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## Moderator: Bill Wehrum July 31st, 2018 1:30 p.m. ET

OPERATOR: This is Conference # 6398867

Operator: Good afternoon. My name is (Ashley) and I'll be your conference operator

today. At this time, I would like to welcome everyone to the 2018 Air Trends Report conference call. All lines have been placed on mute to prevent any background noise. After the speaker's remarks, there will be a question and answer session. If you would like to ask a question during this time, simply

press "star" then the number "one" on your telephone keypad.

If you would like to withdraw your question, press the "pound" key. Thank you. Mr. John Millett, Director of Communications for the Office of Air and

Radiation, you may begin your conference.

(John Millett): Great, thanks Ashley. Hi everybody and thank you for joining today for

EPA's release of our most recent Air Trends report. On the call today, we have acting Administrator Andrew Wheeler who will kick off remarks followed by the Assistant Administrator for the Office of Air and Radiation

for EPA, Bill Wehrum. After that, we'll take a few minutes for your questions and then with that, we'll just turn it over to the Acting

Administrator.

Andrew Wheeler: Thank you. Good afternoon and thank you all for joining this call. Today

EPA released its annual report on air quality which tracks our nation's

progress improving air quality since the passage of the Clean Air Act. We are

proud to report that we have made tremendous progress.

From 1970 to 2017, the combined emissions of the 6 key pollutants regulated under the National Ambient Air Quality Standards, dropped by 73 percent while the U.S. economy grew more than 260 percent and the population continued to expand. These trends can be seen very clearly in the last decade from 2007 to 2017, U.S. emissions of sulfur dioxide dropped more than 75 percent and emissions of nitrogen oxides, a precursor to ground-level ozone, were down over 40 percent.

When President Trump called me four weeks ago to ask me to assume the duties of the Acting Administrator, he asked me to continue to clean up the air, clean up the water, and continue de-regulation in order to spur economic growth. The president knows we can do all three. We at EPA know we can do all three, and the data that we're releasing today shows that we can do all three.

These are remarkable achievements that should be recognized, celebrated, and replicated around the world. A 73 percent reduction in any other social ill such as crime, disease, or drug addiction would lead the evening news. I hope that you, the media, will assist us in spreading this great news to the American public. The U.S. leads the world in terms of clean air and air quality progress and this includes trends in traditional air pollutants as well as greenhouse gases.

How was this accomplished? Largely through federal and state implementation of the Clean Air Act and technological advances in the private sector to improve emissions controls and minimize air pollution. Together, EPA, the states, tribes, and the private sector have achieved one of the great environmental successes of our time, dramatically improving air quality and public health while simultaneously growing the nation's population and economy.

Even with the success – with this success, we must note that some Americans still live in areas that do not fully meet national standards. We will continue to work closely with states, local governments, and tribes to further improve air quality across the entire country. America is a global leader in environmental stewardship and today's report shows why.

We are blessed with abundant natural resources, heirs to the most glorious heritage a people ever received as Teddy Roosevelt wrote. We will ensure that this heritage is protected and passed on for the benefit of future generations. Thank you for your time and I will now turn it over to the EPA's Office of Air and Radiation to dive into the details contained in the report. Turning it over to Bill Wehrum.

Bill Wehrum:

Thank you, Administrator. I'm glad to be here today and I'll highlight some of the EPA's latest information from the Air Trends Report. As Administrator Wheeler noted, since implementation of the Clean Air Act, emissions of common air pollutants have plummeted and concentrations in the air have declined likewise.

Today, Americans breathe cleaner air and face lower risks of adverse health effects thanks to the collaborative efforts of EPA, states, tribes, and to the private sector driving technological advances. We're committed to continuing that progress while moving toward a system of regulatory certainty that will protect public health and allow businesses to continue to grow.

The long-term trends are substantial and we've continued to make progress in recent years. Our state, tribal, and local partners deserve credit for the improvements their efforts have achieved. State actions to attain and maintain the 2015 ozone standards, the 2012 fine particle standard, and the 2010 health based standard for sulfur dioxide have contributed, considerably, to the reductions we see.

