

National Ambient Air Quality Standards for Particulate Matter (PM NAAQS) Rule

The proposal to significantly revise the primary PM_{2.5} standard from its current level of 12 micrograms per cubic meter to a lower value would result in: permitting problems, a backlog of permits and lack of ability to modernize and expand manufacturing. The outcomes run counter to this Administration's economic and climate goals.

- A significant lowering of the PM_{2.5} standard from its current level of 12 µg/m³ would result in many more nonattainment areas in the U.S.
- By lowering the NAAQS for the first time so close to background levels, the rule would leave insufficient margin for permits to be approved - permits for modernization projects at manufacturing plants across our nation - – even in many cleaner attainment areas.
 - o If NAAQS is lowered as proposed, most attainment areas will have just 0-3 µg/m³ - insufficient to permit many new projects (major greenfield or major modifications).

Forest Products Industry Impact:

Paper and Wood Product Mills Will Lack Needed Headroom to Modernize

Type of Facility	Mills with headroom less than 3 at 12 µg/m ³	Mills with headroom less than 3 at 11 µg/m ³	Mills with headroom less than 3 at 10 µg/m ³	Mills with headroom less than 3 at 9 µg/m ³	Mills with headroom less than 3 at 8 µg/m ³
Pulp, Paper, and Packaging (total of 300)	44	136	212	266	281
Wood Products (total of 223)	58	139	199	217	221

Going to a standard of 9 micrograms per cubic meter – there would be 266 of 300 paper mills that would have headroom less than 3, limiting their ability to obtain new permits, and 217 of 223 wood products mills without the headroom needed for a permit.

History:

In 2012-13, when the PM standard was lowered from 15.0 µg/m³ to 12.0 µg/m³, the mean U.S. background concentrations (based on EPA trends data) was above 9 µg/m³, so the headroom shrank from greater than 5 to about 3 µg/m³.

- The average background concentration helps track air quality trends and whether projects will have enough headroom (i.e., difference between NAAQS and background) to get permitted.
- A typical PSD (prevention of significant deterioration) modeling analysis of a well-controlled project comes out between 1 and 3 µg/m³ which is verified by a review of three dozen recent PSD projects that modeled at 2.6 micrograms per cubic meter µg/m³.
- The headroom has improved only slightly (roughly 1 µg/m³) since 2012/2013 as air quality improvements have leveled off (see chart).

When this was last lowered – there was still enough leeway between the background concentration and the standard, so that permitting was still possible.

- Lowering to 9.0 to 10.0 µg/m³, background would be, **for the first time**, within 1 to 2 µg/m³ of the standard – insufficient headroom for a typical project which needs about 2.6 (according to a recent survey of over 3 dozen PSD projects).
- If the NAAQS is lowered to 9.0 or 10.0 µg/m³ and average background remains close to 8 µg/m³ then the headroom is just 1 to 2 µg/m³ which is less than the 3 µg/m³ needed for a typical project.
 - o The contributors to the background air quality now are primarily things outside of manufacturing's or industrial sources' control: Agricultural emissions, road dust, motor vehicle emissions and wildfires.
 - o Our ability to impact background air quality is minimal – stationary sources like manufacturing or power plants that are already well controlled account for only 16% of total emissions. Pulp, paper and wood products mills account for less than 1% of the total 2020 National Emissions Inventory Primary PM_{2.5} emissions.

If EPA lowered the NAAQS – but lowered to 11.0 µg/m³ - there would be 3 µg/m³ of headroom on average.

This Proposal runs counter to many of the publicly shared goals of the Administration:

Affordable Housing & Lumber Supply

In 2021, the Administration started a housing supply chain task force followed by the Housing Supply Action Plan to address the housing supply crisis facing America.

- Moody's Analytics estimated a 1.5 million housing shortfall in 2022. In 2023 the National Low Income Housing Coalition estimated that our nation needs 7.3 million affordable homes to address the housing crisis.
- To resolve this crisis, President Biden committed to working with the wood products industry to address constraints to supply and production.
- Administration leaders have worked with our industry to identify actions that the federal government, in partnership with the private sector, can take to build a record number of homes.
- Unfortunately, if 217 lumber manufacturing facilities - out of 223 - are unable to get the permits needed to increase the supply of critically needed construction materials, the work and the commitment of this administration to address the housing crisis is useless.

Manufacturing Modernization & Growth

- One of the ways that the wood products industry can modernize to produce more lumber is replacing batch kilns with continuous drying kilns to improve operations and increase lumber product – **these have shown a reduction in emissions on a per unit of production basis.**
- However, these projects generally allow us to significantly increase production – so overall the emissions may increase for the facility.

- A standard of 9 ug/m³ would mean permitting for this kind of project would be prohibitive. Leaving us with less effective manufacturing processes in both pollution control and lumber production.
- In addition to modernization of existing facilities, greenfield facilities are very difficult to site and design in a way that meets the current 12ug/m³ PM_{2.5} NAAQS standard in many places and we believe that a standard of 9 ug/m³ may all but eliminate the opportunity in most areas of the country.

Carbon and Climate

Wood products are the only renewable major building material that also lowers the carbon footprint of the built environment while storing carbon. The Administration recognized this and made a commitment just 2 months ago at COP28 - where the Forests and Climate Leaders Partnership, co-chaired by US Special Climate Envoy John Kerry - recognized that wood from sustainably managed forests provides climate solutions within the construction sector, and committed to – by 2030- advancing priorities and approaches that support low carbon construction and increase the use of wood in the built environment.

Wood products reduce greenhouse gas emissions in two distinct ways – they store carbon and displace emissions from conventional carbon-intensive building materials. When sourced from sustainably managed forests, wood products like mass timber can reduce construction phase emissions by 69% (Himes & Busby, 2020).

In addition – wood products support rural economies, the economies that the Administration has committed to assisting – through mill and labor jobs. Mills are drivers of rural economies – increases to wood products markets strengthen these economies.

Summary: We are asking for this proposal to be viewed in the entire context of the environmental, carbon, climate and economic commitments and policies that this Administration has committed to.

We are requesting:

1. An adjustment of the effective date of the PM NAAQS – which is allowed under the Clean Air Act – which will allow EPA the time to develop new modeling and permit tools and would avoid permitting disruption.
 - While it is practice for EPA to set the effective date at 60 days, that is not law. A timeline of 3 years allows time for EPA to develop new modeling and permitting tools plus make improvements to the monitoring network database used for designations and estimating background air quality for permits. Moreover, 3 years aligns with the existing Infrastructure SIP timeframe when states must develop a credible plan to fully implement a new NAAQS in both attainment and non-attainment areas.
2. A reasonable standard that allows our industry to modernize, make improvements and continue to produce the wood that the country needs to meet it's housing and climate needs and goals.