
 - providing affordable electricity; and
 - recognizing investments that states and power companies are already making.

EMISSIONS TRADING

- One cost-effective way that states can meet their goals is emissions trading, through which affected power plants may meet their emission standards via emission rate credits (for a rate-based standard) or allowances (for a mass-based standard).

- Trading is a proven approach to address pollution and provides states and affected plants with another mechanism to achieve their emission standards. Emission trading is a market-based policy tool that creates a financial incentive to reduce emissions where the costs of doing so are the lowest and clean energy investment enjoys the highest leverage.
- Market-based approaches are generally recognized as having the following benefits:
 - Reduce the cost of compliance
 - Create incentives for early reduction
 - Create incentives for emission reductions beyond those required
 - Promote innovation, and
 - Increase flexibility and ensure reliability
- In addition to including mass-based state goals to clear the path for mass-based trading plans, the final rule gives states the opportunity to design state rate-based or mass-based plans that will make their units “trading ready,” allowing individual power plants to use out-of-state reductions – in the form of credits or allowances, depending on the plan type – to achieve required CO₂ reductions, without the need for up-front interstate agreements.
- EPA is committed to supporting states in the tracking of emissions, as well as tracking allowances and credits, to help implement multi-state trading or other approaches.

RELIABILITY ASSURANCE

- The final rule has several features that reflect EPA’s commitment to ensuring that compliance with the final rule does not interfere with the industry’s ability to maintain the reliability of the nation’s electricity supply:
 - A long compliance period, and phased-in reduction requirements, providing sufficient time and flexibility for the planning and investment needed to maintain system reliability.
 - A basic design that allows states and affected EGUs flexibility to include a large variety of approaches and measures to achieve the environmental goals in a way that is tailored to each state’s and utility’s energy resources and policies, including trading within and between states, and other multi-state approaches that support electric system reliability.
 - A requirement that each state demonstrate in its final plan that it has considered reliability issues in developing its plan.
 - A mechanism for a state to seek a revision to its plan in case unanticipated or significant reliability challenges arise.

- A reliability safety valve to address situations where, in the wake of an unanticipated event or other extraordinary circumstances, an affected power plant must provide reliability-critical generation notwithstanding CO₂ emissions constraints that would otherwise apply.
- In addition to the measures outlined in the rule EPA, the Department of Energy (DOE) and the Federal Energy Regulatory Commission (FERC) are coordinating efforts to monitor the implementation of the final rule to help preserve continued reliable electricity generation and transmission.

STATE PLAN TIMING

- States will be required to submit a final plan, or an initial submittal with an extension request, by September 6, 2016.
- Final complete state plans must be submitted no later than September 6, 2018.
- The final rule provides 15 years for full implementation of all emission reduction measures, with incremental steps for planning and demonstration that will ensure progress is being made in achieving CO₂ emission reductions.
- Each state plan must include provisions that will allow the state to demonstrate that the plan is making progress toward meeting the 2030 goal. The Clean Power Plan offers several options for states to show their progress for meeting interim CO₂ emission performance rates or state CO₂ emission interim step goals.
- In addition to offering three multi-year “step down” goals within the interim period, the final rule also allows states to apply measures in a gradual way that that they determine is the most cost-effective and feasible.
- During the interim period states are required periodically to compare emission levels achieved by their affected power plants with emission levels projected in the state plan and report results to EPA.

HELPING COMMUNITIES BENEFIT FROM CLEAN ENERGY

- The Clean Power Plan gives states the opportunity to ensure that communities share in the benefits of a clean energy economy, including energy efficiency and renewable energy.
- EPA is creating a Clean Energy Incentive Program (CEIP) to reward early investments in wind and solar generation, as well as demand-side energy efficiency programs implemented in low-income communities, that deliver results during 2020 and/or 2021.
- Through this program, EPA intends to make allowances or emission rate credits (ERCs) available to states that incentivize these investments. EPA is providing additional incentives to encourage energy efficiency investments in low-income communities.

COMMUNITY INVOLVEMENT AND ENVIRONMENTAL JUSTICE

- The final rule reflects two years of unprecedented outreach and engagement with stakeholders and the public, and incorporates changes directly responsive to stakeholders' critical concerns and priorities.
- Public engagement was essential throughout the development of the Clean Power Plan, and EPA will continue to engage with communities and the public now that the rule is final.
- To ensure opportunities for communities – particularly low-income communities, minority communities and tribal communities – to continue to participate in decision making, EPA is requiring that states demonstrate how they are actively engaging with communities as part of their public participation process in the formulation of state plans.
- The requirement for meaningful engagement within state plans will provide an avenue for all communities to both hear from the state about strategies that might work best to tackle climate pollution, and to provide input on where possible impacts to low-income communities, minority communities, and tribal communities could occur along with strategies to mitigate those impacts.
- The final rule includes information on communities living near power plants, and EPA will provide additional information to facilitate engagement between communities and states as implementation of the Clean Power Plan moves forward. For example, the agency will provide guidance on strategies states can use to meaningfully engage with communities, along with other resources and information, on a portal web page the agency will develop for communities' use.
- As implementation of the Clean Power Plan goes forward, the agency will conduct air quality evaluations to determine impacts that state plans may have on vulnerable communities. EPA encourages states to conduct analyses to help states, communities and utilities understand the potential localized and community impacts of state plans.
- To help with these analyses, EPA will ensure emissions data is available and easily accessed through the Clean Power Plan Communities Portal web page. The agency also will provide demographic information and other data, along with examples analyses that states have conducted to assess the impact of other rules.



THE ROLE OF STATES

STATES DECIDE HOW TO MEET THEIR GOAL

On August 3, President Obama and EPA announced the Clean Power Plan – a historic and important step in reducing carbon pollution from power plants that takes real action on climate change. Shaped by years of unprecedented outreach and public engagement, the final Clean Power Plan is fair, flexible and designed to strengthen the fast-growing trend toward cleaner and lower-polluting American energy. With strong but achievable standards for power plants, and customized goals for states to cut the carbon pollution that is driving climate change, the Clean Power Plan provides national consistency, accountability and a level playing field while reflecting each state’s energy mix. It also shows the world that the United States is committed to leading global efforts to address climate change.

STATES CHOOSE THEIR OWN PATH

- With strong but reasonable and achievable standards for power plants, the Clean Power Plan provides national consistency, accountability and fair goals for emissions reductions.
- The final Clean Power Plan provides guidelines for the development, submittal and implementation of state plans that establish standards of performance or other measures for affected power plants in order to implement the interim and final carbon dioxide CO₂ emission performance rates.
- Those performance rates have been translated into goals that will be easier to reach due to the inherent flexibility in the way the power system operates. That system, combined with the tools EPA now provides – like trading-ready mechanisms, a model rule that relies on trading, incentives for early investment, and phased-in reductions – means that standards are more affordable and achievable.
- The final Clean Power Plan gives each state a choice in how they will meet their goals, but they do not have to rely on achieving the full measure of reductions under these standards individually. Rather, mirroring the interconnected operations of the electric grid in which all power plants currently operate, states can work in concert, using mechanisms like emissions trading, to lower the overall carbon intensity of electricity generation.

- State plans will be developed and implemented in a future that is changing so quickly that it is already projected to be cleaner than we anticipated at proposal. Utilities are rapidly moving toward a cleaner future, so the amount of work states have left to do is less than before, with the Clean Power Plan securing the progress already being made and adding to it in the years to come.

EMISSIONS TRADING

- One cost-effective way that states can meet their goals is emissions trading, through which affected power plants may meet their emission standards via emission rate credits (for a rate-based standard) or allowances (for a mass-based standard).
- Trading is a proven approach to address pollution and provides states and affected plants with another mechanism to achieve their emission standards. Emission trading is a market-based policy tool that creates a financial incentive to reduce emissions where the costs of doing so are the lowest and clean energy investment enjoys the highest leverage.
- Market-based approaches are generally recognized as having the following benefits:
 - Reduce the cost of compliance
 - Create incentives for early reduction
 - Create incentives for emission reductions beyond those required
 - Promote innovation, and
 - Increase flexibility and maintain reliability
- In addition to including mass-based state goals to clear the path for mass-based trading plans, the final rule gives states the opportunity to design state rate-based or mass-based plans that will make their units “trading ready,” allowing individual power plants to use out-of-state reductions – in the form of credits or allowances, depending on the plan type – to achieve required CO₂ reductions, without the need for up-front interstate agreements.
- EPA is committed to supporting states in the tracking of emissions, as well as tracking allowances and credits, to help implement multi-state trading or other approaches.

STATE PLANS

- States must develop and implement plans that ensure the power plants in their state - either individually, together, or in combination with other measures - achieve the equivalent, in terms of either rate or mass, of the interim CO₂ performance rates between 2022 and 2029 and the final CO₂ emission performance rates for their state by 2030.
- States may choose between two plan types, expressed as emission rate or mass, to meet their goals:

- Emission standards plan – includes source-specific requirements ensuring all affected power plants within the state meet their required emission performance rate- or a mass-based equivalent.
- State measures plan – includes a mixture of measures implemented by the state, such as renewable energy standards and programs to improve residential energy efficiency that are not included as federally enforceable components of the plan. The plan would include a backstop of federally enforceable standards on affected power plants that fully meet the emission guidelines and that would be triggered if the state measures fail to result in the affected plants achieving the required emissions reductions on schedule. States may use the proposed model rule also issued on August 3 for their backstop.
- In developing its plan, each state will have the flexibility to select the measures it prefers in order to achieve the CO₂ emission performance rates for its affected plants, or meet the equivalent statewide rate- or mass-based CO₂ goal.
- States will also have the ability to shape their own emissions reduction pathways over the 2022-29 period since their affected sources together must only meet the states' interim goals "on average" over the eight-year span.
- States, through various state plan types, can utilize the reduction methods outlined in the Best System of Emission Reduction (BSER) (i.e., increasing coal plant efficiency, shifting coal generation to natural gas generation, and increasing renewable power generation) or they can choose to rely upon other measures such as demand-side energy efficiency programs or increased nuclear generation.
- EPA is providing a Clean Energy Incentive Program to reward early investments in certain renewable energy (RE) and demand-side energy efficiency (EE) projects that generate carbon-free MWh or reduce end-use energy demand during 2020 and 2021.
 - State participation in the program is optional.
 - Recognizing that low-income communities are often under-represented in RE and EE investment, EPA is providing additional incentives to encourage such investments that are implemented in low-income communities.
- The final rule also gives states the option to work with other states on multi-state approaches that allow their power plants to integrate their interconnected operations within their operating systems and their opportunities to address carbon pollution.
- The flexibility of the rule allows states to reduce costs to consumers, minimize stranded assets and spur private investments in renewable energy and energy efficiency technologies and businesses.

- States can tailor their plans to meet their respective energy, environmental and economic needs and goals, and those of their local communities by:
 - relying on a diverse set of energy resources;
 - protecting electric system reliability;
 - providing affordable electricity; and
 - recognizing investments that states and power companies are already making.



COLUMBUS | CLEVELAND
CINCINNATI-DAYTON
MARIETTA

BRICKER & ECKLER LLP
100 South Third Street
Columbus, OH 43215-4291
MAIN: 614.227.2300
FAX: 614.227.2390

www.bricker.com
info@bricker.com

Frank L. Merrill
614.227.8871
fmerrill@bricker.com

COUNSEL'S REPORT

Frank L. Merrill, Bricker & Eckler LLP, Counsel to the OMA
October 22, 2015

A. ADMINISTRATIVE

1. Ohio EPA Activities of Note

a. Clay and Shale Products Exclusion

At the request of OMA members, the Budget Bill (Am. Sub. H.B. 64) included a provision to exclude “clay and shale products” from the definition of “solid waste” under ORC Chapter 3734 (Ohio’s Solid and Hazardous Waste statute) and from the definition of “industrial waste” under ORC Chapter 6111. The statutory revision was signed by the Governor and is now law.

b. Beneficial Use Rules

On May 14, 2015, Ohio EPA issued draft beneficial use rules for public comment. Ohio EPA will be accepting comments until June 22, 2015. Ohio EPA held a stakeholder meeting on the draft rules on June 10, 2015, and comments are due by June 22, 2015.

Current rule package only includes following four “beneficial use byproducts” (new term being used by Ohio EPA instead of “select waste”):

- 1) foundry sand
- 2) water treatment plant residuals (e.g., alum sludge);
- 3) waste used as a fuel (to correspond with U.S. EPA’s regulations); and
- 4) dredged material from navigable water for maintenance activities (i.e., the Lake Erie harbor dredging issue/dispute with U.S. Army Corps of Engineers).

Ohio EPA is willing to include or consider other byproducts if comments received proposing same.

c. Universal Waste

OMA representatives have had several meetings with Ohio EPA to discuss the possible expansion of the scope of Ohio's universal waste rule, which is an exception from the hazardous waste rules. OMA had petitioned Ohio EPA approximately two years ago to add paint residue waste to the list of universal waste, as is the practice in Texas. Ohio EPA never formally acted on OMA's request and never responded in writing.

On February 15, 2015, at Ohio EPA's request, OMA submitted draft regulatory language for Ohio EPA's review to implement a regulatory change to add paint and paint waste to the designation of universal waste. Ohio EPA has indicated that it intends to release an Early Stakeholder Outreach (ESO) document to solicit input this fall. OMA has been told that the ESO will be more refined and focus on antifreeze, aerosol cans, and paint and paint-related wastes.

2. U.S. EPA Activities of Note

a. Ozone Standards

On October 1, 2015, U.S. EPA established a new ground-level ozone standard for the country. The new standard is 70 parts per billion (ppb). The rule tightened the already stringent standard of 75 ppb which has not even been fully implemented, and parts of Ohio are still in nonattainment.

Through a major lobbying mobilization effort the OMA, its member, and national allies were able to prevent more draconian reductions to an impossible 60-65 ppb. While disaster was partially mitigated, the new standard will still put seven out of eight of Ohio's largest metro areas in nonattainment. Ohio will now begin the process of adopting implementation plans to comply with the new federal rule.

b. U.S. EPA's "Clean Power Plan"

On June 2, 2014, U.S. EPA proposed limits on carbon dioxide emissions from coal-fired power plants. The original proposed plan would cut carbon emissions from existing coal-fired power plants by up to 30% by 2030 compared with 2005 levels. Under the original proposal, power plants in Ohio would need to achieve a 28% reduction in carbon emissions per megawatt hour of electricity by 2030.

On August 3, 2015, U.S. EPA issued its final "Clean Power Plan" rules. The final rules limiting carbon dioxide emissions from power plants included several revisions to the draft version issued more than one year ago. Rather than the original proposal for the power sector to reduce carbon dioxide emissions by 30% between 2005 and 2030, the final rules call for a 32% reduction during that time frame. Compliance deadlines were also pushed back by two years.

Although states will be required to submit a final plan, by September 6, 2016, they can file for a two-year extension to turn in an implementation plan in 2018.

States can choose between two implementation plan types to meet their compliance goals. The “emission standards plan” calls for specific reductions for all affected power plants, while the “state measures plan” can include a mix of emissions reduction measures, such as renewable energy standards and residential energy efficiency programs that are not already part of the federal requirements. The final rule also allows for multi-state approaches on things like emissions trading, which could allow affected power plants to meet their standards using emission rate credits or allowances. The administration increased the renewable energy standard in the rules from the original plan for wind, solar and biomass to make up 22% of the nation’s electricity sources to 28% in the final rules. U.S. EPA says the increased requirement for renewables is warranted because the transition to newer forms of energy is occurring faster than it previously anticipated.

c. Proposed Amendments to Hazardous Waste Generator Regulations

On August 31, 2015, U.S. EPA issued a proposed rule package to address concerns that while industries and products have changed dramatically in the last 30 years, the hazardous waste generator rules have changed very little to keep up with the changes. The rule package includes the following proposals:

- (1) Intra-company waste consolidation;
- (2) Management of episodic waste events; and
- (3) Enhanced labeling of containers.

The proposed rule was published in the Federal Register on September 25, 2015. U.S. EPA will be accepting comments on the proposal until November 24, 2015.

3. Judicial

a. State Cases

- i. *Northeast Ohio Regional Sewer District v. Bath Township*,
Ohio Supreme Court, 2015-Ohio-3705

On September 15, 2015, the Ohio Supreme Court ruled that the Northeast Ohio Regional Sewer District could assess a fee as part of its plan to manage stormwater, or wastewater, in and around Cuyahoga County.

Writing for the majority, Justice Paul Pfeifer said state law and the sewer district's charter gave it the authority to establish the stormwater management program and the fee structure.