This administration has taken a number of important actions to ensure continued progress and cleaner air. These fall into three broad categories. First, we continue to aggressively implement programs that are on the books right now.

A couple of examples include our efforts to implement designations for the 2015 ozone standard, and by that I mean we've gone to great effort to identify those areas of the country that meet these standards and more importantly, those areas of the country that do not meet the standards and, therefore, need additional air quality programs in place to move toward attainment.

Also, another example is something we announced earlier today which is the decision by Cummins to voluntarily recall 500,000 diesel trucks. That was a result of continued aggressive implementation of our strict standards for nitrogen dioxide emissions from heavy duty diesel trucks.

Secondly, we're working, aggressively, to improve the processes by which we satisfy our obligations under the Clean Air Act. And, again, a couple of examples there; first of all, Administrator Wheeler has given us the task of improving the way that we actually review and, as necessary, set and revise ambient air quality standards.

This agency, historically, has not met our statutory deadlines, often missing them by years. And we're now on track to streamline and improve the process so that we can satisfy the law which requires we complete a review of every standard within five years.

As another example, we're working very hard to work with the states in speeding the approval of their air quality regulatory programs. The Clean Air Act is, by design – by congressional design, a state, local, tribal, and federal partnership. So, we rely on our state, local, and tribal partners to carry a lot of the load in identifying what sources need to be regulated and how they should be regulated.

But we have an oversight authority to make sure that those programs are doing the job. So, we're working to, significantly, streamline the method by which we review and approve those state programs.

The third area in which we continue to make improvements is implementing new rules. One example as a rule issued, just recently, to further regulate interstate emissions or interstate transport of air pollution, as we know air pollution doesn't respect state boundaries and in many cases, down wind, bad air quality is, at least, in part a result of upwind – emissions from upwind states.

So, we recently have continued aggressive action in that program. We also have recently issued, and have in the pipeline, dozens of standards to continue

to review risks associated with air toxics emissions and, where necessary, to impose additional regulations and emissions limits to address unacceptable remaining risk.

The air trends report is our annual report card on how well our efforts are working. In recent years, EPA has published the report online to allow more access to the data than ever before.

And just to give you a few examples, the interactive report allows you to track air concentrations and major pollutants over time, to track annual emissions of those pollutants, to see trends by geographic location, to track the downward trend and unhealthy air days in major cities, to track improvements in visibility in our national parks and wilderness areas, to view ambient monitoring data for a number of hazardous air pollutants, and much more beyond that.

All of this information and the data that stands behind this information is available for you to download. So, you can actually get the data as well as our assessment of those data. So, with that, I'll turn it over to see if there are any questions from our participants here.

Operator:

At this time, if you have a question please press star and then the number one on your telephone keypad. And your first question comes from Amena Saiyid with Bloomberg Environment.

Amena Saiyid:

Yes, good afternoon. I wanted to find out what regulations do you intend to issue to further improve the air quality in the country? And second question was, do you intend to reconsider the 2015 ozone standard that you're saying has contributed to such an improvement in the air quality?

Bill Wehrum:

OK, well this is Bill again. In answer to your first question, we continue to implement dozens of obligations that we have under the Clean Air Act, and I think you know that the Clean Air Act is actually several different laws or several different authorities bundled into one big law.

And over time, the Clean Air Act has been amended as we learn more about air pollution to give us authority to deal with more and different types of air

pollution. So the ambient air quality programs that we're talking a lot about here today are the core of the act.

That's where we set national standards and then states have primary responsibility for meeting those standards and imposing the emissions limitations necessary to meet and continue to meet the standards. And there continues to be robust action, dozens and dozens of actions every single year, just to maintain and continue to implement and develop our ambient air quality programs.

