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March 9, 2015

The Honorable Gina McCarthy
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Ave., NW
Washington, D.C. 20460

RE: Docket ID No. EPA-HQ- OAR-2008-0699 – National Ambient Air Quality Standards for Ozone

Dear Administrator McCarthy,

The American Farm Bureau Federation (Farm Bureau) is the nation's largest general farm organization, representing agricultural producers of nearly every type of crop and livestock across all 50 states and Puerto Rico. We have a vital interest in enhancing and strengthening the lives of farmers and ranchers. Farm Bureau appreciates this opportunity to provide comments regarding the proposed revisions to the existing National Ambient Air Quality Standards (NAAQS) for ozone published in the *Federal Register* on Dec. 17, 2014. The proposed revisions tighten primary (health based) and secondary (welfare-based) standards, a move that will impose real and significant costs while providing uncertain and unverified benefits. Farm Bureau is concerned about the difficulty regulating volatile organic compounds (VOCs), nitrogen oxides (NOx), and other potential ozone precursors from agriculture and the chilling effect of these standards on the economy as a whole.

In the presence of heat and sunlight, atmospheric reactions of NOx and VOCs emitted from various biogenic and anthropogenic sources produce ozone. VOCs are defined in 40 CFR 51.100 as "any compound of carbon, excluding carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, and ammonium carbonate, which participates in atmospheric photochemical reactions." NOx are created from lightning, soil microbial activity, burning biomass, and fuel combustion. The Clean Air Act directs the EPA to set NAAQS for ozone at a level that is protective of human health and the environment, and to regulate both VOC and NOx emissions as ozone precursors.

For each state with areas not attaining the ozone NAAQS, EPA provides guidance to the state to develop its State Implementation Plan (SIP) to attain the standard by a required attainment date. Since 1970, EPA's strategy to reduce tropospheric ozone levels in nonattainment areas has focused mainly on reducing the total mass of VOC emissions. In the 1990s, the EPA developed a strategy to reduce NOx. The NOx reduction strategy and the VOC reduction strategy have helped decrease ozone levels. Since 1980, ozone forming emissions have already been cut in half and average ozone concentrations have dropped by 33 percent over the same period. EPA just updated ozone standards six years ago. These current standards are behind schedule due to EPA effectively suspending their implementation from 2010-2012 while the Agency

unsuccessfully pursued reconsideration. We can expect to see even greater reductions in ground-level ozone as states make up lost ground in putting the current standards into effect.

States are currently committing substantial resources – both in time and money – towards achieving emissions reductions under current ozone standards. Yet, despite over three decades of cleaner air, EPA is now proposing a new stringent range of standards from 70 to 65 parts per billion that would bring vast swaths of the country into nonattainment. In some areas, the proposed range is at or near the level of background ozone that is naturally occurring or internationally transported, pushing even rural counties far from industrial activity into nonattainment. In the past, lower ozone standards were reached by requiring industrial facilities to install control equipment for NOx and VOCs. Large power plants historically have been a relatively cost-efficient way to achieve NOx reduction, but those opportunities are quickly diminishing because the majority of existing coal-fired power plant capacity is equipped with some form of NOx controls and further controls are expected to be installed because of other EPA regulations.

Although a relatively small contributor, agriculture produces VOCs (from pesticides and livestock) and NOx (from engines and other sources) that may be regulated through monitoring and control measures. Restrictions limiting NOx and VOCs may create a significant problem for agriculture. Control measures could be implemented that would: curtail production activities; restrict pesticide applications; designate/limit pesticide application times; eliminate pesticide availability; restrict animal agricultural feeding operations due to emissions from animal waste handling and storage; prescribe costly control measures for animal agriculture; and prescribe costly and wasteful control measures for certain food and agricultural processing industries. The domestic renewable fuels industry (ethanol and biodiesel) could be greatly affected by control measures required for a more stringent standard since they too can contribute to VOCs and NOx during manufacture and use.

Agriculture also will be indirectly impacted by costs passed on to the consumer from special requirements for vehicles and fuels (diesel trucks and farm equipment), restrictive permitting requirements that affect plant expansions, and the loss of federal highway and transit funding. Farming and ranching are energy-intensive businesses. Farmers and ranchers depend on reliable, affordable sources of energy in their daily operations- including using tractors and operating dairy barns, poultry houses and irrigation pumps. For farmers and ranchers that compete in a global economy, higher energy costs and fewer transportation options not only hurt competitiveness, but can determine farm viability and prosperity.

If finalized, EPA's proposed stringent ozone standards could limit business expansion in nearly every populated region of the U.S. and impairs the ability of U.S. companies to create new jobs and agriculture to remain competitive. Local communities will face burdens to commercial, industrial and agricultural activity not only vital to creating jobs, but also to providing tax revenue that support local services like public safety and education. This is of great concern to Farm Bureau, whose mission is not only to increase the viability of farmers and ranchers but to improve the quality of life in rural communities. This proposal's hardship to rural America is real and immediate, while the benefits are unverified and uncertain.

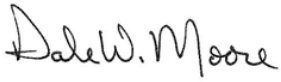
Building a new facility or performing major modifications to certain existing facilities that result in increased ozone concentrations in, or near, a nonattainment area will require permits that meet the most stringent Clean Air Act standard by installing the most effective emission reduction technology regardless of cost. In addition, states are mandated to offset any ozone-forming emissions from new projects or projects undergoing major modifications by reducing emissions from other existing sources in a nonattainment area. If no party is willing to provide offsets, then the project cannot go forward. Nonattainment designation also has profound impact on infrastructure development vital to the agriculture community. Beginning one year from the date of the nonattainment designation, federally-supported highway and transit projects cannot proceed in a nonattainment area unless the state can demonstrate that the project will cause no increase in ozone emissions.

The restrictions do not disappear when an area finally comes into attainment. Instead, former nonattainment areas face a legacy of EPA regulatory oversight. Before a nonattainment area can be redesignated to attainment, EPA must receive and approve an enforceable maintenance plan for the area that specifies measures providing continued maintenance of ozone standards and contingency measures to be implemented promptly if an ozone standard is violated.

In closing, the stringent new ozone standards have the potential for damaging economic consequences across the entire economy and would place serious restrictions on farmers, increasing input costs for things like electricity, fuel, fertilizer and equipment. Further, as ozone standards are ratcheted down closer to levels that exist naturally, more farmers will be forced to abide by restrictions on equipment use and land management, making it harder to stay in business. EPA's own estimates show that a new ozone rule could cost tens of billions of dollars per year and independent estimates indicate that the costs will likely be much higher, putting millions of jobs at risk. A new ozone rule has the potential to be the most costly regulation in our nation's history.

In light of the economic hardship a new ozone standard would cause to farmers throughout the country, including the reduction in funding for crucial civic services, and only providing uncertain benefits, Farm Bureau encourages the EPA to retain the existing ozone standard in the final rule. Our country's farmers cannot afford a stricter ozone standard.

Sincerely,



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