The decision reversed the ruling of the Eighth District Court of Appeals, which found that sewer districts were restricted to dealing with "waste water." Justice Pfeifer wrote that state law identifies two types of wastewater, one of which is "any storm water."

b. Federal Cases

i. Michigan v. EPA (U.S. Supreme Court, June 29, 2015)

In this decision, the Court struck down U.S. EPA's rules regulating mercury emissions from factories and coal-fired power plants. The Court majority held that U.S. EPA must consider the cost to industry in implementing new regulations. U.S. EPA has historically taken the position that the cost of companies is not a factor in their rulemaking efforts. "Today, the Supreme Court called out the EPA for a systematic problem – failure to appropriately consider costs – that the agency has repeatedly used to issue overly aggressive regulations that place manufacturers at a competitive disadvantage," Linda Kelly, general counsel to the National Association of Manufacturers, said in a statement.

ii. North Dakota v. EPA, No. 3:15-cv-59 (U.S. District Court for N.D., August 27, 2015)

The U.S. District Court for North Dakota issued a preliminary injunction prohibiting the implementation of U.S. EPA's new rule intended to clarify the scope of jurisdictional waters of the United States (the so-called "Waters of the United States" rule or "WOTUS" rule). The Court ruled that the regulation likely exceeded the agencies' statutory authority and suffered from procedural defects. The U.S. EPA and the Army Corps argued that the injunction should only apply in the thirteen states that were plaintiffs in the case (Ohio was not a plaintiff). U.S. EPA has issued a statement and is taking the position that the WOTUS rule must be applied in any state that is not a plaintiff in the North Dakota case. Therefore, according to U.S. EPA, Ohio is subject to the new WOTUS rule. Legal challenges to the WOTUS rule nationwide are pending in the Sixth Circuit Court of Appeals.

iii. *In re EPA "Clean Water Rule: Definition of Waters of the United States,"* Sixth Circuit (Nos. 15-3799)

On October 9, 2015, the Sixth Circuit stayed the implementation of the U.S. EPA's final rule defining "waters of the United States" (WOTUS) nationwide. The Final Rule was issued on May 27, 2015, by the U.S. EPA and the US Army Corps of Engineers, with an effective date of August 28, 2015.

The Sixth Circuit found that the coalition of states challenging the Final Rule "demonstrated a substantial possibility of success on the merits of their claims" and that a stay would "temporarily silence the whirlwind of confusion that springs from the uncertainty about the requirements of the new Rule and whether they will survive legal testing."

iv. *Delaware Department of Natural Resources and Environmental Control v. EPA,* D.C. Cir. (No. 13-1093)

On May 1, 2015, the D.C. Circuit of Appeals vacated and remanded U.S. EPA's rule allowing emergency engines participating in emergency demand response programs to operate for 100 hours without satisfying more stringent emission requirements for reciprocal internal combustion engines (RICE). The court found that concerns regarding the impact of the exemption on grid reliability were not adequately addressed by U.S. EPA.

TO: OMA Environment Committee
FROM: Rob Brundrett
RE: Environment Public Policy Report
DATE: October 22, 2015

Overview

The General Assembly returned to Columbus in late September to a full slate of committee hearings. The most pressing issues are related to taxes and corrections to the income tax cut included in the state budget.

Environmental discussions continued to be dominated by federal regulations including waters of the U.S., the Clean Power Plan, and a new ozone standard. The OMA led a statewide effort to mitigate the damage regarding the ozone plan and is engaging with state regulators and its national allies to determine the best course of action forward in Ohio regarding the Clean Power Plan.

General Assembly News and Legislation

House Bill 64 – State Budget Bill

Ohio EPA's budget did not include any fee increases; however, the agency did extend existing fees for its air, surface water, drinking water and materials and waste management divisions, and to reallocate materials and waste management funding to support its focus on business assistance, compliance assistance and pollution prevention.

The director also was successful in creating the Certified Water Quality Professional program that will allow a prequalified, third party private-sector evaluation and assessment of wetlands and streams for water quality certification and Isolated Wetland Permit applications.

The agency also received authority to request chemical information that may include confidential trade secret information in the event of an emergency. Ohio EPA emergency response staff responds 24/7, 365 to environmental spills and disasters and coordinates mitigation and cleanup efforts with local, state and federal partners. The change allows Ohio EPA to ask for information from companies during an emergency and share that information with others, such as water treatment plant operators who have an immediate public health or safety interest to protect.

Two OMA amendments were included in the House version of bill that would exempt slag from the definition of industrial waste, and the second amendment would exempt clay and shale structural products from solid waste and industrial waste statutes. The clay and shale amendment survived the budget process. The slag amendment was removed at the last minute with a guarantee from the agency that they would work quickly to find a solution suitable for the industry.

House Bill 349 – State Emissions Plan

Representatives R. Smith (R-Bidwell) and Ginter (R-Salem) introduced HB 349 which requires the Environmental Protection Agency to submit a state plan governing carbon dioxide emissions to the General Assembly prior to submitting it to the United States Environmental Protection Agency, and to declare an emergency. There is a concern if this bill gets enacted that the General Assembly may not approve the agency's plan. If that happens there is a real chance Ohio would be forced to comply with the federal plan.

Regulations

Ozone – U.S. EPA

After months of manufacturers and other stakeholders pressuring the White House, the Obama administration and U.S. EPA announced the final rule which establishes a new ground-level ozone standard for the country. The rule tightens the already stringent standard of 75 parts per billion (ppb) down to 70 ppb.

The administration had threatened to set the standard at 65 or even 60 ppb. At these levels the impact on Ohio's economy would have been devastating with an estimated gross state product loss of \$23 billion from 2017 – 2040 and between \$804 million to \$156 billion in compliance costs. The impact at 70 ppb will have its own economic consequences.

In a joint statement from the National Association of Manufacturers (NAM) and OMA, OMA president Eric Burkland said, "Currently, only one of Ohio's eight metro areas – Canton – currently meets the 70 ppb standard. The economic consequences of this rule will make for tough choices for Ohio's manufacturers and businesses. This rule will without any doubt stunt investment in job creating economic growth in Ohio and the nation."

Thank you to OMA members who made Ohio's manufacturing voice heard. OMA will continue to work with our national allies including the NAM and elected officials to protect Ohio manufacturing.

U.S. EPA 111(d)

In August the U.S. EPA proposed its final rules for carbon emissions from the nation's power plants. The rules were proposed under section 111(d) of the Clean Air Act.

The rule proposes a national reduction in power plant carbon emissions by 2030, from a base year of 2012. This means a 37% reduction for Ohio.

EPA revised the building block model in response to legal uncertainties. The new "building blocks" are: reducing the carbon intensity of electricity generation by improving the heat rate of existing coal-fired power plants; substituting increased electricity generation from lower-emitting existing natural gas plants for reduced generation from higher-emitting coal-fired plants; and substituting increased electricity generation from renewable energy sources.

The timetable for implementing these vast rules is aggressive: States will be required to submit a final plan, or an initial submittal with an extension request, by September 6, 2016.

Waters of the U.S. Stay

A divided Sixth Circuit issued a nationwide stay against the enforcement the so-called "waters of the United States" regulation. The regulation was issued by the U.S. EPA and the U.S. Army Corps of Engineers. The regulations defined the scope of "waters of the U.S." to be subject to federal regulatory jurisdiction under the Clean Water Act.

Electronic Reporting and Recordkeeping Requirements for New Source Performance Standards

The OMA filed comments on U.S. EPA's Proposed "Electronic Reporting and Recordkeeping Requirements for New Source Performance Standards." The proposal would mandate that certain information be submitted via U.S. EPA's "Compliance and Emissions Data Reporting Interface," accessed through U.S. EPA's Central Data Exchange.

The proposed new reporting format, and the filing dictates tied to it, duplicate and conflict with existing electronic reporting under the NSPS program. The proposed new reporting dictates are in addition to, not in lieu of, existing federally enforceable state permit terms that implement the same underlying NSPA reporting provisions.

Asbestos Labeling

On May 8, the OMA requested Ohio EPA clarification regarding the recent change in the Occupational Safety & Health Administration (OSHA) requirements for labeling asbestos waste containers. Sign changes are required effective June 1, 2015.

On May 21, Ohio EPA director Craig Butler responded to the OMA that the new OSHA requirements can flow through the current state administrative code. So, there will be no dual requirement in the state.

The director said he's directed his staff to create new Standard Operating Guidance on the matter to document this helpful and timely decision.

Beneficial Use

Last year Ohio EPA released draft permits for foundry sand and alum sludge. Earlier this year U.S. EPA and the Dept. of AG released a risk assessment concluding that silica-based spent foundry sands from iron, steel and aluminum foundries, when used in certain soil-related applications, are protective of human health and the environment, and yield environmental benefits.

Ohio EPA also released an Early Stakeholder Outreach document on "co-products" and "by-products" last spring. The overall goal of these would be to eventually compliment a beneficial use system and make it clear certain products are not wastes subject to beneficial use regulation. Ohio EPA continues to allude that they want to include slag in this program. OMA will continue to look for avenues to ensure slag is not included in the final rules.

Earlier this year Ohio EPA released the long anticipated draft beneficial use rules for public comment. The rules cover: foundry sands; material resulting from treatment of water supply for drinking or industrial purposes that are a solid waste, industrial waste, or other waste; wastes used as fuel or ingredient in a combustion unit; and dredged materials. Noticeably absent was any rule regarding slag.

The agency continues to work on the proposal.

Universal Waste

At the end of 2012 Ohio EPA solicited comments through the early stakeholder outreach program on the expansion of universal waste in Ohio. The agency wanted to examine whether additional hazardous wastes should be designated as universal wastes and specifically if hazardous waste aerosol cans and spent antifreeze should be designated universal wastes. The OMA submitted initial comments on this topic requesting certain paint and paint related wastes.

The OMA was approached by Ohio EPA to see what sort of backing the expansion of universal waste would have among members. Last year the OMA put together a working group to work with Ohio EPA on this topic. The group submitted a document to Ohio EPA last fall and submitted rule language earlier this year.

Most recently the group sent clarifying information to the agency describing the different types of wastes that are expected to be covered under the rule change. At last contact the agency still planned to release a second ESO on aerosol cans, paint and paint related wastes and spent anitfreeze.

Water Nutrient Work Group

Ohio EPA has been working on reducing the amount of nutrients that enter Ohio's waterways. The OMA has two members on the working group Ohio EPA created to review the issue. The group submitted final comments to Ohio EPA and is awaiting Ohio EPA's rule draft in response to the group's findings.

Other Notes

Ohio Supreme Court Decision Invalidates TMDLs

On March 24, 2015, the Ohio Supreme Court, in a 5-2 vote, issued a decision invalidating a phosphorus limit that was imposed on a Fairfield County wastewater treatment plant. The decision in *Fairfield Cty. Bd. Of Commrs. v. Nally*, provides that the Ohio EPA must adhere to Ohio's statutory rulemaking procedure prior to establishing pollutant limits for a body of water.

In his concurring opinion, Justice Terrence O'Donnell provided that the "decision is far-reaching in that Ohio EPA has issued 1,761 TMDLs* for watercourses throughout Ohio, including 132 TMDLs for phosphorus alone," none of which have been promulgated through the R.C. 119 administrative process. "[T]hus the majority's decision invalidates all of them, leaving the enforceability of numerous permits in question."

*The total maximum daily load (TMDL) establishes the maximum amount of a pollutant that may be discharged for certain bodies of water without causing the receiving body of water to violate water-quality standards.

Midwest Environmental Compliance Conference

OMA and its counterpart associations in the Midwest are hosting the Midwest Environmental Compliance Conference on October 29-30 in Chicago with support from the U.S. EPA and state EPAs.

This event for Region 5 is intended to respond to the increasingly difficult task of environmental compliance, permitting, and enforcement issues that impact Midwest facilities.

As Introduced

131st General Assembly

Regular Session

2015-2016

H. B. No. 349

Representatives Smith, R., Ginter

Cosponsors: Representatives Amstutz, Blessing, Brenner, Buchy, Dever, Dovilla,
Koehler, Reineke, Roegner, Schaffer, Speaker Rosenberger

A BILL

To enact section 3704.10 of the Revised Code to 1
require the Environmental Protection Agency to 2
submit a state plan governing carbon dioxide 3
emissions to the General Assembly prior to 4
submitting it to the United States Environmental 5
Protection Agency, and to declare an emergency. 6

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 3704.10 of the Revised Code be 7
enacted to read as follows: 8

Sec. 3704.10. (A) The environmental protection agency 9
shall develop a state plan governing carbon dioxide emissions 10
from existing power plants in accordance with the requirements 11
of final rules adopted by the United States environmental 12
protection agency under EPA-HQ-OAR-2013-0602. 13

(B) In developing the state plan, the environmental 14
protection agency shall do all of the following: 15

(1) Examine witnesses, request the production of 16
documents, and review such documents and other relevant evidence 17

<u>as needed;</u>	18
<u>(2) Conduct at least four public hearings in four</u>	19
<u>different locations in the state, including locations directly</u>	20
<u>affected by the final rules adopted by the United States</u>	21
<u>environmental protection agency under EPA-HQ-OAR-2013-0602;</u>	22
<u>(3) Accept written testimony and consider, as part of the</u>	23
<u>development of the state plan, all written and oral testimony</u>	24
<u>provided;</u>	25
<u>(4) Prioritize the components in the state plan based on a</u>	26
<u>least-cost compliance approach to benefit consumers of</u>	27
<u>electricity;</u>	28
<u>(5) Consider all of the following:</u>	29
<u>(a) If the environmental protection agency should rely</u>	30
<u>upon measures used by the United States environmental protection</u>	31
<u>agency to calculate the carbon dioxide emissions reduction goal</u>	32
<u>or other measures that were not a part of that goal setting</u>	33
<u>process;</u>	34
<u>(b) If the state should participate in multi-state</u>	35
<u>programs that currently exist or if a new multi-state carbon</u>	36
<u>dioxide emissions reduction program should be created;</u>	37
<u>(c) If the state should invest in energy efficiency</u>	38
<u>programs to assist in meeting the carbon dioxide emissions</u>	39
<u>reduction goal;</u>	40
<u>(d) If the state should work in partnership with other</u>	41
<u>states;</u>	42
<u>(e) When individual power plants must make reductions in</u>	43
<u>carbon dioxide emissions;</u>	44

<u>(f) How best to avoid stranded investments in existing affected power plants;</u>	45
	46
<u>(g) The necessity and value of a diverse generation fleet in ensuring electric reliability in the state;</u>	47
	48
<u>(h) The extent to which any of the following should be included in the state plan:</u>	49
	50
<u>(i) Demand-side energy efficiency programs;</u>	51
<u>(ii) Renewable energy standards;</u>	52
<u>(iii) Efficiency improvements at existing affected power plants;</u>	53
	54
<u>(iv) Co-firing or switching to natural gas;</u>	55
<u>(v) Transmission efficiency improvements;</u>	56
<u>(vi) Energy storage technologies;</u>	57
<u>(vii) The retirement or deactivation of existing affected electric generation units or facilities;</u>	58
	59
<u>(viii) The expansion of the use of non-emitting sources such as nuclear power;</u>	60
	61
<u>(ix) Market-based trading programs;</u>	62
<u>(x) Other energy conservation programs.</u>	63
<u>(C) (1) The environmental protection agency shall submit the state plan to the United States environmental protection agency in accordance with this section. Not later than one hundred days prior to June 15, 2016, the environmental protection agency shall submit the state plan to each chamber of the general assembly in the form of a resolution.</u>	64
	65
	66
	67
	68
	69
<u>(2) Each chamber of the general assembly shall either</u>	70

adopt or disapprove the resolution not later than twenty days 71
after submission to the general assembly. 72

(3) If each chamber of the general assembly adopts the 73
resolution, the environmental protection agency shall submit the 74
state plan to the United States environmental protection agency 75
for consideration. 76

(4) If either chamber of the general assembly disapproves 77
the resolution, the environmental protection agency shall not 78
submit the state plan to the United States environmental 79
protection agency for consideration and the environmental 80
protection agency shall do all of the following: 81

(a) Determine the reasons that the general assembly 82
disapproved the resolution and modify the state plan 83
accordingly; 84

(b) Resubmit the state plan in the form of a resolution to 85
the general assembly within sixty days of the general assembly's 86
disapproval of the resolution. The general assembly then shall 87
proceed in accordance with divisions (C)(2) to (6) of this 88
section, as applicable. 89

(c) If necessary, request the United States environmental 90
protection agency to grant an extension of time for the 91
submission of the state plan and, instead, submit a plan that 92
meets the minimum requirements for an initial state plan, as 93
specified by the United States environmental protection agency. 94
If the environmental protection agency submits such an initial 95
state plan to the United States environmental protection agency, 96
it shall include with the initial state plan the following 97
statement: 98

"Please be advised that the initial state plan submitted 99

by the Ohio Environmental Protection Agency has not yet met the 100
requirements of section 3704.10 of the Ohio Revised Code, which 101
requires affirmative approval of the state plan by the General 102
Assembly of Ohio. It is the intent of the State of Ohio to 103
submit a state plan that conforms to this requirement. Under 104
section 111(d) of the Clean Air Act, states must be given an 105
opportunity to meet United States environmental standards 106
established by the United States Environmental Protection 107
Agency. The State of Ohio hereby invokes this authority and in 108
accordance with section 3704.10 of the Ohio Revised Code, will 109
make a further filing with the United States Environmental 110
Protection Agency." 111

(5) If either chamber of the general assembly does not 112
vote to adopt or disapprove the resolution in accordance with 113
division (C) of this section by June 15, 2016, the state plan is 114
deemed approved by the general assembly for purposes of this 115
section and the environmental protection agency immediately 116
shall submit the state plan to the United States environmental 117
protection agency for consideration. 118

(6) If either chamber of the general assembly does not 119
vote to adopt or disapprove a resolution submitted in accordance 120
with division (C) (4) of this section within sixty days of its 121
submission to the general assembly, the state plan is deemed 122
approved by the general assembly for purposes of this section 123
and the environmental protection agency immediately shall submit 124
the state plan to the United States environmental protection 125
agency for consideration. 126

Section 2. This act is hereby declared to be an emergency 127
measure necessary for the immediate preservation of the public 128
peace, health, and safety. The reason for such necessity is that 129

the state plan for carbon dioxide emissions must be submitted to 130
the United States Environmental Protection Agency in a timely 131
manner to ensure the protection of the health and safety of the 132
citizens of Ohio. Therefore, this act shall go into immediate 133
effect. 134



FOR IMMEDIATE RELEASE
October 1, 2015

CONTACT:
[Mallory Micetich](#) at NAM (202) 637-3085

New Ozone Rule Will Inflict Pain on Manufacturers ***Business and Manufacturers Across Ohio***

Washington, D.C. and Columbus, OH, October 1, 2015 – Today, The Ohio Manufacturers' Association (OMA) President Eric Burkland, the National Association of Manufacturers (NAM) President and CEO Jay Timmons and Neenah Enterprises, Inc. President and CEO and NAM Small and Medium Manufacturers Group Chair Tom Riordan, who represent manufacturers and business across the United States and Ohio issued the following statements on the Environmental Protection Agency's new ozone regulation:

"Today, the Obama Administration finalized a rule that is overly burdensome, costly and misguided," said Timmons. "For months, the Administration threatened to impose on manufacturers an even harsher rule, with even more devastating consequences. After an unprecedented level of outreach by manufacturers and other stakeholders, the worst-case scenario was avoided. However, make no mistake: The new ozone standard will inflict pain on companies that build things in America—and destroy job opportunities for American workers. Now it's time for Congress to step up and take a stand for working families."