Some of the other things we've talked about today, we have a robust air toxics regulatory program that mostly is administered through the federal level. We have robust emission standards for cars and trucks and other types of mobile sources like aircraft. We deal with other less traditional kinds of pollution, like ozone depleting substances, the hole in the ozone -- the protective ozone layer.

So we have many, many different authorities under the Clean Air Act, and every single day we work to make sure that we implement our responsibilities under the law, but more importantly, identify areas where air quality is not good enough and identify ways to achieve improvement.

With regard to the 2015 ozone standard, Administrator Pruitt, before he departed the agency, announced his intent to reconsider the basis for the 2015 ozone standard, and that reconsideration process is underway right now. So that's a work in progress. We haven't reached a conclusion, but we have been talking with Administrator Wheeler since he became administrator a couple weeks ago, and I can tell you, it's a very high priority of his to reach a conclusion and then move forward as we determine appropriate.

Amena Saiyid: Thank you.

John Millett: Great, thanks, Bill. We'd like to limit questions to just one per caller, please.

Thanks. We want to be able to get to everybody in our queue. With that,

we'll take the next question.

Operator: Your next question comes from Ellen Knickmeyer with the Associated Press.

Ellen Knickmeyer: Hi there. Thank you for doing this. The EPA's website says that the fuel and efficiency standards that are in effect now will prevent 40,000 deaths annually from air pollution by 2030, and the Trump administration is considering freezing the increases in the fuel efficiency requirement.

I guess, you know, given the fact that the EPA says that the fuel efficiency standards are keeping air cleaner and saving lives, would it be difficult for the EPA to justify, in terms of air pollution and health, for using the efficiency requirements?

Bill Wehrum: OK, well this is Bill again. And you're a few days ahead of your time with that question.

Ellen Knickmeyer: No, I mean, we all -- we know what the proposal is. That's not changed. So I think it's a legitimate question.

Bill Wehrum: Well again, we -- the Administrator and the Secretary of Transportation -- you know, we're undertaking a joint rulemaking to address -- from the Department of Transportation's standpoint, vehicle fuel efficiency through their CAFE program, and from our standpoint, standards for greenhouse gas emissions from cars and light duty trucks.

So a -- in fact a final decision has not been made on that package. It will not be final until the Secretary and the Administrator sign the package, and hopefully that will be soon but that has not been yet, so I think we'll -- you know, we'll hold that question until we issue that rule and they we can address your questions very fully at that time.

Ellen Knickmeyer: Would it be difficult to reverse kind of that statement, that the fuel efficiency standards will save 40,000 lives a year by 2030?

Bill Wehrum: Yeah, so I'll say one more thing, and then we really -- you know, I look forward to talking with you about it sometime in the very near future, but -- but the one more thing I would say is we and the Department of Transportation need to look broadly at the effects of the programs we administer.

So for us, it's very important that we have programs that continue to achieve improvements in air quality and reduce the risks associated with exposure to air pollution. But we and the Department of Transportation also have to look at and consider carefully other factors that may weigh against that, for instance, highway safety.

So when you impose more stringent vehicle fuel efficiency standards, and more stringent greenhouse gas standards on cars and trucks, that can have an effect on highways safety. And we have to consider -- assess as best we can what we think the effect is going to be and then weigh that against other benefits and detriments that flow from a rule like this, to get the best aggregate result that we can. And that's absolutely what we're trying to do in that rule.

And with that, we'll wait until it's signed. And as I said, I'd be happy to talk to you at great length about that.

Ellen Knickmeyer: OK. I mean, the proposal does say it'll save possibly 1,000 lives a year as opposed to 40,000 lives a year from their pollution. But thank you.

(John Millett): Yes. Let's get to everybody and let's move on to the next question.

Operator: Your next question comes from Alex Guillen with POLITICO.

Alex Guillen: Hi, thanks for doing this. I was hoping you could explain some changes in the annual average concentration in the pollutants from last year's report to this one. Some of them stayed the same, sulfur dioxide that got a little better, but both of the particulate matter standards backtracked by four to five percentage points each.

