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THE WEEKLY CLOSER

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"From this perspective, for all of the bluster about the Kyoto Protocol, its implementation is much more about symbolism and setting the stage for future policy action rather than any significant effect on the climate system. Economist William Nordhaus of Yale University wrote recently that "the Kyoto Protocol is widely seen as somewhere between troubled and terminal. . . Even if the current Protocol is extended, models indicate that it will have little impact on global temperature change. Unless there is a dramatic breakthrough or a new design, the Protocol threatens to be seen as a monument to institutional overreach.'"

Roger A. Pielke, Jr.

Center for Science and Technology Policy Research
University of Colorado, Boulder, Colorado
STATEMENT TO THE COMMITTEE ON GOVERNMENT REFORM
U.S. HOUSE OF REPRESENTATIVES
20 July 2006

SENATE PASSES WATER RESOURCES DEVELOPMENT ACT OF 2006 (WRDA) S. 728

Senator Inhofe commented on the Senate passage of S. 728, the Water Resources Development Act (WRDA) of 2006. The reauthorization of WRDA has been one of the top priorities for Senator Inhofe since becoming Chairman of the EPW Committee in 2003. The Senate today passed the WRDA bill by voice vote.

"In passing WRDA today, the Senate took a significant step forward in improving our nation's water resource needs. With today's overwhelming vote in favor of WRDA, we should move quickly to a Conference with the House so that we can work out our differences and vote on a final package.

"The WRDA bill passed by the Senate meets many of the most critical water resource needs facing our nation today. For example, the WRDA bill improves navigation and increases capacity and efficiency of the Mississippi and Illinois Rivers, provides measure to increase hurricane and storm damage protection through wetlands preservation and restoration, and creates an inventory of the nation's levees with assessments of high risk levees in order to protect people and property.

"Importantly, the WRDA bill also includes much needed improvements to Corps processes and policies. I look forward to further addressing Corps

July 27, 2006

Full committee hearing to discuss the Stafford Act: A Path Forward for the Nation's Emergency Preparedness and Response System.

9:30 am

SD-406

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reform in Conference, noting that the Senate was clearly divided on the issue of peer review, failing to pass my amendment 49-51. Additionally, neither the McCain-Feingold nor my amendment passed on prioritization.

"I thank Subcommittee Chairman Kit Bond for his continued leadership in bringing this legislation together. I also want to recognize Senator Vitter, a member of the EPW Committee, for his efforts on this bill. I worked closely with Senator Vitter to ensure the WRDA bill provides strong hurricane, flood and coastal protection for Louisiana, a need clearly exposed in the midst of the devastation to the Gulf Coast region caused by Hurricane Katrina."

With today's passage in the Senate, and the House passage of WRDA last year, conferees will now be appointed by each chamber.

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FLOOR STATEMENT BY CHAIRMAN INHOFE: WATER RESOURCES DEVELOPMENT ACT (WRDA) S. 728

MR PRESIDENT: After much negotiation, the Senate is considering today S. 728 the Water Resources Development Act of 2006. As the world's leading maritime and trading nation, the United States relies on an efficient Maritime Transportation System to maintain its role as a global power. The bill we debate today is the cornerstone of that system.

Water Resources Development Act or WRDA sets out the federal policy and procedure for the United States Army Corps of Engineers (the Corps) to maintain and build our inland and intracoastal waterway system, which carries one-sixth of the Nation's volume of intercity cargo. In addition, the Corps is responsible for maintaining appropriate channel depths in ports along our coasts and the Great Lakes to handle 95% all foreign trade into and out of the country. In fact, more than 67% of all consumer goods pass through harbors maintained by the Corps of Engineers. WRDA also authorizes the Corps to work with communities on various flood damage reduction and hurricane and storm damage reduction projects designed to protect human life and property.

Inland and intracostal waterways, which serve states on the Atlantic seaboard, the Gulf Coast and the Pacific Northwest, move about 630 million tons of cargo valued at over \$70 billion annually. Furthermore, it is estimated that the average transportation cost savings to users of the system is \$10.67 per ton or \$7 billion annually over other modes of transportation.

The nearly 12,000 miles of inland and intracostal waterways include 192 commercially active lock and dam sites. Over 50 percent of the locks and dams operated by the Corps are more than 50 years old and consequently, are approaching the end of their design life and are in need of modernization or major rehabilitation. This bill authorizes ongoing work to modernize and rehabilitate our inland and intracostal waterway system.

