

GRINDING TO A HALT

EXAMINING THE IMPACTS OF NEW OZONE REGULATIONS ON KEY TRANSPORTATION PROJECTS

What is Ozone?

Ozone is a gas composed of oxygen molecules that occurs naturally in the atmosphere and is formed after combustion in sources such as vehicle engines or manufacturing and industrial activities. Since 1980, the United States has cut ozone related emissions in half. In 2008, EPA tightened ozone standards from 80 to 75 parts per billion (ppb)—a level that some areas of the country have yet to meet.

What's on the Table Now, and What Does It Mean?

Now, the Obama Administration is proposing a new standard of 65 to 70 parts per billion. 331 counties will be in violation of the new standard, and another 227 in compliance with the 2008 standard will now once again find themselves in trouble. These areas will face red tape and regulatory restrictions that cripple business investment and job growth.

Can't These Areas Find Ways to Comply?

It will be very difficult to meet the new standards. Cost-effective solutions to achieve compliance have largely been exhausted, and in many cases the technology simply doesn't exist to meet the new standards. EPA itself admits that in order to comply with a 65 ppb standard, 40 percent of reductions must come from "unknown controls" that don't currently exist.

EPA's proposed level is so stringent that even the Grand Canyon, Yellowstone, and Yosemite National Parks will likely violate EPA's new regulations.

Don't Just Take Our Word For It

Unfortunately, the Proposed Rule seeks to impose new regulatory standards at or below background ozone levels for many western air quality control regions, meaning that no amount of technological innovation (or costs expended) will allow those regions to reach attainment status."

– States of ND, AL, IN, WY, MS, and WV

What Happens if A Region Cannot Comply?

The federal government will impose penalties. In addition to harsh regulatory restrictions that serve as a handcuff on economic development, The Clean Air Act authorizes EPA to withhold transportation funding for projects of all types—from highways to mass transit. Since Metropolitan regions are reliant on federal funding for many critical projects, numerous improvements would be at risk.

Adding insult to injury, construction delays resulting from withheld transportation funding will only worsen traffic congestion, thereby increasing ozone-forming emissions. State and local governments, which already devote scarce resources to prepare plans that comply with regulations, have expressed serious concerns about the additional burdens imposed by this new ozone rule.

A major concern for [the Commission's] transportation planning responsibilities related to a lower ozone standard is the almost certain inability to meet new conformity requirements for planned transportation projects... If unable to demonstrate conformity under the new standard, our existing conformity status will lapse and the availability of federal highway funds for our transportation projects will be placed in jeopardy."

– Baton Rouge,
LA Regional Planning Commission



Image from DDOT.



Image from MTA.

The Impact of New Ozone Regulations on the Washington, D.C. Region

As Washington, D.C. area commuters know well, the region already suffers from some of the worst traffic conditions in the country. Unfortunately, under the Obama Administration's proposal, the Washington region will have extreme difficulty achieving compliance with new ozone standards, meaning that the EPA could begin withholding transportation funding as early as 2018. This action would deal a major blow to the region's efforts to improve transportation in the wake of long awaited funding bills in Virginia and Maryland.

Which projects will be impacted?

If the D.C. region is unable to demonstrate compliance with EPA's proposed ozone standard by the 2018 deadline, at least 13 projects totaling \$511 million in funding in FY2019 and FY2020 would risk a cutoff in funding. These include:

- Union Station-to-Georgetown streetcar project in D.C.
- Virginia Railway Express (VRE) RF&P Line capacity expansion in Virginia
- Construction of a new interchange at I-270 and Watkins Mill in Maryland
- Construction of a new interchange at MD-4 and Suitland Parkway in Maryland
- Transportation improvements in the White Flint District in Maryland

The Regional Transportation Plan is in the process of being updated, but we know that there are additional projects that are moving forward and could also be impacted:

- Widening I-66 Outside the Beltway in Virginia—a long awaited \$2-\$3 billion project
- Maryland's \$2.5 billion Purple Line connecting Prince George's and Montgomery Counties

There are many other impacts to the withholding of funds. State and local governments would have to divert resources to plug in the gaps in federal funding, placing many smaller projects at risk. Almost all projects would be delayed because the Capital Region Transportation Planning Board would have to undertake a new analysis and plan, resulting in inflation related construction cost increases and administrative costs borne by taxpayers. There could also be impacts to stationary sources of emissions, such as industrial facilities and power plants.

Where Can I Learn More?

A complete list of potentially impacted projects in D.C., Maryland and Virginia and more about the transportation planning process in the Washington region is detailed in our full report, available at www.energyxxi.org/grindingtoahalt

TAKE ACTION: Visit www.energyxxi.org/grindingtoahalt to learn more and help protect critical transportation funding.



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