And lead went form a 99 percent drop last year to just an 80 percent drop this year. So has there been an explosion of lead pollution somewhere? Why are these numbers changing, especially that one so drastically? I'm just hoping you can clear that up. Thank you.

Bill Wehrum:

OK. I will answer your question at a very high level and then I'm going to pass it to Dr. Liz Naess who is with us on the phone. She's the group leader for the air quality analysis group at our Office of Air Quality Planning and Standards down in North Carolina. Liz and her group were the ones who actually put the report together and can answer more detailed questions that you have.

The broad answer to your question is, in any given year for any given pollutant, things change over time. So we see a consistent significant downward trend over time. But for instance, events in a particular year can show relative increases year to year, notwithstanding the long-term trends.

So for instance, for particulate matter, our best information -- which shows a small incremental increase year-over-year, we think a lot of that is attributable to the wildfires that have been occurring out West. And that's had enough of an effect that it actually influences the national average numbers that we're reporting here.

So that's a good example of where we continue to make good progress on a long-term basis, but on a year-by-year basis depending on what the events are you can see relative ups and downs. And let me ask Liz if she has anything further she wants to add to that.

(Liz Naess):

Thanks, Bill. Yes, that's exactly right for, sort of, the annual variability you see sometimes between different measurements.

And the data that's included in the trends includes data that was flagged for exceptional events like wildfires and things like that. So when you do have, for example, last summer where you had a large number of wildfires, you will see those in this data. So, that is true.

As far as the lead numbers, those numbers are -- the number of lead monitors have changed throughout the years. And so, when we do a trend analysis, we try to have a certain amount of data available over the length of the trend analysis.

Previously -- in previous reports we went back to a larger timescale, but what that did is it decreased the number of lead monitors that were included in that analysis. So this year, we decided since we had -- we were getting sort of further and had a longer time period, the number of lead monitors we had drastically increased by 2010.

And so, we made the choice to include -- shorten the time horizon for the trend analysis. But what that did is drastically increase the number of monitors and data points that were actually in that trend analysis.

And so, that's why you see the difference between last year and this year is the timeline and the number of monitors that were included in the analysis changed. But we felt like increasing the number of monitors provided a more robust trend line over that time period.

(John Millett): Great, next question.

Operator: Your next question comes from Timothy Cama with The Hill.

Timothy Cama: Hi, thanks. I wanted to ask, a lot of these improvements seem to be because

of regulations made under the Obama administration. Now the Trump administration's been critical of -- I think, Assistant Administrator Wehrum even represented some litigants against some of these regulations like MATS

or what have you.

I just wanted to check, does this sort of help to justify those regulations under

the Obama Administration or what's your feeling there?

Bill Wehrum: Well, this is Bill again. You know it's been observed that implementation of

the Clean Air Act is like a relay race. And it's true that this administration

follows the Obama Administration but it's also true that the Obama

Administration followed the Bush Administration.

And you can follow that sequence back to the origins of EPA and modern pollution control. So you know the reality is all of the basic, the bones of the Clean Air Act that I described earlier; the ambient air quality control programs, the air toxics programs, the vehicle and mobile source programs, all

of the elements continue to be implemented very aggressively and continue to contribute to durable and consistent downward trends.

You know one thing that I said in my opening remarks to your particular question about this administration is even in -- the less than two years -- I mean I haven't even been here a year and the less than two years that we've been here as an administration, we continue to take important steps forward.

And I mentioned some of those things like continuing to implement to 2015 ozone standard by doing designations and triggering planning and emissions control requirements by doing that.

You know by continuing to aggressively enforce existing standards on the books, as evidenced by the Cummins recall that I mentioned earlier; by improving the processes, making us better at we do, better and faster at doing ambient air quality standard reviews, better and faster at helping states put their programs in place.

And continuing to implement a bevy of new rules including air toxic rules and rules like the interstate air pollution and transport. So I think when you step back and look at the overall picture, there certainly are area where we disagree with what the Obama Administration did.