In the 1800's, the Corps was first called upon to address flood problems along the Mississippi River. Since then, the Corps has continued to provide flood damage reduction along the Mississippi River and other in regions of the country. These efforts range from small, local protection projects, such as levees or nonstructural measures, to major dams. Today most of the structures are owned by sponsoring cities, towns, and agricultural districts. Although the Corps cannot prevent all damage from floods, the Corps' efforts do significantly reduce the cost of flood events. To illustrate this point consider that during the 10 years from 1991 through 2000, the country suffered \$45 billion in property damage from floods. If Corps flood damage reduction measures had not been in place, however, that figure would have been more than \$208 billion in damage. Clearly, flood control is a wise investment.

Similarly, the Corps also participates in and this bill authorizes hurricane and storm damage reduction projects along our nation's coasts, as well as projects to combat shoreline erosion.

The third core mission of the Corps of Engineers is ecosystem restoration. Working with non-Federal sponsors, the Corps implements single purpose ecosystem restoration projects, multi-purpose projects with ecosystem restoration components, or projects for flood protection or navigation that incorporate environmental features as good engineering. The Corps has restored, created, and protected over 500,000 acres of wetland and other habitats between 1988 and 2004. In some cases, existing water resources projects are modified to achieve restoration benefits. This bill includes authorization of several such projects, including three major restoration projects in Louisiana, Florida and the Upper Mississippi River basin.

Unfortunately, like other infrastructure bills, WRDA has been derided in the press as nothing more than a "pork" bill. During the debate here in the Senate, we may hear from some who will agree. As one of the primary authors of the bill, allow me to explain why this charge, if raised, is not accurate.

First, contrary to popular belief, this bill is not just project authorizations; it also contains significant policy changes designed to ensure an efficient and effective process for addressing our nation's water resources needs. Later in this debate, Senators will have an opportunity to consider several amendments on further policy reforms.

The bill does have project authorizations. It is an unfortunate fact of life that when infrastructure bills are debated, we first have to battle back the charge that all we are doing is funding unneeded projects. Let's look at the facts. According to the American Society of Civil Engineers 2005 Report Card on America's Infrastructure, none of the nation's primary infrastructure, such as roads, airports, drinking water facilities, wastewater managements systems, get above a C and most receive a D. We are quickly approaching a crisis that if ignored will dramatically stunt continued economic growth.

As one of the most fiscally conservative members of this body, I have long argued that the two most important functions of the federal government is to provide for the national defense and public infrastructure. So I am not shy about voting for increased authorization and spending on national defense needs or public infrastructure. At the same time we have to spend limited taxpayer dollars wisely. With that in mind, the Committee established a very firm policy of what types of project requests that we would consider. Every project authorization included in the bill is based on a Report of the Chief of Engineers verifying that the project is technically feasible, economically justified and environmentally acceptable. Furthermore, we did not include environmental infrastructure projects, such as water treatment facilities, or river front development projects because neither of these are Corps of Engineers missions. Finally, we did not authorize cost-share waivers on existing or new projects.

At the appropriate time, Senator Bond and I will be offering two amendments, one on prioritization of projects and another establishing a procedure of independent peer review. Both of these issues are important reforms to the program. We agree that Congress needs better analysis so we can more easily compare individual projects thereby ensuring the most needed projects are addressed in a timely manner. Independent peer review fulfils a critical function of ensure that policy makers are using accurate information to make decisions; therefore, Senator Bond and I will be offering an amendment to clarifying which projects should undergo independent peer review.

Finally, some have expressed concern about the size of the bill. I understand and appreciate those concerns. However, I would point out that it has been 6 years since the last WRDA was signed into law. Traditionally, WRDA is done every two years. Given the six year lag, what the Senate is being asked to consider represents what would be three WRDAs if we had kept to the two year schedule. Given that, I believe the cost is reasonable.

For the benefit of those who may not be familiar the Army Corps Civil Works program, allow me to explain how it works. The program includes the planning, design, construction, operation and maintenance of water resource projects. These projects are designed to provide the nation with improved flood damage reduction, hurricane and storm damage reduction (shore protection), navigation, ecosystem restoration, hydroelectric power, recreation and other various water resources needs. Virtually all water resources projects are cost-shared with a local sponsor. The statutory cost-share varies depending on the type of project.

Projects generally originate with a request for assistance from a community or local government entity with a water resource need that is beyond its capability to alleviate. A study authority allows the Corps to investigate a problem and determine if there is a federal interest in proceeding further.