"We know that this regulation could have been worse, but it still feels like a punch in the gut," said Riordan. "Manufacturers are tough and resilient, but when Washington puts politics above job creation, we still pay a price. Now manufacturers across this country, especially smaller companies, will be forced to choose between navigating this rule and hiring new workers, between complying with Washington's mandates and giving raises for their employees."

"Currently, only one of Ohio's eight metro areas - Canton - currently meets the 70 ppb standard," said Burkland. "The economic consequences of this rule will make for tough choices for Ohio's manufacturers and businesses. This rule will without any doubt stunt investment in job creating economic growth in Ohio and the nation."

To learn more about the real impacts to manufacturers, visit the NAM [website](#).

-###-

About OMA: The mission of The Ohio Manufacturers' Association is to protect and grow Ohio manufacturing. Through the OMA, manufacturers and manufacturing stakeholders work directly with members of the Ohio General Assembly, state regulatory agencies, the judiciary community and statewide media with the sole focus of improving business conditions for manufacturers in Ohio. Visit us at www.ohiomfg.com.

About NAM: The National Association of Manufacturers (NAM) is the largest manufacturing association

in the United States, representing small and large manufacturers in every industrial sector and in all 50 states. Manufacturing employs more than 12 million men and women, contributes \$2.09 trillion to the U.S. economy annually, has the largest economic impact of any major sector and accounts for more than three-quarters of private-sector research and development. The NAM is the powerful voice of the manufacturing community and the leading advocate for a policy agenda that helps manufacturers compete in the global economy and create jobs across the United States. For more information about the National Association of Manufacturers or to follow us on Shopfloor, Twitter and Facebook, please visit www.nam.org.

Revised Ozone Standard

City	2010-2012 Data	2011-2013 Data	2012-2014 Data	% above standard (2012-2014)		
				at 70 ppb	at 65 ppb	at 60 ppb
Canton	78	76	70	0.0%	7.7%	16.7%
Cleveland	83	80	78	11.4%	20.0%	30.0%
Columbus	82	80	75	7.1%	15.4%	25.0%
Cincinnati	85	81	75	7.1%	15.4%	25.0%
Dayton	78	76	72	2.9%	10.8%	20.0%
Lima	74	73	71	1.4%	9.2%	18.3%
Toledo	77	74	71	1.4%	9.2%	18.3%
Youngstown- Warren	79	76	72	2.9%	10.3%	20.0%



THE CITY OF
CANTON
WILLIAM J. HEALY II, MAYOR

July 27, 2015

Mr. Brian Deese
Assistant to the President and Senior Advisor
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. Deese:

The City of Canton is located in Stark County, Ohio, which currently has an ozone level of 76 parts per billion. That is already just barely above the current target set by the Environmental Protection Agency just a few years ago. I understand the U.S. EPA is proposing that this standard be made much more stringent, suggesting that it be lowered all the way down to 65 parts per billion.

For Canton, Ohio, that could have devastating economic consequences. As Mayor of Canton, I am very concerned about what the new EPA rule would mean for our residents and businesses here in Stark County. I have been informed that at least one estimate suggests that the cost of achieving these new standards could be as much as \$2,000 each year for every person in our city. All told, estimates of this rule's annual cost to the United States are as high as \$140 billion annually. That is a staggering cost – more than any other regulation ever, from what I understand.

As past president of the Ohio Municipal League, I know that this rule will be a real burden not just for Canton, but also for all of the other cities and towns across our state. We may be innovative and resilient Midwesterners, but we do not have the ability to suddenly achieve the new allowable ozone level without considerable expense.

We are fighting hard to grow our economy and create jobs while caring for the environment, but this new rule could make it very difficult for us to meet those goals. I hope that the Obama Administration will carefully consider the negative consequences of the EPA's proposed ozone regulation on communities like Canton.

Sincerely,

William J. Healy II
Mayor, City of Canton

cc: Gina McCarthy, Environmental Protection Agency
Valerie Jarrett, Environmental Protection Agency
Jeremy Hekhuis, Sherrod Brown's Office
Pam Thiessen, Senator Rob Portman's Office
Patrick Velliky, Representative Renacci's Office



CITY OF YOUNGSTOWN
MAYOR JOHN A. McNALLY



OFFICE OF THE MAYOR

CITY HALL • 26 S. PHELPS STREET • YOUNGSTOWN, OHIO 44503
PHONE: (330) 742-8701 • FAX: (330) 743-1335

August 24, 2015

Mr. Brian Deese
Assistant to the President and Senior Advisor
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. Deese:

In his State of the Union address last year, President Obama singled out Youngstown, Ohio as a city where business and government are working together to build a new future in high-tech manufacturing. Thanks in no small measure to the manufacturing hubs program launched by the White House, Youngstown is emerging as a leader in America's new manufacturing renaissance. In Youngstown, we are leveraging the power of our respected higher education community and the strong work ethic of Youngstown residents.

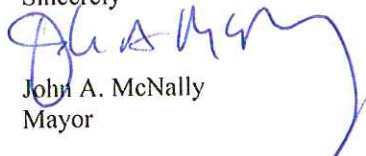
It is no secret that Youngstown has seen some tough times since the collapse of the traditional steelmaking industry in the late '70s, but our city is battling back and we are seeing hard-earned job creation gains. Youngstown has a long way to go to full recovery, but we look forward to continuing this progress with the continued support of the Administration.

In the short term, the support we would welcome most from President Obama is reconsidering the 65 ppb ground level ozone standard proposed by the EPA. The 65 ppb standard is not environmentally necessary, technologically possible or economically feasible. Cities like Youngstown would be much better served if the EPA let us continue our progress under the current standard of 75 ppb, which was only set in 2008.

Average ground level ozone levels here in Mahoning County are down to 77. We will continue this clean air progress just as surely as we continue our comeback in manufacturing and other industries. As the President fully appreciates, economic growth and environmental progress are partners in the 21st Century, not adversaries.

An abrupt switch to a 65 ppb ozone standard would damage that partnership and drain momentum from the country's economic recovery. President Obama stepped up and prevented the EPA from making this mistake in 2011. For the sake of our city, state and nation, I urge him to take the same action now.

Sincerely



John A. McNally
Mayor

cc: Gina McCarthy, Administrator, Environmental Protection Agency
Valerie Jarrett, Assistant to the President for Public Engagement and
Intergovernmental Affairs and Senior Advisor
Senator Sherrod Brown
Senator Rob Portman
Rep. Tim Ryan

Sixth Circuit puts controversial ‘waters of the United States’ (WOTUS) rule on hold

By Jonathan H. Adler October 9

This morning a divided panel of the U.S. Court of Appeals for the Sixth Circuit issued a nationwide stay against the enforcement of a regulation issued by the Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers defining the scope of the “waters of the United States” subject to federal regulatory jurisdiction under the Clean Water Act (CWA). This rule — the so-called WOTUS rule — represents the EPA and Army Corps’ effort to clarify the scope of federal regulatory jurisdiction in light of Supreme Court decisions in 2001 and 2006 concluding that the agencies had adopted an unduly broad interpretation of the scope of their authority. Numerous challenges against the WOTUS rule are pending in courts around the country, including one in North Dakota I covered here.

A particularly interesting aspect of the court’s decision is that there is some question as to whether the court of appeals has jurisdiction to consider a challenge to the rule under the CWA. Specifically, there is a question whether, under the terms of the CWA, challenges to the rule are to be brought in district or circuit courts. Other courts considering WOTUS rule challenges have split on this question. Also interesting is that those parties seeking a stay — those opposing the rule — are also those who are arguing that the challenges should be heard in district courts, and that Sixth Circuit lacks jurisdiction to hear the initial challenge.

On the merits, the majority concluded that the opponents of the WOTUS rule have shown a sufficient likelihood of prevailing in their challenge to justify the stay. Judge McKeague, joined by Judge Griffin, wrote for the court:

[W]e conclude that petitioners have demonstrated a substantial possibility of success on the merits of their claims. Petitioners first claim that the Rule’s treatment of tributaries, “adjacent waters,” and waters having a “significant nexus” to navigable waters is at odds with the Supreme Court’s ruling in *Rapanos*, where the Court vacated the Sixth Circuit’s upholding of wetlands regulation by the Army Corps of Engineers. Even assuming, for present purposes, as the parties do, that Justice Kennedy’s opinion in *Rapanos* represents the best instruction on the permissible parameters of “waters of the United States” as used in the Clean Water Act, it is far from clear that the new Rule’s distance limitations are harmonious with the instruction.

Moreover, the rulemaking process by which the distance limitations were adopted is facially suspect. Petitioners contend the proposed rule that was published, on which interested persons were invited to comment, did not include any proposed distance limitations in its use of terms like “adjacent waters” and significant nexus.” Consequently, petitioners contend, the Final Rule cannot be considered a “logical outgrowth” of the rule proposed, as required to satisfy the notice-and-comment requirements of the APA, 5 U.S.C. § 553. See *Long Island Care at Home, Ltd. v. Coke*, 551 U.S. 158, 174 (2007). As a further consequence of this defect, petitioners contend, the record compiled by respondents is devoid of specific scientific support for the distance limitations that were included in the Final Rule. They contend

the Rule is therefore not the product of reasoned decision-making and is vulnerable to attack as impermissibly “arbitrary or capricious” under the APA, 5 U.S.C. § 706(2).

The majority also concluded that there were good reasons to maintain the status quo pending the resolution of challenges to the rule.

What is of greater concern to us, in balancing the harms, is the burden—potentially visited nationwide on governmental bodies, state and federal, as well as private parties—and the impact on the public in general, implicated by the Rule’s effective redrawing of jurisdictional lines over certain of the nation’s waters. Given that the definitions of “navigable waters” and “waters of the United States” have been clouded by uncertainty, in spite of (or exacerbated by) a series of Supreme Court decisions over the last thirty years, we appreciate the need for the new Rule. See *Rapanos*, 547 U.S. 715; *Solid Waste Agency of N. Cook Cty. v. U.S. Army Corps of Engineers*, 531 U.S. 159 (2001); *United States v. Riverside Bayview Homes, Inc.*, 474 U.S. 121 (1985). In one sense, the clarification that the new Rule strives to achieve is long overdue. We also accept that respondent agencies have conscientiously endeavored, within their technical expertise and experience, and based on reliable peer-reviewed science, to promulgate new standards to protect water quality that conform to the Supreme Court’s guidance. Yet, the sheer breadth of the ripple effects caused by the Rule’s definitional changes counsels strongly in favor of maintaining the status quo for the time being.

The court also noted that (as discussed here), the rule has already been stayed in 13 states. A nationwide stay serves the additional purpose of maintaining nationwide uniformity while the litigation proceeds.

Judge Keith dissented from the court’s opinion on the grounds that the court should not issue a stay against the rule until it determines that it has jurisdiction under the CWA to review the rule. In response, the majority argued that it has the discretionary power to issue a stay pending the resolution of the jurisdictional question, and that briefing on that matter is underway.

Jonathan H. Adler teaches courses in constitutional, administrative, and environmental law at the Case Western University School of Law, where he is the inaugural Johan Verheij Memorial Professor of Law and Director of the Center for Business Law and Regulation.

**Comments of
The Ohio Chemistry Technology Council,
The Ohio Chamber of Commerce, and
The Ohio Manufacturers' Association
on U.S. EPA's Proposed "Electronic Reporting and Recordkeeping
Requirements for New Source Performance Standards"
80 Fed. Reg. Part 15,100 (March 20, 2015)**

Andrew Doehrel
President and CEO
Ohio Chamber of Commerce
230 E. Town St.
P.O. Box 15159
Columbus, OH 43215

Jenn Klein
President
Ohio Chemistry Technology Council
88 E. Broad Street, Suite 1490
Columbus, OH 43215

Robert Brundrett
Director, Public Policy Services
Ohio Manufacturers' Association
33 North High Street
Columbus, OH 43215

**Comments of
The Ohio Chamber of Commerce,
The Ohio Chemistry Technology Council,
and
The Ohio Manufacturers' Association
on U.S. EPA's Proposed "Electronic Reporting and Recordkeeping Requirements
for New Source Performance Standards"
80 Fed. Reg. Part 15,100 (March 20, 2015)**

The Ohio Chamber of Commerce, Ohio Chemistry Technology Council, and Ohio Manufacturers' Association ("the Commenters") submit these comments on EPA's proposed rulemaking on "Electronic Reporting and Recordkeeping Requirements for New Source Performance Standards."¹

The Commenters' members comprise a broad cross-section of producers and employers in the nation's industrial heartland. The Ohio Chamber of Commerce (Ohio Chamber) represents a diverse mix of over 8,000 large and small businesses. The Ohio Chemistry Technology Council (OCTC) represents over 80 member companies primarily engaged in chemical manufacturing and related services. The Ohio Manufacturers' Association (OMA) represents over 1,400 member companies engaged in manufacturing-related businesses. Many members of the Ohio Chamber, OCTC, and OMA own and operate affected facilities subject to the New Source Performance Standard (NSPS) provisions EPA is proposing to change.

We note at the outset that there is no legal requirement creating a need to change the reporting requirements for Part 60 rules. Nor is there any deadline for doing so. EPA has not found that existing implementation of the NSPS program is deficient. Under these circumstances, EPA should take care to avoid making Part 60 reporting more complicated and confusing, and less streamlined, than it is now or ought to be. We urge EPA to withdraw or revise its proposal, in order to eliminate unintended negative consequences, undue costs, and unnecessary regulatory inefficiency and incoherence, as described more fully below. At the very least, EPA should make its proposed new electronic reporting approach an optional alternative rather than mandatory.

The Commenters oppose EPA's proposed revisions to the General Provisions in Subpart A and to various source category Subparts in 40 CFR Part 60. EPA's proposal would mandate that certain disjointed and piecemeal information (the full scope of which has yet to be clearly defined by EPA²) be submitted via EPA's "Compliance and Emissions Data Reporting Interface" (CEDRI), accessed through EPA's Central Data Exchange (CDX). This proposed new reporting format and the filing dictates tied to it duplicate and conflict with existing electronic reporting under the NSPS program. EPA's proposal is completely opposite to the Agency's past actions

¹ 80 Fed. Reg. 15,100 (Mar. 20, 2015).

² The all-important particulars of the content and form of information required to be submitted via new electronic forms are not revealed in the proposed rules. Moreover, EPA says its new electronic reporting scheme is part of a "phased approach" that will eventually be expanded to "a more comprehensive group of reports from more facilities." 80 Fed. Reg. at 15,110. EPA further says the additional electronic forms required under the current proposal are still under development. *Id.* at 15.104.

and ongoing efforts to streamline the multitudinous Clean Air Act reporting requirements. The proposed new reporting dictates are in addition to, not in lieu of, existing federally enforceable State permit terms that implement the same underlying NSPS reporting provisions. And a key assumption underlying the proposal – that NSPS affected facilities currently must keep records and submit emission data reports in paper format to EPA³ – is factually and legally inaccurate.

Affected sources in Ohio that are subject to requirements in 40 CFR Part 60 already submit all required reports electronically, and maintain records required by Part 60 electronically. Ohio has been delegated broad authority to administer NSPS requirements.⁴ Ohio has fully approved State Implementation Plan rules for New Source Review permitting and a fully approved Title V operating permit program. Ohio's Permits to Install (PTIs), Permits to Install and Operate (PTIOs), and Title V permits incorporate all applicable NSPS requirements, including monitoring, recordkeeping, reporting, and testing requirements. Reporting pursuant to NSPS requirements in Ohio air permits is done via Air Services, Ohio EPA's electronic reporting program. EPA approved Air Services as compliant with EPA's "Cross-Media Electronic Reporting Rule" (CROMERR).⁵ Thus for NSPS sources in Ohio, the NSPS information EPA's proposal seeks to have submitted electronically is already being submitted to EPA electronically in an EPA-approved manner.

