



**American  
Public Power  
Association**

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June 7, 2016

The Honorable Pete Olson  
2133 Rayburn House Office Building  
Washington, D.C. 20515

Dear Representative Olson:

On behalf of the American Public Power Association (APPA), I am writing to express our support for H.R. 4775, the Ozone Standards Implementation Act of 2016. APPA is the national service organization representing the interests of over 2,000 community-owned, not-for-profit electric utilities. These utilities include state public power agencies, municipal electric utilities, and special utility districts that provide electricity and other services to over 48 million Americans.

APPA has some concerns with the Environmental Protection Agency's (EPA or agency) final 2015 National Ambient Air Quality Standards (NAAQS) for ozone. While the association is pleased that the agency did not set a level below 70 parts per billion (ppb), the reduction from 75 ppb to 70 ppb will potentially make it more difficult for public power utilities in non-attainment areas under the new standard to site new natural gas combined cycle (NGCC) units or to operate existing units. Public power utilities need to build and operate NGCC units to replace retiring coal-fired power plants and to back up intermittent renewable generation from solar and wind resources. Natural gas is essentially the only new baseload generation utilities can build in light of the Clean Power Plan and other Clean Air Act regulations, as well as market conditions that favor electricity generated from natural gas over coal- and nuclear-generated electricity.

Furthermore, APPA has heard from its members in many parts of the country regarding their concerns with still having to implement the 2008 ozone standard while implementing the new 2015 standard. In our comments to EPA to the proposed ozone NAAQS in March 2015, we requested that EPA keep the existing 75 ppb standard, noting that the agency's own projections showed that the 2008 standard, if implemented, would be adequate to protect public health with an adequate margin of safety. It made little sense for the agency to further reduce the standard before the existing one had even been fully implemented and no sense to not revoke the 2008 standard when issuing the 2015 standard.

APPA members have also expressed concerns that EPA has failed to give adequate or proper consideration to background levels of ozone. The formation of ozone results from many different natural sources, such as lightning, wildfires, and vegetation emissions. EPA acknowledges that background levels of ozone can cause exceedances of even the current standard. Communities in the Intermountain West region of the U.S. have expressed concerns with their ability to attain the revised standard given the region's background ozone levels.

The Honorable Pete Olson

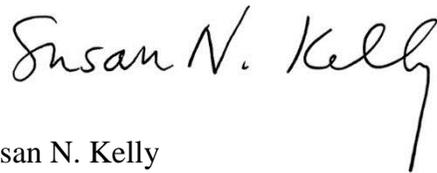
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APPA is pleased you introduced legislation to phase in implementation of the 2008 and 2015 standards, while extending the date for final designation of the 2015 standard to 2025. This is a common-sense fix that will allow for full implementation of the 2008 standard while giving states the time they need to then implement the 2015 standard. More importantly, the legislation would extend the current NAAQS review cycle for criteria pollutants from five years to ten years. This much needed extension will provide the states with the time they need for extensive attainment planning and implementation efforts. More time is needed to realistically implement new standards—states need this time to conduct and assess monitoring data to propose attainment and non-attainment designations; for states to develop state implementation plans; and for states to appropriately consider interstate transport.

Thank you for your leadership on this important issue affecting electric utilities. I hope you will feel free to contact me or the APPA government relations staff with any questions.

Sincerely,

A handwritten signature in black ink that reads "Susan N. Kelly". The signature is written in a cursive style with a long, thin vertical stroke at the end of the name.

Susan N. Kelly  
President & CEO  
*SNK/DW*

cc: The Honorable Fred Upton  
The Honorable Frank Pallone  
The Honorable Ed Whitfield  
The Honorable Bobby Rush