If the Corps has performed a study in the geographic area before, a new study can be authorized by a resolution of either the Senate Committee on Environment and Public Works or the House Committee on Transportation and Infrastructure. If the Corps has not previously investigated the area, the study needs to be authorized by an act of Congress, typically through a WRDA bill.

Army Corps studies are usually undertaken in two stages. The first, called a reconnaissance study (or recon study), is a general investigation, including an overview of the problem, identification of potential local sponsors (state, tribal, county, or local agencies or governments or non-profit organizations) and an initial determination of a federal interest. A recon study is done at full federal expense, usually costs one to two hundred thousand dollars and usually can be completed in about one year.

The second stage is a feasibility study, which is the detailed analysis of alternatives, costs, benefits and environmental and other impacts. A feasibility study is cost-shared 50-50 with a local sponsor, usually costs upwards of a million dollars and takes up to several years to complete.

Congress must provide authorization for the Corps to begin the recon study, but the Corps can move from the recon to feasibility stage without further authorization. Based on the results of the study, the Chief of Engineers may sign a final recommendation on the project, known as the Chief's Report. Accordingly, the Committee has used a favorable Chief's Report as the basis for authorizing projects.

Before a I yield the floor to my colleagues, I want to point out some other provisions in the Manager's substitute amendment that were added to the committee reported bill. The primary changes were made in response to the devastating hurricanes that hit Louisiana last year.

We are proposing a new National Levee Safety Program designed after the National Dam Safety Program. The new levee safety program requires that a national inventory be made of all levees and that those levees that protect human life and public safety be inspected. As with the Dam Safety program, the provision establishes a state grant program to encourage States to establish their own safety program, as these activities are best handled at the local level

We also made some changes to the language already in the bill to authorize a project for coastal wetlands restoration in Louisiana. These changes are intended to address the two main suggestions for process improvements that the Environment and Public Works Committee heard from a broad range of stakeholders following hurricane Katrina.

First, we try to do a better job of addressing our water resources needs in a comprehensive, integrated manner, rather than in the traditional stovepipe manner of separate missions areas.

Second, the time it takes between identifying a water resources need to completing a solution is significantly longer than it should be. Our substitute amendment addresses the time from identification of need to

solution.

In closing, I urge members to support the bill as amended by the substitute and believe that while not perfect, the bill does achieve important reforms and in a limited way addresses some of our water resources needs.

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NRC REPORT SHOWS BUSH ADMINISTRATION APPROACH TO CLEAN AIR SUPERIOR TO DEMOCRATS RELIANCE ON NSR

Today, Senator Inhofe welcomed a report by the National Academy of Sciences (NAS) National Research Council report (NRC) titled "New Source Review for Stationary Sources of Air Pollution." The NRC report found that NSR is less effective at reducing power plant emissions and more costly than President Bush's Clean Air Interstate Rule (CAIR) – and by extension, Senator Inhofe's Clear Skies legislation.

"The NRC study reveals that NSR is less effective at reducing power plant emissions and more costly on a ton for ton basis than President Bush's Clean Air Interstate Rule (CAIR) – and by extension, my Clear Skies legislation – effectively striping away a fundamental Democrat argument in the Clean Air debate. This report shows that NSR obtains few reductions in emissions and adds little even when combined with a cap-and-trade approach. Moreover, it finds that reducing pollution through NSR is three times more costly than under cap-and-trade.

"Democrats have delayed emissions reductions, saying that NSR streamlining would be a "roll back" of the Clean Air Act. This has thwarted legislative efforts to pass nationwide emission reductions to improve public health, forcing the Administration to issue the important, but far less comprehensive or protective CAIR rule. Regrettably, Democrats would have us rely on an NSR program that has been burdensome, confusing, contradictory, and counterproductive to clean air progress.

"The NRC reports conclusions reveals that Democrat's long time opposition is solely political, and not for benefit of cleaning our nation's air. If our friends on the other side of the aisle are truly serious about improving the nation's air quality and cutting pollution from power plants, they should join us in supporting the Clear Skies Act instead of delaying reductions with political posturing."