Ohio has also applied EPA's White Paper 2,⁶ which, among other things, enables and encourages streamlining of NSPS reporting that overlaps with other applicable requirements and synchronizing of NSPS and Title V reporting deadlines. Where NSPS reporting deadlines have been synchronized with Title V reporting deadlines under EPA's White Paper 2, that synchronization would not be carried over to the proposed CEDRI reports. Under the proposal, the same Part 60 reports would need to be submitted on different dates – an unreasonable burden on the regulated community. The electronic reports called for in EPA's proposal would be required to be keypunched into a different format than the reports already being submitted to comply with the same Part 60 rule. The "certifier" required to upload the information covered by the proposal will likely not be the same individual authorized to transmit electronic NSPS reports under Air Services.⁷ The proposed NSPS reporting would have to be sent to a different place from where current electronic NSPS reports are submitted. EPA's proposed new requirement to submit a different electronic report at a different time to a different place covering the same NSPS reporting obligation will likely catch Ohio companies off guard. Moreover, requiring duplicative reporting for the same Part 60 standards, using different federally prescribed electronic reporting systems, and different reporting deadlines for the same underlying requirement, submitted at a different time by a different person to a different address, is not reasonable or rational. For these reasons, at the very least, Part 60 reporting deadlines

³ See 80 Fed. Reg. at 15,102.

⁴ See 40 C.F.R. § 60.4(b)(KK).

⁵ See http://www.epa.gov/cromerr/application_status.html#ohio (approving Ohio's eBusiness Center); see also Ohio EPA, eBusiness Center: Air Services, <http://www.epa.ohio.gov/dapc/airservices.aspx> (demonstrating that Air Services is part of Ohio EPA's eBusiness Center).

⁶ See EPA, Memorandum from Lydia N. Wegman, Deputy Director, OAQPS, re: White Paper Number 2 for Improved Implementation of the Part 70 Operating Permits Program (Mar. 5, 1996), available at <http://www.epa.gov/airquality/permits/memoranda/wtppr-2.pdf>.

⁷ See Ohio EPA, "Air Services Hard Copy Signature Attestations," http://ohioepa.custhelp.com/app/answers/detail/a_id/2113.

different from those in existing federally enforceable permits should not be imposed for CEDRI reporting under any circumstances. Any departure from existing permit terms should await renewal or revision of those permits.

If EPA is correct that its proposed CEDRI reporting directives do not require any information not already being submitted, and given that the information already being submitted is electronically accessible to EPA through a CROMERR-compliant filing, then why should EPA mandate an additional different electronic submission of such information? If CEDRI offers any advantages or economic benefits to affected facilities, then EPA should not need to force its use. CEDRI reporting of NSPS information should be optional rather than mandatory.

However, it does not appear that EPA's proposed rule is intended to benefit affected facilities. The purpose of this rulemaking is not to fix a problem with the administration of Part 60 rules, but rather to "facilitate . . . development of numerous efforts, including regulation development, emissions factors, emissions inventories, trends analysis, regional and local scale air quality modeling, regulatory impact assessments and human exposure modeling."⁸ These objectives are extraneous to Section 111 of the Clean Air Act and the Part 60 NSPS requirements promulgated over the past 45 years. They are, instead, in the nature of information requests for regulatory initiatives other than NSPS implementation. NSPS-regulated entities, including public sector and non-profit owners and operators of NSPS affected facilities, are in effect being commandeered to build databases for new EPA initiatives. The proposal runs afoul of the first purpose of the Paperwork Reduction Act⁹ – "to minimize the paperwork burden for individuals, small businesses, educational and nonprofit institutions, Federal contractors, State, local and tribal governments, and other persons resulting from the collection of information by or for the Federal Government."

Nor will EPA's piecemeal approach to electronic reporting, under which EPA proposes to roll out additional electronic forms as it completes them, reduce the reporting burden of Ohio companies. The proposal states that EPA plans to expand CEDRI to cover additional Part 60 reporting, and that "[w]hen CEDRI is updated to support electronic submittal of the required report, you would have 90 days from the date of the reporting form's availability in CEDRI to commence electronic reporting to the EPA."¹⁰ Imposing the burden on regulated entities to monitor EPA's progress, and then incorporate EPA's new electronic forms into their compliance monitoring and reporting routines in under 3 months, is unreasonable and an unlawful circumvention of applicable rulemaking procedural requirements. Instead, EPA's proposed electronic reporting requirements should be added only when all the required forms are complete.

A fatal flaw in the proposal to substitute ERT and CEDRI electronic reporting mandates for existing Part 60 rule-based reporting requirements is that the particulars of the information

⁸ See 80 Fed. Reg. at 15,100. EPA's "electronic reporting tool" (ERT), upon which the current proposal depends, was designed to collect information to be used in connection with a database intended for updating emission factors. See EPA's Advanced Notice of Proposed Rulemaking on Emissions Factors Program Improvements, 74 Fed. Reg. 52,723, 52,726, 52,731-32 (Oct. 14, 2009).

⁹ 44 U.S.C. §§ 3501-3520.

¹⁰ See 80 Fed. Reg. at 15,104.

content, detail, and format required by ERT and CEDRI are not set forth in any existing or proposed rule. Nor is there a fixed, unchanged point of reference version of the required ERT or CEDRI forms. Regulation by software, subject to never-ending revision by ERT and CEDRI programmers, is not consonant with due process and rulemaking procedural requirements applicable to the NSPS program. Under no circumstances may web-based reporting forms impose greater specificity or different substantive reporting obligations than the underlying rules.

Finally, the Commenters submit that EPA's assumption about "paper format" mandates in the current NSPS rules, such that a rule change is necessary to "allow" electronic preservation of records, is mistaken. An on-site electronic file (such as a PDF) of an excess emission report, together with an onsite printer, is as much of a "paper format" record as that same document stored in a file cabinet or a banker's box. In any event, the electronic storage of "paper format" records is fully consistent with existing Part 60 recordkeeping requirements.

For all of the above reasons, the Ohio Chamber of Commerce, Ohio Chemistry Technology Council, and Ohio Manufacturers' Association urge EPA to modify its proposed Electronic Reporting and Recordkeeping Requirements for New Source Performance Standards to ensure that EPA does not undermine Ohio's efforts to streamline Title V permit reporting requirements. Additionally, the Commenters urge EPA to ensure that its proposed rules will not inadvertently force affected facilities in states that have already adopted CROMERR-compliant electronic reporting, like Ohio, to submit the same reports to multiple electronic reporting systems on different reporting schedules. And, rather than rolling out EPA's electronic reporting forms over time, the Commenters urge EPA to make any changes to EPA's reporting requirements effective only when all relevant forms are complete and available. Finally, the Commenters urge that EPA make the use of CEDRI voluntary, unless otherwise required by state permitting agencies.

Respectfully submitted,



Robert L. Brubaker
Eric B. Gallon

Counsel for The Ohio Chemistry Technology Council and
The Ohio Chamber of Commerce

s/ Frank L. Merrill

Environmental Counsel for The Ohio Manufacturers' Association

FIRST ANNUAL



Midwest Environmental Compliance Conference

The Region's Most Important Environmental Compliance Event of the Year

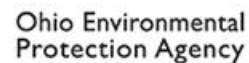
October 29-30, 2015
Chicago Marriott O'Hare

8535 West Higgins Rd., Chicago, IL 60631 (For lodging, call Marriott Chicago O'Hare at 773-693-4444)

Hosted by



We are grateful for the expertise and participation of



Day 1 Schedule

Thursday, October 29

7:15 am Registration & Continental Breakfast

Staff Training/Update (Three Tracks) 7:45 - 10:30 am

Track One

7:45 am **New(er) Staff Training/Refresher**

Best Resources for EHS Regulatory Information

How to identify new, emerging laws, rules, and guidance; how to effectively intervene and participate in rule development and adoption process.

DAVID SHANKS, Boeing

How to Elevate and Explain Environmental Issues to Upper Management and Political Appointees

CHRIS NELSON, 3M

STATE REGULATOR SPEAKER, TBD

Improving Facility Relationships with Local, State and Federal Agencies

RYAN SWEETWOOD, Burns & McDonnell

SPEAKER, TBD

What Every EHS Professional Needs to know About Inspections and Enforcement

SPEAKER, TBD

Understanding EPCRA reporting, Tier I/II, and Form R

MICHAEL REECE, GHD

Track Two

7:45 am **Seasoned Staff Updates**

The Most Commonly Cited NPDES Violations

SPEAKER, TBD

Understanding Attorney Client Privilege, Confidential Business Information and the Work Product Doctrine

DEL EHRICH, Faegre Baker Daniels

Top Five Common Hazardous Waste Violations and Best Practices

SEAN GRADY, GHD

How and When to Hire an Outside Consultant

Managing the relationship, aligning purpose, open communications, etc.

JULIANNE KURDILA, Arcelor Mittal

Risk Management Plan—Common Deficiencies, Key Considerations for Submission, Re-submittal/Correction

SPEAKER, TBD

How to Prepare for Wastewater Permits, and Monthly DMRs

FRANK CAPIC, Burns & McDonnell

Track Three

7:45 am **Crash Course in NSR/PSD Permitting**

A review of key concepts, strategies, common pitfalls; understanding the respective roles of USEPA and States; managing public engagement; and other critical information for those charged with this difficult permitting task.

JOHN IWANSKI, Trinity Consultants

LINDA ROCKWOOD, Faegre Baker Daniels

Day 1 Plenary Sessions

Thursday, October 29 (11:00 am – 2:45 pm)

11:00 am **Welcome and Keynote**

SPEAKER, TBD

11:30 am **A Conversation on Emerging Water Issues with Local, State and Federal Regulators**

Emergent nutrient control strategies, WOTUS impacts, stormwater management, SSMPW, climate change, and other water quality issues

MARCIA WILHITE, Chief, Bureau of Water, Illinois EPA

BILL CREAL, Chief, Water Resources Division, Michigan DEQ

SPEAKER, TBD

TINKA HYDE, USEPA Region 5

FRED ANDES, Barnes and Thornburg (Moderator)

12:20 pm **Lunch**

1:00 pm **Next Generation Compliance**

A review of the ongoing efforts of USEPA to reinvent compliance utilizing new technologies, data collection/analysis, smarter permits, advanced emissions testing and reporting, and greater transparency

SPEAKER, TBD

1:40 pm **In the Age of Transparency—NGO Influence on Environmental Regulation and Public Perception**

With reduced resources and a federal environmental regulatory agenda built on transparency, more and more information is being made available by federal and state regulators for easy viewing. NGOs and community groups are well funded, informed and are pursuing agendas through a variety of regulatory and enforcement strategies. Media and use of social networking also imposes a different dimension on public perception and regulator pressure. This presentation will explore the ways in which NGOs and community activism are influencing environmental regulatory decisions and public perception, and what

we can do about it.
RENEE CIPRIANO, Schiff Hardin

2:15 pm States as the Engine of Creativity

Best practices, ideas to share, lessons learned, and other tips from Region 5 state agencies.

Ohio: You can get a permit in a nonattainment area; permitting for economic development

LAURIE STEVENSON, Deputy Director of Business Administration, Ohio EPA

Minnesota: Alternative air quality inspection strategy
SARAH KILGRIFF, Supervisor, Air Quality Compliance and Enforcement, Minnesota Pollution Control Agency

Illinois: Topic TBD

JOHN KIM, General Counsel, Illinois EPA or LISA

BONNET, Director, Illinois EPA

Michigan: Topic TBD

DAN WYANT, Director, Michigan DEQ

MICHAEL BRUHN, Assistant Deputy Director,

Wisconsin DNR

MARK DENZLER, VP & COO, Illinois Manufacturers' Association (Moderator)

3:00 pm Networking Break

CONCURRENT STATE AGENCY BREAKOUT

SESSIONS 3:15 - 5:15 pm (Six Tracks)

Two-hour concurrent breakout sessions led by state agency staff

Track One

3:30 pm Minnesota Pollution Control Agency

Alternative Air Quality Inspection Strategy

Air Quality Ambient Monitoring

SARAH KILGRIFF, Supervisor, Air Quality Compliance and Enforcement, Minnesota Pollution Control Agency

New Online Interface for Water Quality Data Management

Elimination of MPCA Citizen's Board – Impacts on Permitting

JEFF STOLLENWERK, Industrial Water Section Manager, Minnesota Pollution Control Agency

Track Two

3:30 pm Wisconsin Department of Natural

Resources

Permitting and Customer Service, a Joint Venture Affirming Delegated Authorities, States' role v.

USEPA's role

PATRICK STEVENS, Division Administrator, Division of Air, Waste and Remediation & Redevelopment, Wisconsin DNR

Wisconsin's Green Tier Program

MICHAEL BRUHN, Assistant Deputy Secretary,

Wisconsin DNR

SPEAKER, TBD (Moderator)

Track Three

3:30 pm Indiana Department of Environmental Management

SPEAKER, TBD

SPEAKER, TBD (Moderator)

Track Four

3:30 pm Ohio Environmental Protection Agency

SPEAKER, TBD

SPEAKER, TBD (Moderator)

Track Five

3:30 pm Michigan Department of Environmental Quality

DAN WYANT, Director, Michigan DEQ

BILL CREAL, Chief, Water Resources Division, Michigan DEQ

LYNN FIEDLER, Chief, Air Quality Division, Michigan DEQ

Track Six

3:30 pm Illinois Environmental Protection Agency

JOHN KIM, General Counsel, Illinois EPA

MARCIA WILLHITE, Chief, Bureau of Water, Illinois EPA

JIM ROSS, Manager, Division of Air Pollution Control, Illinois EPA

5:15 - 6:30 pm Reception

Conference Day 2

Friday, October 30

7:00 am Full Breakfast

BREAKOUT SESSIONS (Three Tracks)

8:00 – 9:30 am

Track One

8:00 am Great Lakes Issues and Impact on Regulated Facilities

Great Lakes Mining Issues

Latest Developments on mining in and near the Great Lakes

SPEAKER, TBD

Great Lakes Water Issues

Focus on storm water management, overflows, non-point pollution, wetland restorations, and toxins

SPEAKER, TBD

Restoring the Great Lakes

A review of restoration and protection efforts by the Great Lakes Restoration Initiative, Alliance for the Great Lakes and other public and private efforts

SPEAKER, TBD

Track Two

8:00 am Speed Learning Potpourri

DAN DEEB, Schiff Hardin (Moderator)

1. Boiler MACT Update

SPEAKER, TBD

2. How USEPA's New National Vapor Intrusion Policy Affects Midwestern Manufactures & Recommended Solutions

At sufficient levels, vapors migrating into indoor air due to VI have the potential to result in chronic and short-term health risks to building occupants. This presentation outlines recent changes in USEPA policy regarding VI, how this new national VI policy affects each Region 5 state, and discusses potential implications to stakeholders involved in risk management of properties where VI is a potential issue.

DAVE GALLAY, Barnes & Thornburg

3. Understanding USEPA's New General Permit for Industrial Discharges

SPEAKER, TBD

4. Permit Shield under CWA

SPEAKER, TBD

5. Solvent Wipes Rule

DAVID SHANKS, Boeing

6. Chemical Manufacturing Area Source MACT Rule

SPEAKER, TBD

Track Three

8:00 am Innovative Management

1. Environmental Compliance and Information Management Systems Demonstration

ANDREW WILLING, 3M

2. Global Management Systems for Enterprise Compliance

MICHELLE REDFIELD, Schneider Electric

3. Applying Lean Manufacturing Concepts to Environmental Management

MATT SCHROEDER, Charter Steel

JOSEPH TELL, Tellevate (Moderator)

9:30 am Networking Break

PLENARY SESSIONS

10:00 – 12:40 pm

10:00 am Regional Air Issues Roundtable

An adult conversation on NSPS, Ozone, PM_{2.5}, SO₂, transport, GHG Tailoring Rule, modeling, and other issues.

JIM ROSS, Manager, Division of Air Pollution Control, Illinois EPA

LYNN FIEDLER, Chief, Air Quality Division, Michigan DEQ

PATRICK STEVENS, Division Administrator, Air, Waste and Remediation, Wisconsin DNR

RETT NELSON, USEPA Region 5

LEE JOHNSON, Honigman (Moderator)

10:50 am Compliance Auditing in a Changing World

How to protect the information you are gathering and how to handle the results, actions taken in response, recordkeeping, and reporting. This session will also examine the latest on audit disclosure opportunities at the federal and state levels.

1. Industry Auditing Program Demonstration

SPEAKER, TBD (industry rep)

2. Legal Considerations for Audit Program Managers

KENNETH GOLD, Honigman

JOHN KIM, General Counsel, Illinois EPA

3. Top Ten Tips for Implementing an Effective Audit Program

NICK STEINKE, PE, CPEA, Tellevate

11:50 am Regional and State Enforcement

Priorities

This session will address the interaction between state and federal enforcement, highlight key areas of regional concern, and address both USEPA and state priorities in air, waste and water.

ROBERT KAPLAN, Dep. Regional Administrator, USEPA Region 5

JOHN KIM, General Counsel, Illinois EPA

FRANK LYONS, Schiff Hardin

SPEAKER, TBD (Moderator)

12:40 pm End of Conference

Gold Sponsors

**FAEGRE BAKER
DANIELS**

 **SCHIFFHARDIN** LLP

Silver Sponsors

 **BARNES &
THORNBURG** LLP

 **BURNS
MCDONNELL**

 **Cardno**[®]
Shaping the Future

 **GHD**

 **HONIGMAN**

 **Tellevate**
elevate your business

 **Trinity** 
Consultants

REGISTER FOR THE **2015 Midwest Environmental Compliance Conference** AT:

WWW.REGONLINE.COM/15MECC-CH

for more information:

WWW.MECCONFERENCE.COM

	GOVERNMENT RATE	REGULATED FACILITY RATE**	STANDARD RATE
Entire Conference (Includes Staff Training/Update)	\$415	\$415	\$545

***DISCOUNTS:** Is your company or organization sending 3 or more employees? Call Kevin Perry at 573 680-5069 or email to kevinlperry@gmail.com for group discounts.

