

Portland Cement Association

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June 16, 2015

The Hon. Ed Whitfield Chairman Subcommittee on Energy and Power U.S. House of Representatives Washington, D.C. 20515 The Hon. Michael Burgess, M.D. Chairman
Subcommittee on Commerce,
Manufacturing & Trade
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Whitfield and Chairman Burgess:

The Portland Cement Association (PCA) recognizes and appreciates the leadership demonstrated by you and your colleagues on the House Energy and Commerce Committee in challenging the revisions to the National Ambient Air Quality Standards (NAAQS) for ground-level ozone proposed by Environmental Protection Agency (EPA).

Our nation's industries, cement included, are reducing emissions as quickly as can be practically accomplished to meet the NAAQS ozone standards currently in force (from 2008). This process is working—according to EPA's own data ozone concentrations nationwide have steadily declined. Introducing a more stringent NAAQS for ozone at this point will not improve air quality any more quickly, but will pose significant technical and financial challenges for thousands of industrial facilities across the country.

If such challenges prove to be insurmountable, the only option left for a facility is to reduce or even cease operations. For the cement industry, this could ultimately lead to the loss of up to 35% of our nation's cement production capacity. Even if some of this capacity was replaced by imported product (from plants with less stringent standards), this would likely result in construction delays, project cancellations, and lost jobs.

This would send ripple effects throughout the economy. PCA estimates that the rule's impacts on the cement sector would result in the loss of \$700 million, and 45,000 jobs, annually in the broader construction industry. When considering the compounding effect of direct and indirect compliance costs, EPA's proposal could cost the U.S. economy \$140 billion annually, according to estimates by the National Association of Manufacturers. This is simply the wrong type of regulation at the wrong time.

PCA members operate cement manufacturing plants and distribution centers in nearly every Congressional district nationwide, representing approximately 80% of US cement production capacity. On their behalf, I applaud your Committee's leadership in promoting policies that improve the environment while protecting American jobs.

If you have any questions or would like additional information, please contact me.

Very truly yours,

James G. Toscas

President and Chief Executive Officer

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