

August 3, 2020

The Honorable Andrew Wheeler  
Administrator  
Environmental Protection Agency  
1200 Pennsylvania Ave., NW  
Washington, D.C. 20460

*Submitted Electronically via [www.regulations.gov](http://www.regulations.gov)*

***RE: Increasing Consistency and Transparency in Considering Benefits and Costs in the Clean Air Act Rulemaking Process, Docket ID No. EPA-HQ-OAR-2020-00044***

Dear Administrator Wheeler:

On behalf of the North American Die Casting Association (“NADCA” or “Association”) please accept these comments in response to the Environmental Protection Agency’s (EPA) Notice of Proposed Rulemaking (NPRM) “Increasing Consistency and Transparency in Considering Costs and Benefits in the Clean Air Act Rulemaking Process.” NADCA supports the EPA’s proposal to codify the practice of preparing benefit-cost analyses (BCAs) in the development of future significant Clean Air Act (CAA) regulations.

Under the previous administration, the EPA continuously failed to adequately consider the potential benefits and costs in its analysis of a new rule. Instead the agency pushed through an average of 565 new rules a year using deeply flawed methods, including its reliance on the “societal cost of carbon” calculation when deriving the economic benefit of a new rule. Such calculations not only lacked transparency, they grossly overstated environmental benefits.

Providing an accurate BCA is crucial to NADCA members. NADCA is the sole trade and technical association of the die casting industry, representing members from over 350 companies located in every geographic region of the United States. Die casters manufacture a wide range of non-ferrous castings, from automobile engine and transmission parts to intricate components for computers and medical devices. In the U.S., die casters contribute over \$7 billion to the economy annually and provide over 50,000 jobs directly and indirectly. The typical NADCA member averages \$42 million in annual sales with roughly 265 employees. Over the past few years, survey results of our members found that NADCA manufacturing companies, who spend roughly \$1.5 million on average, have experienced continued increases in their energy costs by 7-10% annually before factoring in potential new government mandates.

NADCA supports a regulatory process designed to adhere to sound principles of science, risk assessment and a robust BCA. A fair rulemaking process is an inclusive one. Such a process not only protects public

health and the environment, it allows American manufacturers to stay internationally competitive and technologically innovative. This is especially important when considering the economic stresses currently rattling NADCA members due to the COVID-19 pandemic.

Partial or flawed studies should not influence our public policies. As a general matter, EPA should focus on increasing consistency in the quality, rigor and objectivity of the information it relies on and presents throughout all its CAA rulemakings. The agency should strive above all else to be intellectually honest, even when doing so is politically inconvenient. If costs and benefits will accrue over a 30-year time horizon, the Agency should provide a BCA for the entire time horizon, not simply a snapshot of what benefits and costs would look like in a given year within the range to support a pre-determined conclusion.

When compliance with a rule is based on unknown controls, EPA must base its calculation of those unknown controls on realistic assumptions. When benefits and costs will accrue to the whole economy, EPA should model the impact on the whole economy, not just a part of it. Furthermore, EPA needs to avoid lumping in any co-benefit a proposed regulation may have when calculating that rule's direct benefit. The Agency should avoid relying on outdated data, studies and methodologies, and it should similarly avoid being overly speculative.

Manufacturers will continue to lead by minimizing environmental footprints, reducing emissions, conserving critical resources, protecting biodiversity, limiting waste and providing safe products and solutions so others in the economy can do the same. However, we need better regulations based on clear and transparent facts, not arbitrary and capricious decisions based on secret science. And to get those, we need a regulatory process that is not opaque but clearly demonstrates an overall benefit to the American economy, people, and job creators.

It is fundamental that community stakeholders, especially small businesses who will be directly impacted by regulations, have a seat at the table when rules are being written, evaluated and finalized. Solid, unbiased scientific information and peer review is key to developing honest risk-assessments, cost estimates and smarter regulations. Improved risk assessment methodologies will, in turn, inform a more reliable benefits valuation. An open and honest regulatory process, clear in its use of methods and data, will be easy for public stakeholders to understand and engage with.

Real reforms to our regulatory process when conducting BCAs will bring solutions that provide continued environmental improvement while fostering a more predictable and achievable set of outcomes for manufacturers and the regulated community. Thank you for your consideration of these comments and we look forward to working with you to strengthen the environment without imposing unnecessary regulations on manufacturing in America.

Sincerely



Stephen P. Udvardy  
President  
North American Die Casting Association