****REGULATED FACILITY:** If you work at a facility that has an air, water, or waste permit, you are eligible to register at this rate.

CANCELLATIONS: All cancellations received prior to October 10, 2015 receive a refund minus a \$50 processing fee. Cancellations received on or after October 10, 2015 receive a refund minus an \$85 processing fee. The refund policy applies to all registration rates. No-shows will be charged the full registration fee. Substitutions are welcome any time.

LODGING

Marriott Chicago O'Hare

8535 W. Higgins Road
Chicago, IL 60631

(800) 325-3535

Guaranteed room rate: \$134/night + taxes/fees
Reserve your room no later than 9/24/15

Mention **2015 Midwest Environmental Compliance Conference** to receive this room rate.

QUESTIONS? NEED ASSISTANCE? Contact Roger Walker (573) 415-7699, rwalker@rawalkerassociates.com

This conference has been approved by the Ohio Supreme Court for Continuing Legal Education Credits. Other approvals pending.

Environment

Upcoming Ohio EPA 2016 Recycling & Litter Prevention Grant Informational Meetings

Ohio EPA will host an informational meeting on the 2016 Recycling & Litter Prevention Grant application process on Thursday, October 29 at 10:00 a.m. at the Ohio Department of Natural Resources, 2045 Morse Road, Columbus, OH 43229, Assembly Center (Building E). There is no registration required; however, those attending are required to bring a photo ID. In addition, an informational webinar will be held on November 18, 2015 (please [see more here](#)).

Competitive grants provide opportunities for communities, local governments, businesses and nonprofit organizations to establish and implement recycling, market development, litter prevention and scrap tire recycling programs.

Grant applications for all programs are due February 1, 2016. Grant awards will be announced in April 2016, with funding available in July 2016. Additional information can be found [here](#) or by contacting [Chet Chaney](#), Environmental Supervisor, Ohio EPA at (614) 728-0043 or [Marie Barnett](#), Grants Administrator, Ohio EPA at (614) 705-1019. 10/11/2015

Ozone Regs & Clean Power Plan on Upcoming Committee Agenda

The OMA Environment Committee meeting on [Thursday, October 22](#) has a number of hot topics on its agenda, including:

- Updates on the newly established U.S. EPA ground-level ozone 70 ppb regulation
- A case study presentation from Honda about its sustainability efforts, recently recognized by Ohio EPA's Encouraging Environmental Excellence (E3) program at the Gold level
- And, these experts will discuss the state of the federal Clean Power Plan and Ohio's potential plan:
 - Commissioner **Asim Z. Haque**, Public Utilities Commission of Ohio
 - **Fred Nelson**, Senior Advisor to Ohio Attorney General Mike DeWine
 - **Adam Ward**, Assistant Chief, Ohio EPA, Air Pollution Control
 - A representative from the National Association of Manufacturers

The committee meets from 10:00 a.m. until 1:00 p.m. at the [OMA offices](#) (with lunch provided by OMA), and

a call-in option is available at: **866-362-9768, 552-970-8972#**.

There is no charge, but OMA members must register for both call-in and in-person attendance. [Register here](#) or email [Denise Locke](#) or call her (800) 662-4463. 10/8/2015

Obama Administration Set New Ozone Standard at 70 PPB

After months of manufacturers and other stakeholders pressuring the White House, this week the Obama administration and U.S. EPA announced the final rule which establishes a new ground-level ozone standard for the country. The rule tightens the already stringent standard of 75 parts per billion (ppb) down to 70 ppb.

The administration had threatened to set the standard at 65 or even 60 ppb. At these levels the impact on Ohio's economy would have been devastating with an estimated gross state product loss of \$23 billion from 2017 – 2040 and between \$804 million to \$156 billion in compliance costs. The impact at 70 ppb will have its own economic consequences.

In a [joint statement](#) from the National Association of Manufacturers (NAM) and OMA, OMA president Eric Burkland said, "Currently, only one of Ohio's eight metro areas - Canton - currently meets the 70 ppb standard. The economic consequences of this rule will make for tough choices for Ohio's manufacturers and businesses. This rule will without any doubt stunt investment in job creating economic growth in Ohio and the nation."

Thank you to OMA members who made Ohio's manufacturing voice heard. OMA will continue to work with our national allies including the NAM and elected officials to protect Ohio manufacturing. 10/1/2015

[U.S. EPA final rule](#)
[U.S. EPA impact analysis](#)
[U.S. EPA maps & tables](#)

Region 5 Environmental Compliance Conference is Oct. 29-30



OMA and its counterpart associations in the Midwest are hosting the Midwest Environmental Compliance Conference on October 29-30 in Chicago with support from the U.S. EPA and state EPAs.

This is the most comprehensive learning event for Region 5 that we know of, and is intended to respond to the increasingly difficult task of environmental compliance, permitting, and enforcement issues that impact Midwest facilities.

[Check it all out here](#). Please use registration code "OMA" to receive the discount for regulated entities. 9/28/2015

Check out "Permit Wizard"

The Ohio EPA has launched a new tool, "[Permit Wizard](#)," that helps businesses determine whether environmental permits, licenses or registrations are needed.

The online tool walks the user through some questions and produces a results summary that identifies the permits, licenses or registrations likely needed, in addition to links for helpful resources and points of contact. 9/23/2015

Brundrett Debates Ozone Standard Reduction

This week the OMA's Rob Brundrett was a guest on National Public Radio's Sound of Ideas in Cleveland to [discuss the proposed ozone standards](#) and the catastrophic impacts this regulation could have on Ohio manufacturing.

The proposed standard could become the most expensive regulation ever proposed. A study released by the National Association of Manufacturers projects that, if the rule is finalized at the proposed 65 parts per billion, Ohio would suffer \$23 billion in gross product loss from 2017-2040, lose more than 22,000 jobs per year, and expend a whopping \$840 million in compliance. 9/17/2015

OMA Director on the Record Against Ozone Regs

Jim Krimmel, president and CEO of OMA member, [Zaclon LLC](#), Cleveland, OMA board member, and former OMA board chairman, wrote this [letter to the Plain Dealer editor](#) about what the U.S. EPA proposal to reduce ground-level ozone would mean for Ohio manufacturing and his company.

Jim writes, "Because the new ozone benchmark would be extremely problematic, if not impossible, to

reach, all of Ohio would be categorized as a "non-attainment" area. For Zaclon and others, that would trigger economic penalties on new investment and development, plant expansions and job creation. Ohio could also see a virtual standstill in highway expansion and road building projects."

Thank you, Jim, for your leadership on this significant issue. 9/10/2015

Ozone Rule Would Choke Out Ohio Jobs

Last week the Center for Regulatory Solutions released [a study](#) demonstrating the catastrophic damage to Ohio's economy if the Obama Administration and U.S. EPA's proposed ozone regulation takes effect. The study found that by lowering the standard from 75 parts per billion (ppb) into the 65 to 70 ppb range, the EPA would cause, with a single action, at least 34 counties in Ohio to be in violation of federal law.

These are some of Ohio's most populated counties, concentrated around the Cleveland and Cincinnati metropolitan areas, but a number of Ohio's rural counties may be dragged into nonattainment as well. Together, these 34 counties are home to 77% of the state's population, 84% of Ohio's GDP, and 80% of state employment.

This proposed regulation continues to be a major threat to Ohio's manufacturers and to Ohio's economy as a whole.

OMA members can go on the record about this issue with their federal elected officials [here](#). 9/3/2015

Summitville Tiles, Inc. CEO Dave Johnson on Federal Ozone Proposal



David W. Johnson, CEO of OMA member Summitville Tiles, Inc., Summitville, OMA board member and former OMA board chairman, wrote this [opinion](#) about what the U.S. EPA proposal to reduce ground-level ozone would mean for Ohio manufacturing and his company.

He said, "This new ozone standard, slated to go into effect in less than 90 days, will slam existing manufacturers with new "maintenance costs" that could jeopardize the very viability of an enterprise. Plants located in what the EPA calls "non-attainment" zones will not be able to expand without: A) a reduction in emissions; or B) the shutdown of operations from other plants in a given area. Plans for new plants and/or the expansion of existing plants will just be shelved."

"Meanwhile, by the EPA's own public admission, concentrations of ozone have actually declined by 33% from 1980 to 2013, even as the US population has increased by almost 40% over that period of time and the US economy more than doubled in size just since 1990. Why the urgent need now, then, to impose such a draconian new regulatory scheme? This makes no economic sense...nor even any environmental sense... whatsoever." 9/2/2015

Youngstown Mayor Opposes Ozone Proposal

Late in August, Youngstown Mayor John McNally sent a [letter](#) to the White House outlining his concerns with the new proposed federal ozone standards, which call for a reduction in ground-level ozone from the current 75 parts per billion (ppb) to a range of 70 to 65 ppb. Thank you, Mayor McNally! 9/3/2015

Ohioans More Concerned about Economy than Air Quality

According to a [poll released](#) by the OMA and the National Association of Manufacturers (NAM), 65% of Ohioans rate their air quality as excellent or good, and 73% consider the declined economic growth and job opportunities caused by regulations as a greater problem for their hometown than air quality.

The [poll of 600 registered voters](#) was conducted to gauge public opinion in Ohio as the federal government considers the U.S. EPA's proposed ozone rule. If implemented, this standard could be the costliest regulation in our nation's history, with an annual price tag of \$140 billion in lost GDP. Ohio is projected to lose \$23 billion in GDP from 2017 to 2040 and the equivalent of 23,000 jobs per year as a result of proposed stricter standards.

The final rule is expected this October. You can easily tell your elected officials how you feel about it [here](#). 8/26/2015

GM Toledo Transmission and Three Honda Plants Win Gold-Level EPA Awards

Ohio EPA Director Craig Butler this month presented the General Motors Toledo Transmission plant and the Honda Marysville, East Liberty, and Anna plants with the agency's highest award for environmental stewardship, the Encouraging Environmental Excellence (E3) program Gold-level Award.

GM's Toledo Transmission plant manufactures automatic transmissions for GM's light duty trucks, sport utility vehicles, cross-over vehicles and cars. The plant is a landfill-free facility and hosts Ohio's largest rooftop solar array. The plant's environmentally beneficial activities, including using renewable landfill gas to power 19% of the facility's energy needs, are summarized by Ohio EPA [here](#) and on GM's [website](#).

Honda was recognized for: Achieving zero waste to landfill status by sending more than 94% of manufacturing waste materials to recycling during 2013, 2014 and 2015; producing "free" electricity with a hydropower system that generates approximately 50,000 kWh per year from water flowing from a roof-mounted cooling tower to a floor level sump; and using next generation e-coat material to reduce the generation of Volatile Organic Compounds by approximately 40%. Read more about Honda's environmental sustainability initiatives [here](#).

Ohio EPA's E3 program acknowledges Ohio businesses and other organizations for completing environmentally beneficial activities and serves as an incentive to commit to ongoing environmental stewardship. The program has three levels: Achievement, Silver and Gold. Learn more [here](#). 8/18/2015

State by State GHG Reductions Required under Clean Power Plan

The Industrial Energy Users of America has put together a [handy chart](#) that lays out the Clean Power Plan's mandated carbon reductions for each state from the 2012 baseline to 2030.

Here is [Ohio "at a glance"](#) from the U.S. EPA. 8/19/2015

Thanks to Canton Mayor for Opposing Ozone Proposal

Earlier this month, Canton Mayor William Healy sent a [letter](#) to the White House outlining his concerns with the new proposed ozone standards, which call for a reduction in ground-level ozone to 65 parts-per-billion (ppb) from the current 75 ppb standard.

This week the OMA and a number of OMA-member companies in the Canton area sent the mayor this [thank you note](#) for raising his concerns about the proposed ozone standards on Canton residents and businesses. *8/20/2015*

EPA Administrator McCarthy Talks New Clean Power Plan

The [Policy Resolution Group](#) has [here captured](#) an August 11 discussion with U.S. EPA Administrator Gina McCarthy in her first public comments about the issue since the details of the landmark Clean Power Plan were released on August 3.

One of the stated concerns of Ohio EPA Director Craig Butler is the legality of the proposal. To that question, McCarthy reportedly made this statement: "It is legally solid. Yes, debates will exist, but it will "stand the test of time in the courts." A final rule is a "pretty solid obligation" All of these steps have been litigated and we will be on solid ground in a new administration and moving forward." *8/13/2015*

Democratic Mayor Healy Speaks Out on Ozone

Canton Mayor William Healy has written a [letter](#) to the White House outlining his concerns with the costs associated with the new proposed ozone standards. The OMA thanks Mayor Healy for his support in this effort to stop the ratcheting down of the current ozone standards. *8/13/2015*

Rep. Ryan Opposes Federal Ozone Proposal

Last week Congressman Tim Ryan (D-Niles) signed onto a [letter](#) with many of his House colleagues addressed to U.S. EPA Administrator Gina McCarthy outlining his concerns with the new proposed ozone standards, which call for a reduction in ground-level ozone to 65 parts-per-billion (ppb) before the current 75 ppb standard is even achieved.

This week the OMA and a number of member companies in Rep. Ryan's district sent him this [thank you note](#) for taking the time to learn and consider the impacts that the proposed ozone standards could have on Ohio and on his manufacturing-dense [13th congressional district](#).

Thank you Representative Ryan! *8/6/2015*

Water Pollution Control Project Funding Assistance Available

Ohio EPA is calling for project nominations to receive assistance from the Ohio Water Pollution Control Loan Fund (WPCLF) in 2016. WPCLF funding levels remain high, and depending on demand, Ohio EPA

could make up to \$1 billion available in 2016 for important water pollution control projects. Learn more [here](#). *8/3/2015*

Stop the Ozone Rule

The National Association of Manufacturers (NAM) this week launched a national ad campaign aiming to "to galvanize the public, persuade elected officials and convince the White House the ozone rule is unworkable, unwise and unnecessary."

If it goes into effect, the new ozone regulation would be the costliest federal regulation ever issued, costing Ohio \$22 billion in gross state product loss from 2017 to 2040, or the equivalent of 23,000 lost jobs, according to a NAM/OMA study.

Watch the ad, and take action on the NAM site, [here](#), or use the email tools at OMA's [Manufacturing Advocacy Center](#) to communicate with your elected officials. *7/28/2015*

Ohio's Representatives Let EPA Know How They Feel About the Proposed Ozone Standards

This week Congressmen Bob Latta (R-Ohio) and Gene Green (D-Texas) along with many of their colleagues in the House of Representatives sent [this letter](#) to U.S. EPA Administrator Gina McCarthy outlining their concerns with the new proposed ozone standards prior to the current standards being fully implemented.

The bipartisan letter was signed by the majority of Ohio Congressional Republicans and Ohio Democrat Congressman Tim Ryan. The OMA thanks these representatives for their support in this effort to stop the ratcheting down of the current ozone standards. *7/30/2015*

Final GHG Rule Coming Monday?

The latest intelligence coming out of U.S. EPA is that the final greenhouse gas (GHG) rules will be made public this coming Monday, August 3.

There has been a great deal of speculation about how EPA will respond to the massive amount of feedback it has received concerning technical, legal, cost, and timing problems with the proposed "Clean Power Act."

This [document](#) was briefly posted on the EPA website, then removed. It shows a stretched out process for state plan development and compliance. *7/29/2015*

Registration Open for Midwest Environmental Compliance Conference - Oct. 29-30



OMA and its counterpart associations in the Midwest are hosting the Midwest Environmental Compliance Conference on October 29-30 in Chicago with support from the U.S. EPA and state EPAs.

This event for Region 5 is intended to respond to the increasingly difficult task of environmental compliance, permitting, and enforcement issues that impact Midwest facilities.

Here is the [agenda](#) and you can learn more and register [here](#). Please code registration code "OMA" to receive the discount for regulated entities. 7/24/2015

Ohio EPA Announces E3 Program Silver Award Winners

Ohio EPA has awarded these [eight environmentally innovative organizations](#) with this year's Encouraging Environmental Excellence (E3) Silver awards. The E3 program recognizes organizations committed to environmental excellence.

The program provides three recognition levels, Bronze, Silver, and Gold, as well as an Achievement level. Silver award recipients have demonstrated a commitment to go beyond regulatory compliance, have integrated outstanding environmental management into their core business functions and have developed aggressive performance goals, including a process to communicate the company's environmental progress to its community.

Ohio EPA has revised its E3 program to encourage more applicants, clarify and simplify the application instructions, and expand the eligible applicants. Silver and Gold level applications are due August 28. Learn more [here](#) and/or attend a [webinar](#) on August 5. 7/14/2015

Manufacturer Voices Public Opposition to Federal Ozone Proposal

This week, Tracie J. Sanchez, the president of OMA member, Lima Pallet Co., delivered this [letter](#) to her hometown newspaper to voice legitimate concern about a proposal by the U.S. Environmental Protection Agency to reduce the current regulation for

ground-level ozone from 75 parts-per-billion (ppb) to 65 ppb.

She said, "Ozone levels in Ohio's 88 counties currently range from a high of 81 ppb to a low of 66 ppb. Allen County's level stands at 73 ppb and is therefore in "attainment" with federal regulations. If the proposed new federal EPA regulation is approved, all 88 Ohio counties would tumble into "non-attainment" status. Every last one of them.