The report issued the following substantive conclusions:

- "That marginal cost is also several times as large as the cost to achieving the same reductions by imposing cap-and-trade policies" (Pg, 157, Chapter 6, Assessing Potential Effects on the Electricity-Generating Sector)
- "Thus, we conclude that from the standpoint of limiting national and

regional emissions – a goal, but far from the only one, of NSR – a tighter emissions cap would likely be a cheaper method of limiting national and regional emissions that NSR. (Pg. 157, Chapter 6, Assessing Potential Effects on the Electricity-Generating Sector)

• With CAIR in effect] "For both NOx and SO2, unless controls become extensive enough to reduce emissions below the cap, the main effects of an NSR RMRR policy that result in greater retirements, repowering, or retrofits of facilities will be to increase power-production costs and spatially redistribute emissions. National emissions totals would not change appreciably. Because of the cap-and-trade programs, reduction of emissions at one facility frees up allowances that allow greater emissions to occur elsewhere. Therefore, the effect of the prerevision of NSR policy on SO2 and NOx emissions from power plants (in the context of binding national cap-and-trade programs) would be to rearrange emissions across both space and time and to increase costs." (Pg, 156, Chapter 6, Assessing Potential Effects on the Electricity-Generating Sector)

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OPENING STATEMENT: EPW HEARING ON SCIENCE IN SETTING PARTICULATE MATTER STANDARDS

Wednesday, July 19, 2006

Last week, the Air Subcommittee examined the impacts of tightening particulate matter standards on our nation. Although EPA failed to analyze the regulatory impact on the nation, these impacts will be enormous. I was particularly struck by the testimony of Harry Alford, President of the National Black Chamber of Commerce, who testified that the greatest health threat to minorities is access to health care and a tightened standard would threaten the paychecks that cure that threat.

Today, we are examining the science underlying the particulate matter review. The estimated risk today is less than what was estimated in 1997 under Carol Browner when the current standard was set. So while I feel EPA's proposal to tighten the daily standard to 35 micrograms is overly stringent, I am pleased EPA proposed to retain the existing annual standard.

The rationale to tighten the standard is weak. EPA cherry-picked what studies it relied on, downplaying many key studies that shed light on the health effect of PM, some of which are listed on this chart.

It also cherry-picked what information it provided to the Clean Air Science Advisory Committee in important documents, seriously skewing the review. For instance, CASAC was never told by EPA that the estimated risks from PM exposure is now considered lower than the risk level estimated during the last review.

EPA's process for this review is also radically different from every previous

scientific assessment, calling into question the credibility of the entire review. CASAC is supposed to review relevant science and the public is supposed to provide input. This time, EPA had a cut-off date of April 2002, which meant CASAC's assessment doesn't include almost 4-1/2 years of new studies. Only after I asked EPA to collect the newer studies did it do so, and now it plans to issue the final rule without an opportunity for public review of how it is assessing those studies.

Worse, as the General Accountability Office report being released today shows, EPA has failed to follow the National Academy of Science's recommendations to examine the health effect associated with different kinds of particles and to incorporate a range of particle toxicity assumptions into its uncertainty analyses. If we don't know what types of particle cause health effects, we may well spend billions of dollars on pollution controls while doing little to improve health.

Thank you.

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DID YOU KNOW?

EPA HAS CLEAR DISCRETION IN SETTING AIR QUALITY STANDARDS

Despite calls from some in the environmental community to tighten particulate matter air quality standards under the Clean Air Act, a Congressional Research Service Report (CRS) from December 2005 stated that the EPA administrator has clear discretion in setting air quality standards.

FACT: In reviewing these standards, the Clean Air Act requires the EPA to review the science and set health standards at a level that ensures "an adequate margin of safety" requisite to protect human health. While individual studies vary, studies show that since 1997, when the last review was conducted by the Clinton administration, the health risk "point estimate" associated with particulate matter has decreased.

From page 4 of the December 30, 2005 CRS Report:

"...the [EPA] Administrator is given clear discretion; the requirements are conditioned by the phrase in the judgment of the Administrator."

Many have the impression that that EPA must or routinely strengthens air quality standards.

According to the 2005 CRS study, the EPA has only strengthened the standards twice out of the eleven times that they were reviewed since 1971 (including relaxing or revoking a standard on three occasions.)

From page 5 of the December 30, 2005 CRS Report:

"EPA has conducted multiple reviews of the National Ambient Air Quality Standards since their establishment in 1971. The primary (health based) standards have been strengthened twice, retained 6 times, and relaxed or revoked on 3 occasions."

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EPA SCIENCE PROCESS SHROUDED IN CONTROVERSY

The Environmental Protection Agency (EPA) is scheduled to make a final decision on proposed revisions in particulate matter air quality standards by September 27, 2006. The process by which EPA scientifically evaluates its national ambient air quality decision is spelled out in the Clean Air Act. During the latest national ambient air quality standards review, however, the process being used has become a controversial issue.

