

August 3, 2020

Comments submitted on EPA Notice of Proposed Rulemaking:
“Increasing Consistency and Transparency in Considering
Benefits and Costs in the Clean Air Act Rulemaking Process”
Docket ID No. EPA-HQ-OAR-2020-00044

As members of the Colorado State Senate, we are writing to express support for the changes Environmental Protection Agency (EPA) Administrator Andrew Wheeler has proposed regarding the inclusion of a cost-benefit analysis in any future proposed regulation promulgated under the federal Clean Air Act. This is a sound approach for balancing the public’s dual interest in environmental protection and economic vitality.

In the nearly 50 years since the creation of the EPA there has been widely shared consensus on the benefits of cleaner air and water. At the same time, the EPA’s regulations pursuant to the Clean Air Act, which account for the vast majority of the often significant extrinsic costs for manufacturers, energy producers, farmers, and other businesses, should be designed and implemented in a more consistent and transparent manner.

Administrator Wheeler has identified discrepancies and variances in how offices within the EPA communicate about rulemaking and promulgating guidance to affected interests. In response, he outlined four overarching objectives for improving the cost-benefit analyses required under federal rulemaking: 1) ensuring the agency balances benefits and costs in regulatory decision-making; 2) increasing consistency in the interpretation of statutory terminology; 3) providing transparency regarding the weight assigned to various factors in regulatory decisions; and 4) promoting adherence to best practices in conducting the technical analysis used to inform decisions.

This might seem like basic common sense, but conducting fair, expeditious, and consistent cost-benefit analyses has eluded federal policymakers for years. What should be an objective and transparent process has routinely been exploited to justify expensive regulations and satisfy the political agenda of whatever Administration is in authority. The drawn-out and redundant process of reviewing costs and benefits has sometimes delayed or even halted construction and development projects that would have produced many economic benefits. Here in Colorado, for example, bureaucratic delays, overlapping disputes about environmental impact statements, and endless litigation effectively have routinely hampered or even stopped energy development and infrastructure projects. Those projects would have supported hundreds of jobs and generated millions in economic activity and revenue in predominantly rural areas.

Mr. Wheeler’s proposed changes will enable all stakeholders to have more confidence in cost-benefit analyses and this will help advance trust in the policymaking process more broadly. With greater clarity and transparency in developing and applying criteria in cost-benefit analyses, more robust and transparent public input, and more accuracy in accounting for costs and benefits, regulatory policy will more likely achieve the policy objectives of legislation.

It is impossible to design regulations that are not subject to some level of interpretation or dispute; but Administrator Wheeler has outlined an approach that should minimize opportunities

to misuse the regulatory process for ideological purposes.

Colorado's businesses and residents deserve an unbiased regulatory system that works for them, not against them. We applaud Administrator Wheeler's determination to finally design and implement a process for weighing costs and benefits with sound metrics, coherent methods, and honest debate.

Sincerely,

Senator Ray Scott

Senator Bob Rankin, Joint Budget Committee

Senator Don Coram

Senator Larry Crowder

Senator Bob Gardner

Senator Dennis Hisey

Senator Jack Tate

Senator Rob Woodward