"To me, this proposal goes well beyond "drastic" and all the way to "ridiculous." If approved, the new ozone regulation would be the costliest federal regulation ever issued. A study by the National Association of Manufacturers showed it would cost Ohio \$22 billion in gross state product loss from 2017 to 2040, or the equivalent of 23,000 lost jobs."

OMA members can easily email their members of Congress [right here](#). 7/16/2015

U.S. Supreme Court Reverses Utility Emissions Rule

OMA Connections Partner, Dinsmore, [reported](#) that this week the U.S. Supreme Court ruled that EPA unreasonably interpreted the Clean Air Act (CAA) when the agency failed to consider cost in determining whether regulation of air toxics from power plants was appropriate and necessary.

According to Dinsmore, "The rule, commonly referred to as the Mercury and Air Toxics Standards (MATS), was finalized in 2012 to require coal- and oil-fired power plants to reduce emissions of mercury and other air toxics. ... Writing for the majority, Justice Scalia explained that the CAA treats power plants differently from other sources for regulation of hazardous air pollutants by requiring EPA to first determine that regulation was "appropriate and necessary." EPA determined that regulation of hazardous air pollutants was appropriate and necessary but specifically did not consider costs in the determination.

"The Supreme Court found that EPA is required to consider cost as a relevant factor in the appropriate and necessary determination. ... The Court further rejected EPA's claim that the CAA makes cost irrelevant to the initial decision to regulate other sources under Section 112, pointing out that Congress crafted a separate provision in Section 112 specifically to address power plants.

"The Court specifically stated that EPA "must consider cost - including, most importantly, cost of compliance - before deciding whether regulation is appropriate and necessary." The Court, however, left to EPA the

discretion "within the limits of reasonable interpretation" to decide how to account for cost." 6/30/2015

Clay & Shale Products Get Regulatory Relief in Conference Committee

Early Wednesday morning this week Ohio's brick and tile manufacturers let out a collective huzzah. Ten years and one veto later, the General Assembly, via the state budget bill's conference committee, included an [amendment](#) in the state budget that solves a longstanding issue between the clay and shale products manufacturing industry and Ohio EPA. The amendment clarifies that "off spec" Ohio brick and tile products are not subject to certain solid waste and water regulations that may result in costly disposal requirements.

This is a big win for the industry and brings much needed relief in the regulations governing it.
6/25/2015

Environment Legislation
Prepared by: The Ohio Manufacturers' Association
Report created on October 20, 2015

- HB61** **LAKE ERIE FERTILIZER-DREDGING** (BUCHY J, HALL D) To generally prohibit the application of fertilizer or manure in Lake Erie's western basin on frozen ground or saturated soil and during certain weather conditions, and to prohibit a person, beginning July 1, 2020, from depositing dredged material in Ohio's portion of Lake Erie and its direct tributaries.
Current Status: 3/17/2015 - Referred to Committee Senate Agriculture
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-61>
- HB64** **OPERATING BUDGET** (SMITH R) To make operating appropriations for the biennium beginning July 1, 2015, and ending June 30, 2017, and to provide authorization and conditions for the operation of state programs.
Current Status: 6/30/2015 - **SIGNED BY GOVERNOR**; Eff. 7/1/15
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-64>
- HB101** **HAB MITIGATION** (HALL D) To establish requirements governing the training of employees of publicly owned treatment works and public water systems to monitor and test for harmful algae, the development of emergency plans by certain public water systems to respond to harmful algal blooms, and the development of an early warning system for harmful algal blooms.
Current Status: 3/24/2015 - House Agriculture and Rural Development, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-101>
- HB214** **PUBLIC IMPROVEMENT-PIPING MATERIAL** (THOMPSON A) To restrict when a public authority may preference a particular type of piping material for certain public improvements.
Current Status: 6/9/2015 - House Energy and Natural Resources, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-214>
- HB349** **STATE EMISSIONS PLAN** (SMITH R, GINTER T) To require the Environmental Protection Agency to submit a state plan governing carbon dioxide emissions to the General Assembly prior to submitting it to the United States Environmental Protection Agency, and to declare an emergency.
Current Status: 10/6/2015 - Referred to Committee House Energy and Natural Resources
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-349>
- HCR11** **GOVERNOR-WATER QUALITY EFFORTS** (HALL D) To commend Governor John Kasich on his efforts to improve the water quality of Lake Erie and to affirm the Governor's ability to form an interstate compact with other states in furtherance of this objective.
Current Status: 10/7/2015 - Referred to Committee Senate Agriculture
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HCR-11>

- HCR27** **WATER QUALITY IMPROVEMENT** (PATTERSON J, HILL B) To commend Ohio's agriculture community, educational institutions, and environmental advocacy organizations on their efforts to improve the water quality of Lake Erie and its tributaries and to encourage them as well as state, county, and municipal leaders to continue to work towards continued water quality improvement.
Current Status: 9/30/2015 - Referred to Committee House Agriculture and Rural Development
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HCR-27>
- SB1** **GREAT LAKES-HARMFUL ALGAE** (GARDNER R, PETERSON B) To transfer the administration and enforcement of the Agricultural Pollution Abatement Program from the Department of Natural Resources to the Department of Agriculture.
Current Status: 4/2/2015 - **SIGNED BY GOVERNOR**; eff. 7/3/2015
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-1>
- SB16** **WATERSHEDS-FERTILIZER APPLICATION** (BROWN E) To require applicators of fertilizer or manure to comply with specified requirements and to authorize the Director of Environmental Protection to study and calculate nutrient loading to Ohio watersheds from point and nonpoint sources.
Current Status: 2/10/2015 - Senate Agriculture, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-16>
- SB46** **LAKE ERIE DRILLING BAN** (SKINDELL M) To ban the taking or removal of oil or natural gas from and under the bed of Lake Erie.
Current Status: 2/18/2015 - Referred to Committee Senate Energy and Natural Resources
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-46>
- SB47** **DEEP WELL BRINE INJECTION PROHIBITION** (SKINDELL M) To prohibit land application and deep well injection of brine, to prohibit the conversion of wells, and to eliminate the injection fee that is levied under the Oil and Gas Law.
Current Status: 2/18/2015 - Referred to Committee Senate Energy and Natural Resources
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-47>
- SB114** **MICROCYSTIN LEVELS-PUBLIC WATER** (SKINDELL M) To establish requirements and procedures pertaining to levels of microcystin in public water systems.
Current Status: 3/10/2015 - Referred to Committee Senate Health and Human Services
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-114>
- SB150** **MOTOR FUEL DISPOSAL** (HITE C) To create a qualified immunity for the dispensing of incompatible motor fuel.
Current Status: 6/24/2015 - Senate Civil Justice, (Second Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-150>

HONDA
The Power of Dreams

OEPA Encouraging Environmental Excellence “Gold” Level Recognition of all 3 HAM Plants August 2015



AEP Team



ELP Team



MAP Team



OEPA Director
& Plant Leaders

1. Introduction to Honda of America Manufacturing operations

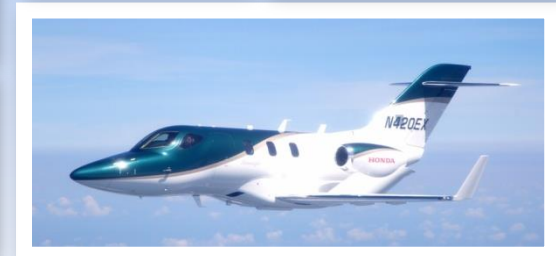
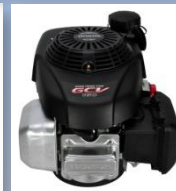
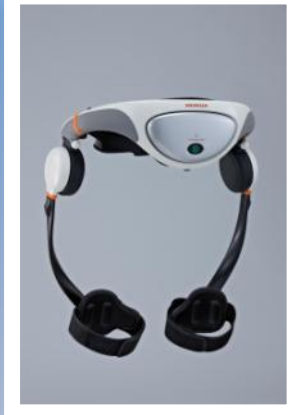
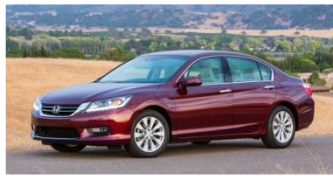
2. Honda Green Factory

3. Waste Management

4. Energy Management

5. Site Natural Resources Management

Automobiles | Powersports | Power Equipment | Marine | Racing | Robotics Technology | HondaJet



Honda of America Mfg., Inc. – Marysville



Accord Sedan



Accord Coupe



Acura ILX



Acura TLX

Location	Marysville, Ohio
Started production	November 1982
Plant size	4 million sq. ft.
Capital investment	\$4.6 billion
Employment	4,250 associates
Annual capacity	440,000 vehicles
Products	Accord Sedan Accord Coupe Acura ILX Acura TLX



Honda of America Mfg., Inc. – East Liberty



CR-V



Crosstour



Acura RDX

Location	East Liberty, Ohio
Started production	December 1989
Plant size	2.8 million sq. ft.
Capital investment	\$1.4 billion
Employment	2,350 associates
Annual capacity	240,000 vehicles
Products	CR-V Crosstour Acura RDX



Honda of America Mfg., Inc. – Anna Engine Plant



4-Cylinder Engines



V-6 Engines



CVT Pulleys

Location	Anna, Ohio
Started production	July 1985
Plant size	2.4 million sq. ft.
Capital investment	\$2.25 billion
Employment	2,800 associates
Annual capacity	1,180,000 engines
Products	4-Cylinder Engines V-6 Engines CVT Pulleys



1. Introduction to Honda of America Manufacturing operations

2. Honda Green Factory

3. Waste Management

4. Energy Management

5. Site Natural Resources Management

Waste Watchers NH-Circle Receives Governor's Award For Commitment To Protect Environment

"I'm extremely proud of these Ohioans who have accepted the challenge of preserving our air, our land and our water. I applaud their commitment to and their belief in the future of Ohio's environment and what we can do to respect and be good stewards of that environment."

—Ohio Governor Richard F. Celeste

"We're very proud of the *Waste Watchers* as an NH-Circle which has achieved something significant and been recognized outside as well as inside HAM."

—Kevin Green, ADC staff

"*Waste Watchers* have helped the cause of recycling inside HAM by inspiring other NH-Circle groups to inquire about and conduct themes dealing with recycling."

—Karen Heyob, engineering coordinator,
Environment, Health and Safety department

"*Waste Watchers* have made us more aware of our resources and our impact on and responsibility to surrounding communities in terms of conservation and recycling. The leadership taken by the *Waste Watchers* has put Honda a big step ahead of other companies on this issue."

—Larry Hostettler, assistant manager, Marysville Auto Material Service



Members of the *Waste Watchers* NH-Circle from Marysville Auto Material Service receive a plaque recognizing their efforts in cardboard recycling and waste management from Ohio Governor Richard Celeste at the Ohio State Fair. Pictured left to right are, Larry Hannan, Fred Farley, Celeste, Caesar Chilton and Don Ferguson.

“Green Factory”

Environmental Issues

Global

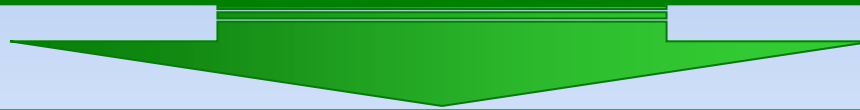
- Depletion of ozone layer
- Global warming
- Natural resource depletion
- Disappearing rainforests

Regional

- Acid rain
- Ocean pollution
- Air quality

Local

- Air quality
- Pollution in lakes, rivers
- Contaminated soil
- Landfill capacity



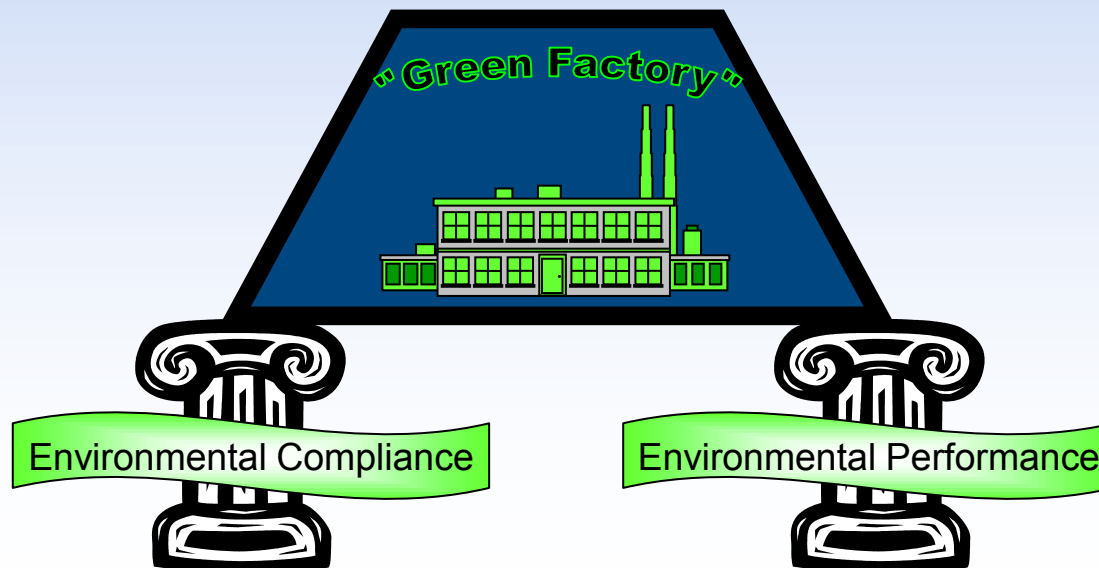
Honda's Response

“...awareness for environmental protection in the world is increasing every year... we will begin, in the area of production, to further increase resource efficiency and reduce wastes and toxic substances to the minimum amount. At Honda, we call this next generation plant “Green Factory...””

HAM Green Factory

Honda implements its Green factory concept through the following:

- Environmental Management Systems registered to ISO 14001
- Business Plan goals to reduce energy use and reduce waste
- Relevant responsibilities for all HAM associates and contractors



Honda Environmental Policy



BLUE SKIES FOR
OUR CHILDREN

Honda of America Manufacturing, Inc. Environmental Policy Statement

Honda of America Manufacturing, Inc. (HAM) is committed to the protection of the environment and the conservation of natural resources and will conduct its operations with the highest regard for the preservation of the environment. As a responsible corporate citizen, HAM recognizes that the environmental management of its operations is a fundamental obligation. Therefore, HAM will conduct its operations in accordance with the following principles:

- HAM will comply with all applicable environmental requirements mandated by federal, state, and local law, as well as HAM internal policies, and will meet or exceed all voluntary environmental commitments that it makes to federal, state, or local authorities.
- HAM will operate and continually improve an environmental management system to monitor and control the environmental impacts of its operations.
- HAM will implement methods to prevent pollution, conserve energy and natural resources, and reduce waste.

President
Honda of America, Mfg., Inc.

6-3-14'

HAM will comply with
all applicable
environmental
requirements
mandated by federal,
state, and local law, as
well as HAM internal
policies...

Honda Environmental Policy




BLUE SKIES FOR
OUR CHILDREN

Honda of America Manufacturing, Inc. Environmental Policy Statement

Honda of America Manufacturing, Inc. (HAM) is committed to the protection of the environment and the conservation of natural resources and will conduct its operations with the highest regard for the preservation of the environment. As a responsible corporate citizen, HAM recognizes that the environmental management of its operations is a fundamental obligation. Therefore, HAM will conduct its operations in accordance with the following principles:

- HAM will comply with all applicable environmental requirements mandated by federal, state, and local law, as well as HAM internal policies, and will meet or exceed all voluntary environmental commitments that it makes to federal, state, or local authorities.
- HAM will operate and continually improve an environmental management system to monitor and control the environmental impacts of its operations.
- HAM will implement methods to prevent pollution, conserve energy and natural resources, and reduce waste.



President
Honda of America, Mfg., Inc. 6-3-14'

HAM will operate and continually improve an environmental management system...

Honda Environmental Policy



BLUE SKIES FOR
OUR CHILDREN

Honda of America Manufacturing, Inc. Environmental Policy Statement

Honda of America Manufacturing, Inc. (HAM) is committed to the protection of the environment and the conservation of natural resources and will conduct its operations with the highest regard for the preservation of the environment. As a responsible corporate citizen, HAM recognizes that the environmental management of its operations is a fundamental obligation. Therefore, HAM will conduct its operations in accordance with the following principles:

- HAM will comply with all applicable environmental requirements mandated by federal, state, and local law, as well as HAM internal policies, and will meet or exceed all voluntary environmental commitments that it makes to federal, state, or local authorities.
- HAM will operate and continually improve an environmental management system to monitor and control the environmental impacts of its operations.
- HAM will implement methods to prevent pollution, conserve energy and natural resources, and reduce waste.

HAM will implement methods to prevent pollution, conserve energy and natural resources, and reduce waste.

