



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
RESEARCH TRIANGLE PARK, NC 27711

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OFFICE OF
AIR QUALITY PLANNING
AND STANDARDS

Melanie A. Marty, Ph.D.
Chair, Children's Health Protection Advisory Committee
Office of Environmental Health
California Environmental Protection Agency
1515 Clay Street 16th Floor
Oakland, CA 94612

Dear Dr. Marty:

Thank you for your letter of June 8, 2004, to Michael Leavitt, Administrator, in which you suggest additional recommendations of interest to the Children's Health Protection Advisory Committee related to the rules proposed by the Environmental Protection Agency (EPA) to reduce mercury pollution from power plants. I appreciate your interest in this important matter.

We recognize that, because the rule represents the first effort to regulate mercury from power plants, it presents a number of complex and technical issues, including the availability of technology and the impact on our energy markets. EPA is considering the possibility of conducting additional analyses. However, until we have reviewed and evaluated the comments received, we do not know what analyses may be needed or on what schedule they can be conducted. We will conduct whatever analyses are necessary to ensure the right decision is made and we protect public health in the most effective way possible. If it is determined that EPA will conduct additional analyses, we will make them available for public comment prior to finalization of the rule. We will finalize the mercury rule in time to meet the new court deadline of March 15, 2005.

EPA is committed to protecting the environment and the public health of all citizens, especially children. We believe that our proposals, including the proposed Clean Air Interstate Rule, will provide a technically sound, legally justifiable, cost-effective, and environmentally beneficial approach to ensuring the continued welfare of the American public and the environment without causing significant disruption to our Nation's energy markets. Our proposed coordinated programs would work in concert to reduce the emissions of mercury, nickel, nitrogen oxides, and sulfur dioxide from the utility sector, and ultimately lead to reduced deposition and an improvement in the water quality of our lakes, rivers, coastal waters, and oceans.

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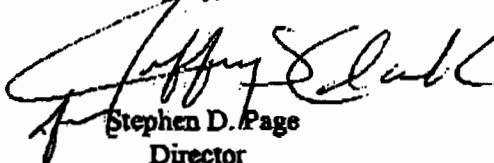
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Some critics have charged that emissions trading would leave mercury exposure "hot spots" in areas near large power plants. EPA's trading proposal should reduce this concern about "hot spots" because the largest emitters generally will clean up first. The emissions from these sources represent the "low-hanging fruit," the place where companies receive the most emission reductions for their investment dollars. Similar "hot spot" concerns were raised when Congress debated the acid rain trading program for reducing sulfur dioxide emissions, yet, after many years of experience under the program, "hot spots" have not materialized. Even so, the recently proposed trading programs provide legal mechanisms to ensure that should hot spots be identified, appropriate Federal and/or State actions would be allowed to address them. We will give particularly careful consideration to this issue as we develop the final rule.

If you wish to meet with my staff to discuss this issue, please contact Bill Maxwell, of the Emission Standards Division, Combustion Group, at (919)541-5430.

Again, thank you for your letter. I appreciate the opportunity to be of service and trust the information provided is helpful.

Sincerely,



Stephen D. Page
Director

Office of Air Quality Planning
and Standards