FACT: The EPA is planning on issuing its final rule on particulate matter air quality standards without an opportunity for public review of how the agency is assessing recent scientific studies dealing with PM.

The EPA had a cutoff date of April 2002 for studies dealing with the health effects of PM during the current review, with the exception of a few hand-picked studies. Only after pressure from Senator Inhofe, who wrote a letter in 2005 to EPA Administrator Stephen Johnson noting the dearth of newer scientific studies on particulate matter, did the EPA begin to review newer studies.

"I am not aware of any precedent for ignoring advancements in scientific knowledge over such a lengthy period of time, especially involving decisions that affect public health." Senator Inhofe wrote in the 2005 letter.

In response to the Senator's letter, the EPA has reviewed more recent scientific studies and has indicated it will factor in these studies in its final rule. But EPA plans to issue the final rule on selecting appropriate PM standards without allowing public review of how it is assessing those newer studies.

A new report by the Government Accountability Office (GAO), entitled "Human Health Risk Assessment: EPA Has Taken Steps to Strengthen Its Process, but Improvements Needed in Planning, Data Development, and Training", found additional problems in EPA's process in the current review. The GAO report recommended that the EPA improve its use of science in conducting risk assessments. One of Senator Inhofe's top three priorities since he assumed the Chairmanship has been to improve EPA's use of science. It is clear from the manner in which EPA has conducted the current PM review that this goal is far from complete.

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DAN RATHER DEFENDS TOM BROKAW ON CNN

LARRY KING LIVE

Larry King: But while we're talking about Tom Brokaw, I've noticed that he's catching some flack about this documentary on the environment that he's done. And I don't want to miss an opportunity to back him.

Mr. Rather: I haven't seen the documentary, but I know that Tom Brokaw is a first-rate journalist and accusations by people who haven't even seen it that he was unfair, inaccurate, I think you can put it in the general heading that it happens regularly when you don't report the news the way some people in power want you to report it, they're going to try to make you pay the price for it. And my support for Tom is complete in this.

Click **here** for the full transcript.

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MORE "INDEPENDENT JOURNALISM": LOU DOBBS

Lou Dobbs: Alan, the U.S. Senate Committee on Environment and Public Works put out a press release, basically taking James Hanson to task, one of the noted climate scientists, one of your peers, to -- in your case more than a peer -- and whom I've talked with and whom I've appreciated. They're taking him to task for supporting Tom Brokaw's documentary on Discovery because he's got ties to Al Gore, to all sorts of radical liberal bad people. How do you react to that kind of thing?

ALAN ROBOCK, CLIMATE SCIENTIST: Jim Hanson has spent his life studying climate change, and he recognizes that humans are the strongest thing on the planet to cause climate. Now, we're stronger than natural variability, and he's sick of people not doing anything about it. He things it's time to stop just studying it. Although we do have to study it to deal with it.

DOBBS: I'm with Jim, by the way. I mean, you guys have put your best efforts forward, you've come up with a -- you may -- let's be honest, it's science. It could be there is something wrong with the conclusion, but why take the risk?

ROBOCK: That's right. I've taken a lot of money from the government to do my research.

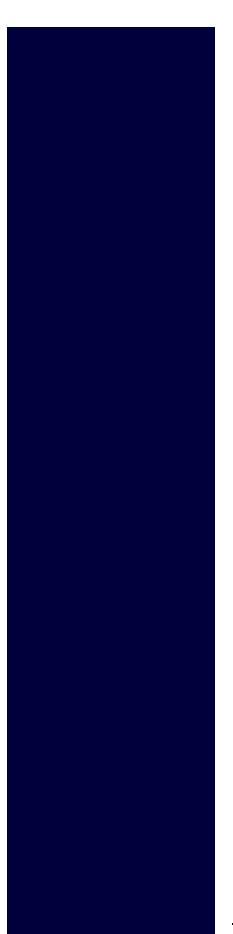
DOBBS: Let me make a note of that.

ROBOCK: If I discover a danger to society, what they want me to do is tell them about it, not to keep quiet.

DOBBS: Well, what are we going to do? Let's on this broadcast tonight, LOU DOBBS TONIGHT, this broadcast decides global warming is caused by emissions. That discussion is over here. Let's talk about what we should do next.

Click **here** for the full transcript.





Marc Morano, Communications Director Matthew Dempsey, Press Secretary