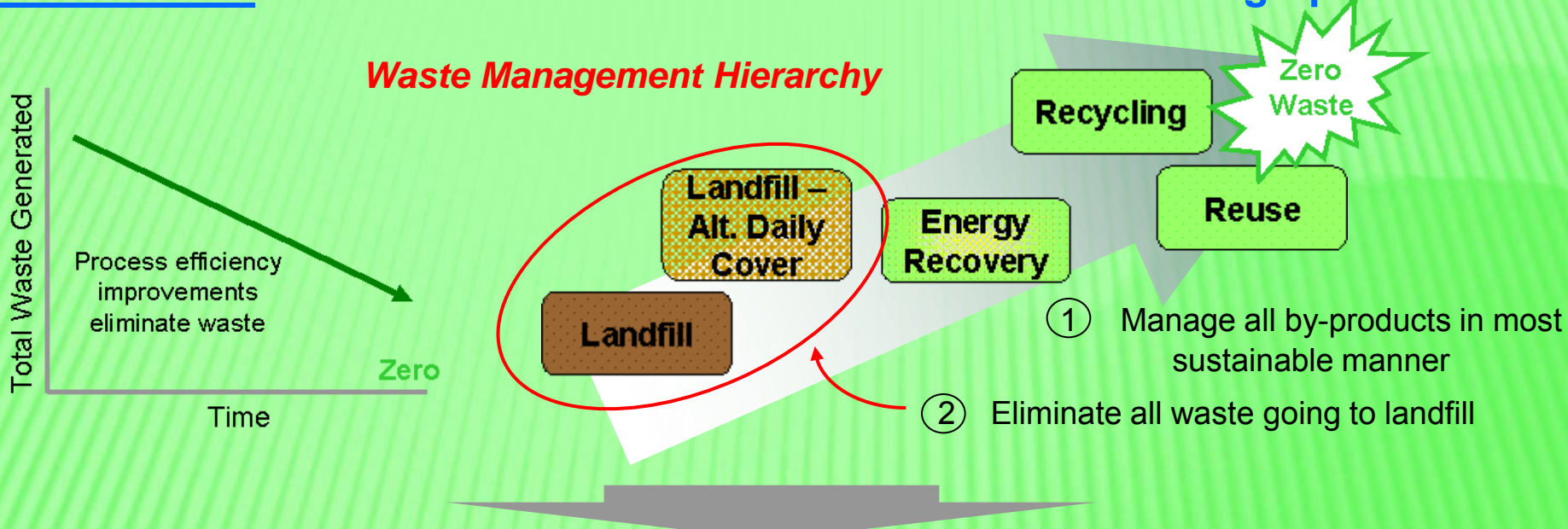
President
Honda of America, Mfg., Inc.

6-3-14'

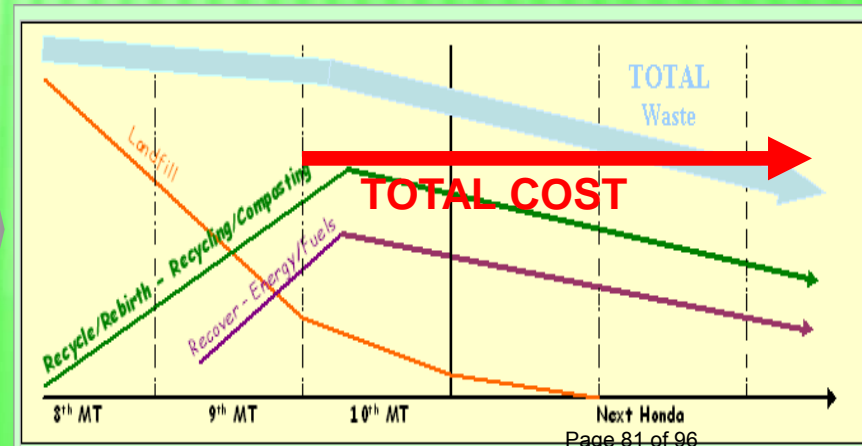
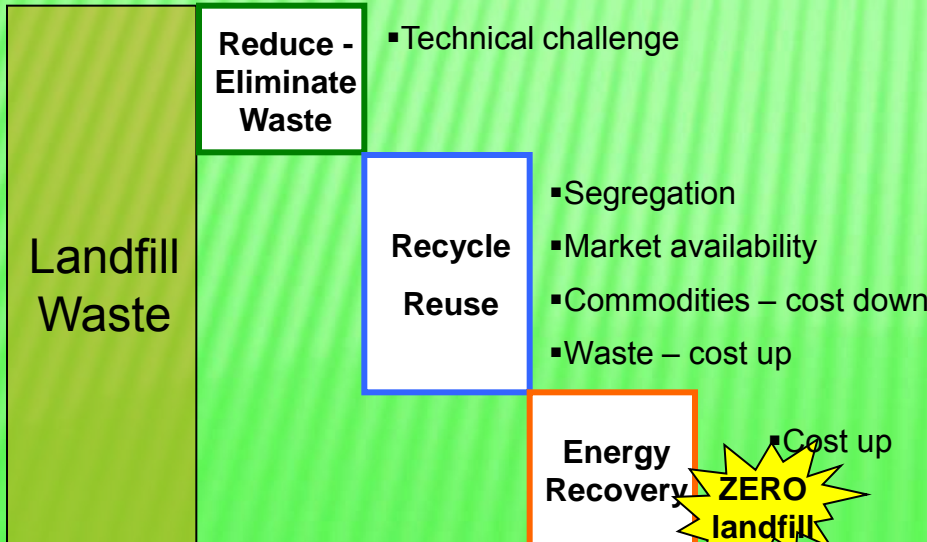
1. Introduction to Honda of America Manufacturing operations
2. Honda Green Factory
- 3. Waste Management**
4. Energy Management
5. Site Natural Resources Management

Waste Management Strategy

IDEAL IMAGE: “Eliminate waste loss created in manufacturing operations”



Zero Waste to Landfill



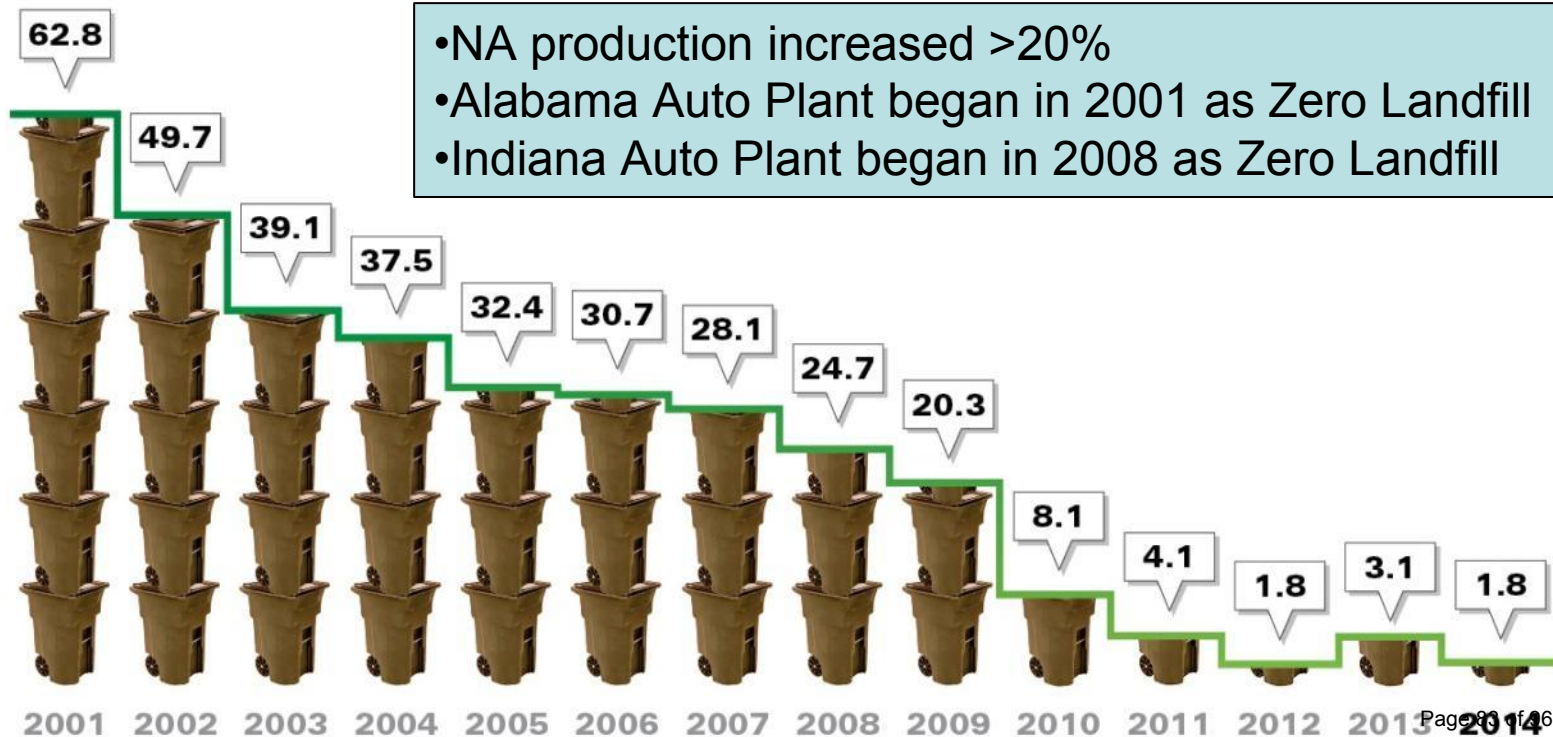
What do we mean when we say Honda is “Zero Landfill Waste”?

- Less than 1% of total manufacturing waste sent to landfill
– including beneficial use for daily cover
 - “manufacturing waste” includes materials from office areas/cafeterias/service centers/etc.
 - Construction debris from major projects is excluded but scrap metal, concrete and asphalt is recycled when possible

Honda is committed to reducing its environmental impact from manufacturing. Since 2012, less than 1.0% of all waste from production of automobiles in North America is sent to landfills

Honda's March to Zero Waste

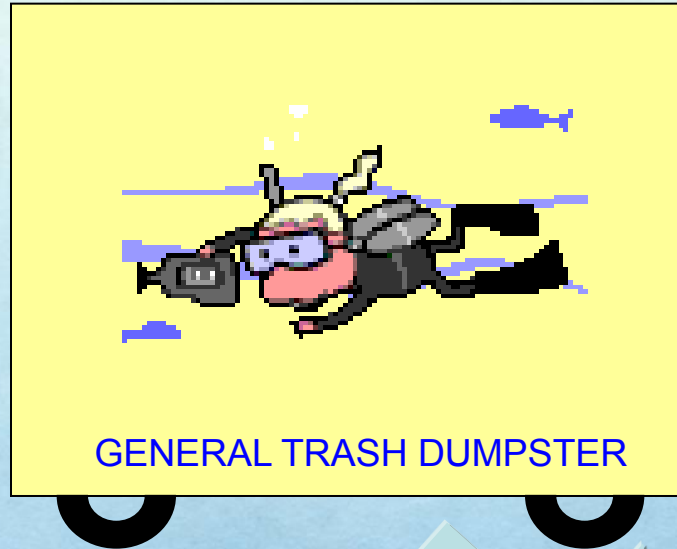
Total Pounds of Landfill Waste per Automobile Produced in North America (by fiscal year)



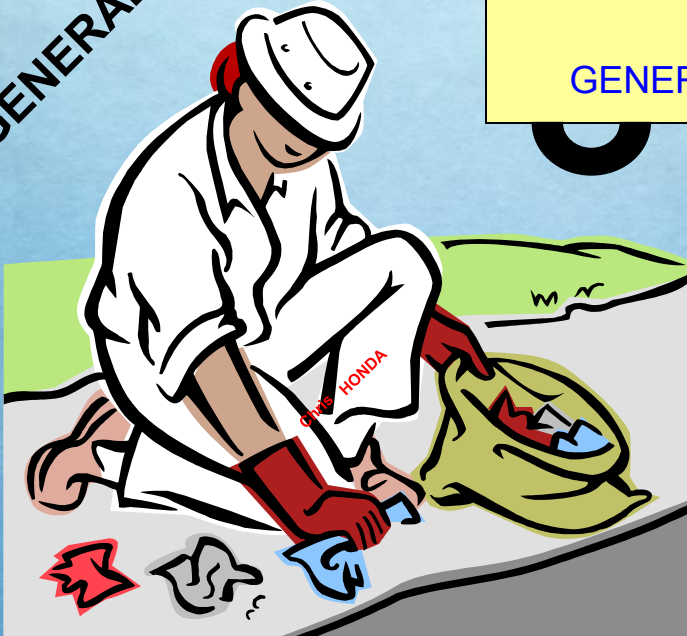
Waste Management

HONDA

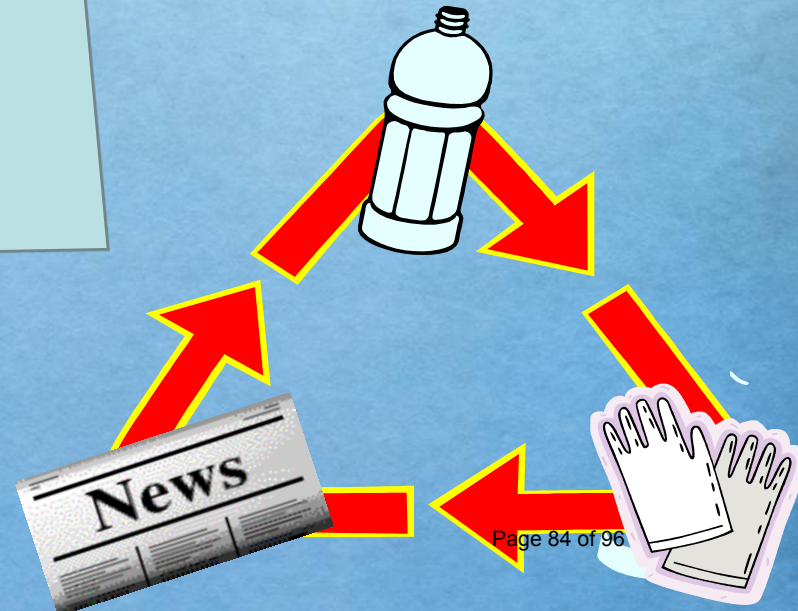
GENERAL TRASH ANALYSIS



GENERAL TRASH DUMPSTER



NEW RECYCLING STREAMS





**Dumpster Diving =
NEW RECYCLING
STREAMS**



Waste Management

What do we recycle?



Scrap steel from Stamping is reused to make engines and ferrous parts



Plastic Sheeting



Paper, magazines, batteries from office areas



Rubber gloves



Protective caps of all shapes & sizes

- Scrap glass
- Cardboard
- Spent solvents
- Spent oils and coolants
- Aluminum chips/turnings
- Copper weld tips
- Fluorescent light bulbs
- Used rags, gloves, floor mats
- Wood (pallets, crates)
- Concrete/asphalt
- Used wiring

“The Oil Reclaimers 3”
Reclaiming used hydraulic oil for a better environment

“Undertakers”
Environmental – Recycling on the production floor

“Rejection Connection”
Acid rain wax cost and the environmental dangers

“Eliminators”
Recycle and eliminate environmental waste

“The Oil Reclaimers 2”
Reclaiming oil company wide to save the environment

“Reformers”
Recycling for a better environment

“Dumpster Diggers”
Collecting and recycling discarded equipment, parts and materials

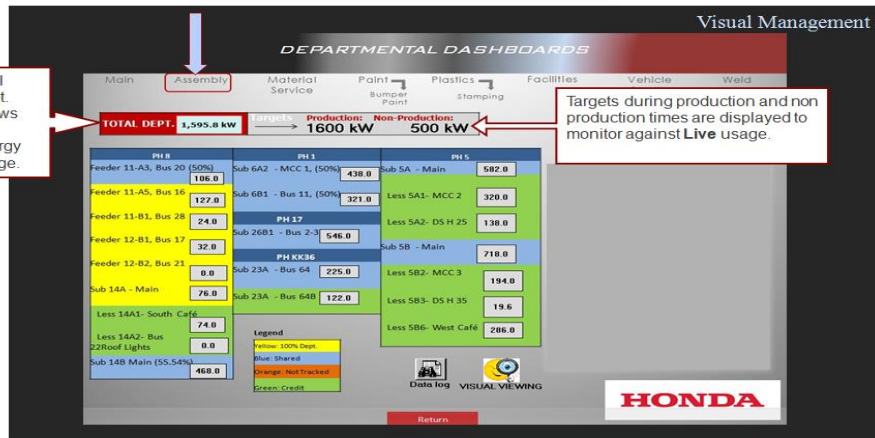
1. Introduction to Honda of America Manufacturing operations
2. Honda Green Factory
3. Waste Management
- 4. Energy Management**
5. Site Natural Resources Management

VRU Visual Management Activity

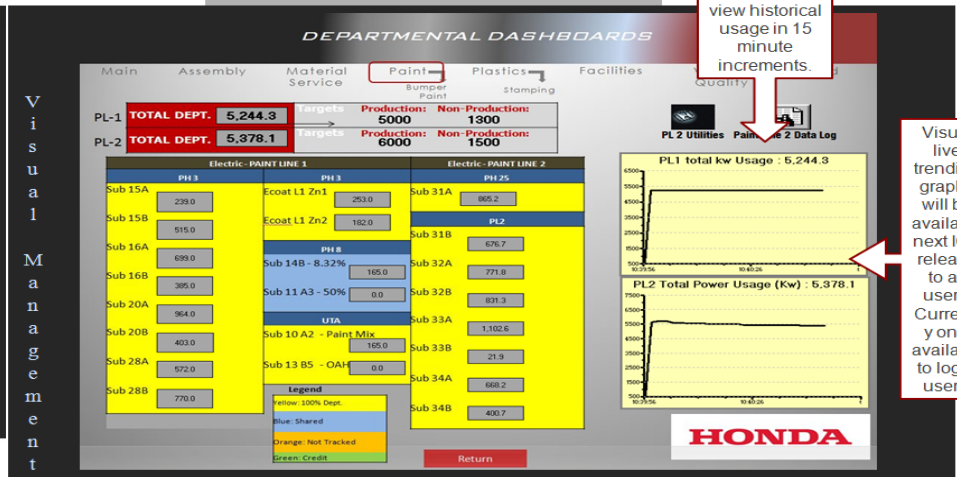
The Ion System allows for monitoring of our KWH usage daily.

- Total department shows live energy usage.
- Targets are set during production and non production.
- Daily logs show historical usage in 15 minute increments.
- Path forward is tie equipment identification to subs and feeders for enhanced control.

VRU Management

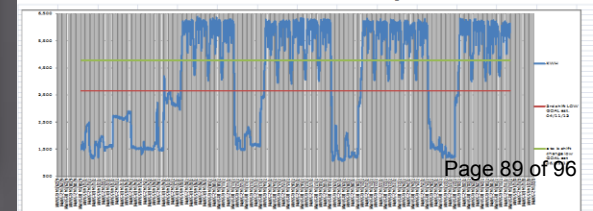
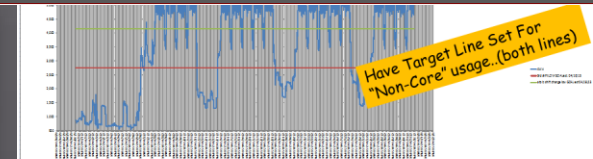


VRU Management



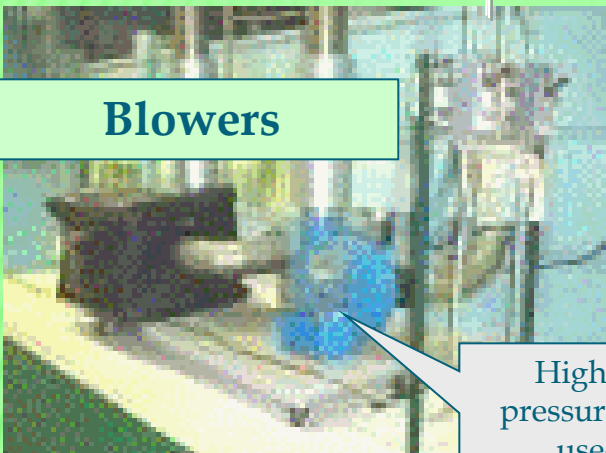
Dashboard – Future plans to tie equipment identification to Subs and Feeders. Future version of ION will allow for live streaming of graphs to further enhance visual monitoring.

Paint Lines 1 and 2



Equipment Energy Efficiency Improvement


Blowers



To Process

High volume, low pressure blower can be used to replace compressed air blow-offs

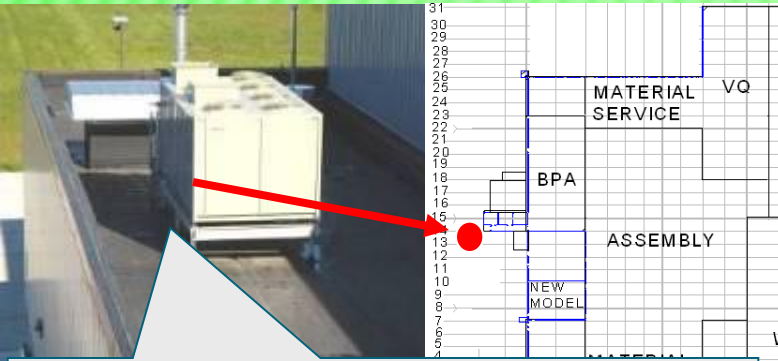
Lighting Efficiency Up



400 W HPS

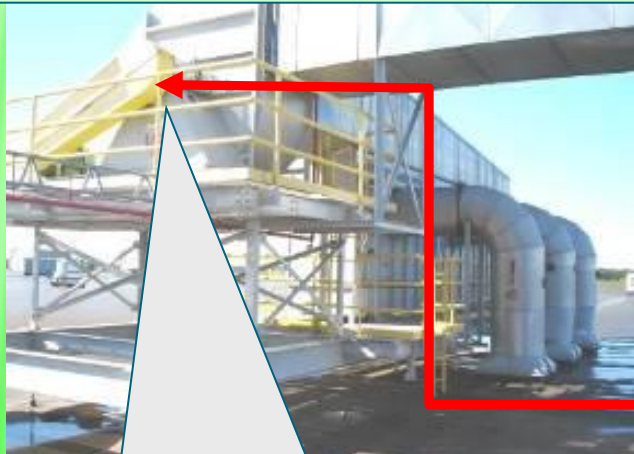
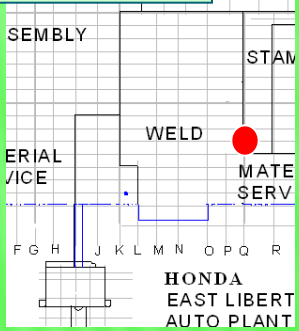
T5 Fluorescents

New Air Supply House



This air handler was added to supply only a critical paint mix room. Previously, a larger unit supplied this area as well as other areas. This allows the larger unit to be shutdown during non-production.

Weld Bag House Variable Speed Drives

The VSD allows the baghouse fan motor speed to be adjusted to maintain a constant air flow through the life of the filter.

HONDA EAST LIBERT AUTO PLANT

VSD

“Wasted” Energy Reduction

End of Shift Energy Conservation Procedure – Implemented Aug. 6th Dept. Wide



Sign. On File

End of Shift Energy Conservation Procedure

Purpose: To support corporate and plant environmental directives, electricity consumption should be minimized during non-production hours.

Scope: This procedure applies to all areas of Weld department.


Responsibility: The following overall responsibilities apply to this procedure.

Who	Responsibility
All associates	All associates are responsible to read this procedure, understand, and comply with the tasks they are responsible for.
Teamleaders	Teamleaders are responsible to verify that all tasks listed in this procedure are completed daily in their area at the end of the shift.
Zone Coordinators	Zone Coordinators are responsible to verify that all tasks listed in this procedure are completed daily in their zone at the end of the shift.

Definitions: The following definitions are associated with this document.

Monitors

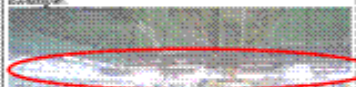
What
Personal Computer
All personal computers in Weld department should be powered down (except those labeled to be left running)

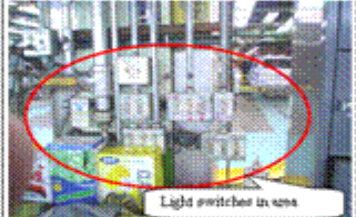
Responsible Associate
All Weld associates assigned a personal computer.
Example:

Personal Computer

*Zone Coordinator must verify computers have been turned off at the end of the shift**

Lights

What
Task Lighting
Turn off all task lighting in the department

Responsible Associate
Teamleader or Assigned Key Associate
Example:

Task lighting


Light switches in area


*Zone Coordinator must verify task lights have been turned off at the end of the shift**

Fans


What
Air Moving Fans
All air moving fans shall be turned off.


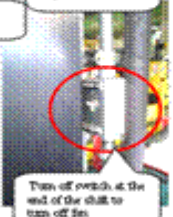
Responsible Associate
All Weld associates, specifically the associate on the process utilizing the fan at the end of the production day will be responsible for turning off the fan.
Example:
Note: Some fans can be shut down by switches, others may be shut down by pulling the cord that hangs from the back of the motor. Associates unsure about how to shut down their fans should contact their Teamleader or Coordinator.

Lower Tailgate Install


Fan utilized for associate control at process

Right On-line Inspector


Fan utilized for associate control at process



Pull cord at end of shift to turn off fan.

Turn off switch at the end of the shift to turn off fan.

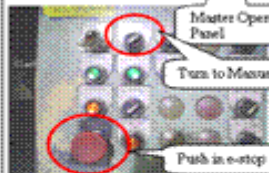
*Zone Coordinator must verify fans have been turned off at the end of the shift**

Page 3 of 6 Doc #143-0314-001

SR1/SR2 Pump Motors

What
Hydraulic Pump Electric Motors
Put the equipment into the e-stop operation for SR1/SR2, True Heart, Floor Door Lift to shut down the electric motors for the

Responsible Associate
Zone Operators have primary responsibility. For zones without a zone operator, the production staff will be responsible.
Example:

Master Operation Panel


Turn to Manual
Push in e-stop

*Zone Coordinator must verify electric motors have been turned off at the end of the shift**

And More Not Shown.....

Process Energy Efficiency Improvement

“Intelligent paint booths”

In partnership with:



- Booth air temperature and humidity (HVAC) are critical to high quality painting processes
- Predictive HVAC control mechanism gets booth air to operating window cheaper and faster
- Significantly reduces energy use and related greenhouse gas emissions from auto body painting by improving efficiency

Psychrometric Chart:

In the past, booths condition air to 70 deg. F, 70% humidity



By controlling to the **WINDOW** created by the limits of 65 to 75 deg and 65 to 75%, large utility savings are attainable

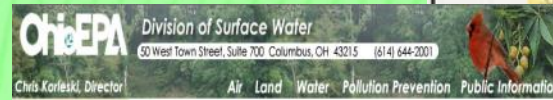
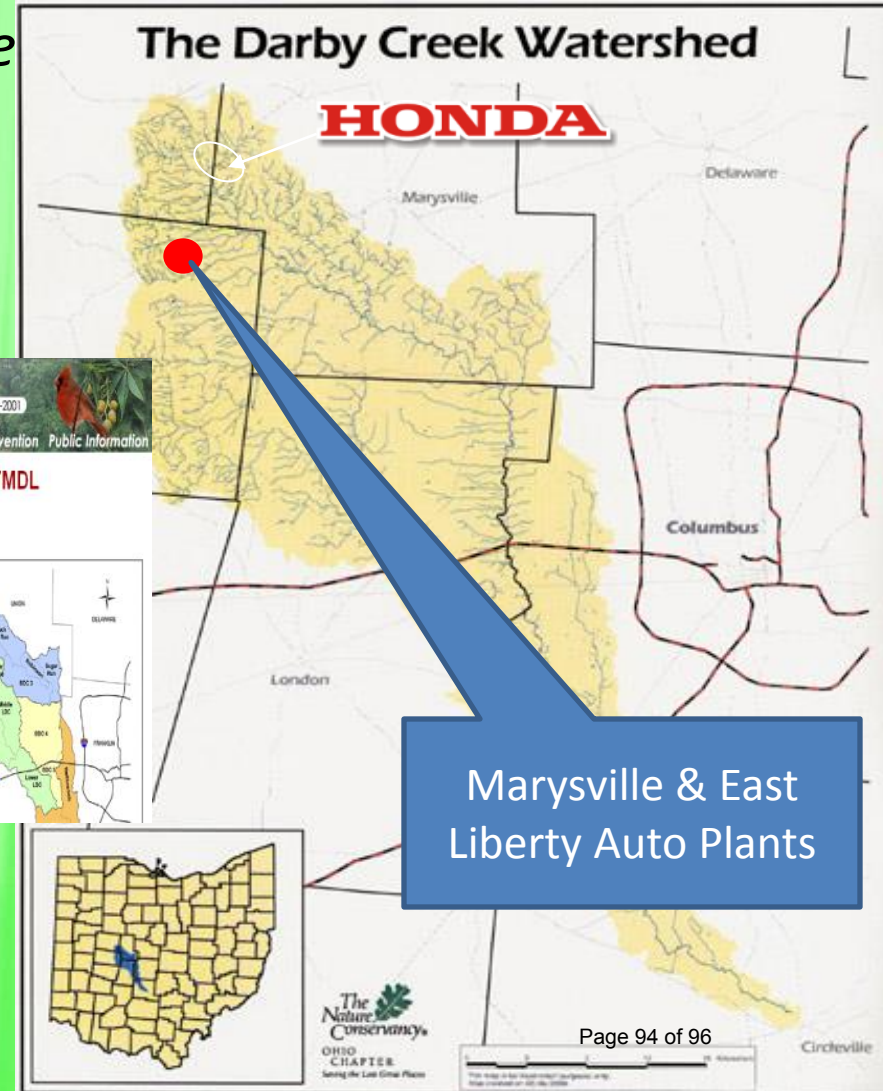
1. Introduction to Honda of America Manufacturing operations
2. Honda Green Factory
3. Waste Management
4. Energy Management
5. Site Natural Resources Management

Big Darby Watershed – Flat Branch

Honda of America Mfg., Inc. Marysville and East Liberty plants are located in a “sensitive” watershed...

Big Darby Creek is designated a State and National Scenic River

- Home to 86 species of fish, 5 endangered in Ohio
- Home to 41 species of freshwater mollusks, 8 endangered in Ohio



The Big Darby Creek Watershed TMDL

Background

The Big Darby Creek Total Maximum Daily Load (TMDL) report was approved by U.S. EPA on March 31, 2006. The report is the twenty-second Ohio TMDL project approved by U.S. EPA under Section 303(d) of the Clean Water Act. TMDL reports identify and evaluate water quality problems in impaired water bodies and propose solutions to bring those waters into attainment with water quality standards.

The Big Darby Creek watershed is located in central Ohio, draining agricultural areas and suburbs to the northwest and west of Columbus. The basin is primarily in Logan,



Darby Creek Association, Inc.

Home History News Join Us Contact Us Photos Links

JOIN DCA FOR OUR
STEES MEETINGS
January 9, February 13
and March 12, 6:30 PM,
Westland Library,
Broad St., Columbus

Darby Creek Day
Friday, October 7, 2007

Ohio Tour - Little Darby

Our Mission

The Darby Creek Association unites concerned citizens to preserve, protect, and restore the scenic Darby Creek ecosystem so that this and future generations may benefit from its rich diversity.

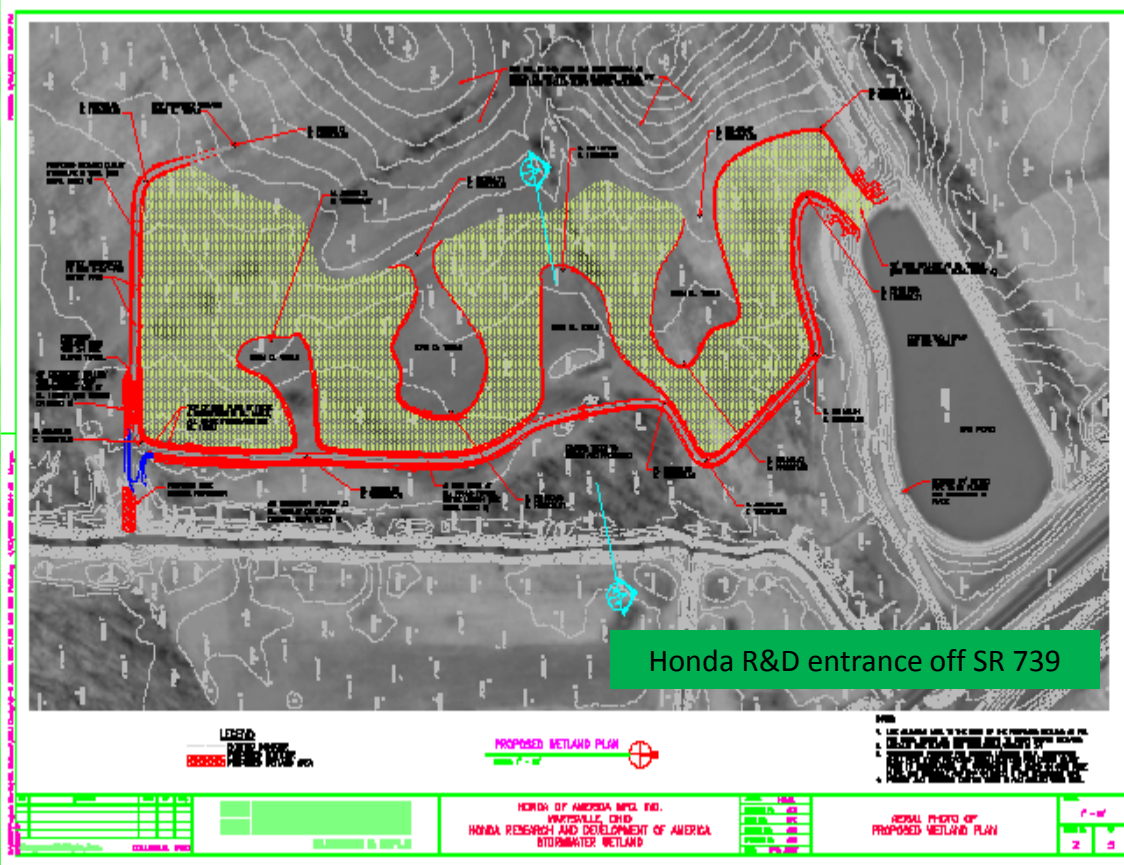
[Darby Creek Matters WWW page](#) - proposed mega-dairy
New! January 2008
[Darby Creek: A Stream of Surprises](#) **New! Fall 2007**
[Big Darby Accord Advisory Panel schedule](#) **New! June 2007**



Stormwater Management Best Practices

Honda is expanding wetlands areas to allow improved sediment filtration and nutrient uptake for stormwater prior to releasing to the Big Darby.

Honda currently manages 830 acres of wetlands!



Questions ?

Robert Bottom

937-644-6415

robert_bottom@ham.honda.com