And where we think they got it wrong, we're going to act to fix it. But that doesn't mean that we're taking a step backward for -- with regard to air pollution and total air quality. I -- we very definitely continue to move forward in that regard.

(John Millett): Thank you. Next question.

Operator: Your next question comes from Sean Reilly with E&E News.

Sean Reilly: Good afternoon and thanks for doing the call. Kind of a follow up to Tim's question for both Mr. Wheeler and Mr. Wehrum. You guys, as noted, you

regulations including the 2015 ground-level ozone standard on the grounds that it would be very detrimentally at least to some sectors of the economy.

both before joining EPA, represented clients who opposed various EPA

Now you're saying that the air's gotten cleaner and we've had remarkable economic growth over the last forty-five years. Are you now acknowledging, essentially, that it's not a zero-sum game that you can have cleaner air and stronger economic benefits and that perhaps some of the concerns that your clients previously expressed were overblown?

Bill Wehrum: Well this is Bill again. The administrator had stepped off the call. So I'll ...

Sean Reilly: OK.

Bill Wehrum: I'll offer my thoughts on your question. First of all, I'm not going to talk at

all about my prior representation. You know I was an attorney in private practice and I owe them the duty of -- a responsibility to maintain their

confidences and I'm going to do that.

But what I can tell you about is the perspective that I have now that I run the air office. And the answer is absolutely yeah. That we can have strong air quality control programs, we can continue to make progress with regard to ambient air quality and emissions reductions.

But from my perspective, it's vitally important that we do that in the most efficient and the smartest way possible. And an example, you know one of my favorites is the new source review program that -- major source permitting program for big sources of air pollution.

You know some people like to believe we should have the most stringent program on the books that we possibly can and prior administrations have tried to do that but I think that's totally wrong because that does not produce the best environmental outcome by having the strictest regulations because those rules discourage people from doing really common sense and worthwhile and environmentally protective projects like energy efficiency projects. It's well documented that large industrial sources bypass the opportunity to improve efficiency because they know that those projects likely would trigger new source review and bring huge additional cost along with applicability of the program.

So by adjusting the program to hit a sweet spot where you control the emissions that need to be controlled but you don't over regulate to the degree you discourage beneficial behavior, then you're producing a much better overall result. And that's what we're all about in this administration.

(John Millett): Great, thank you. Next question, and we'll just have time for two more.

Operator: Your next question comes from Cheryl Hogue with Chemical Engineer.

(Cheryl Hogue): Hi, this is Cheryl Hogue, and thanks so very much for having this call really appreciate it. Administrator Wehrum, you talked a little bit in some of your remarks about the stratospheric ozone program, and I'm curious about what EPA's planning for the SNAP program given the recent case that struck it down. And it's regulation of HFC's? Thank you.

OK, this is Bill again. Thanks for that question. So that's the so-called Mexichem Case, Mexichem was the lead petitioner in the case and their in the caption. And you know, what that case said is we had not properly implemented our authority under title six, which is the stratospheric ozone protection part of the statute.

And you're right the regulation at issue was one where EPA -- and this is a rule that was issued in the prior of Administration, had sought to ban certain additional uses of HFCs and require a phase-out in to other types of refrigerants. So we got the remand and vacatur from the court in the Mexicam Case. We issued a policy soon after we got that decision, to explain how the program should be implemented in the mean time.

And we also said that our longer-term responsibility is to revise the regulations to be consistent with the court decision. So we've begun a very high-profile stakeholder process where we've begun meeting -- holding public meetings with all interested parties, including those who make these types of compounds, those who use these compounds, those with an interest in environmental protection and public health.

Bill Wehrum:

And you know, we're at the beginning of a process where we will review our regulations, eventually propose changes that we think are necessary to conform to the court decision, and then eventually promulgate those changes, but we're a few months away from getting to an end-point here.

(John Millett): Very good, we have time for just one more question.

Operator: Your last question comes from Esther Whieldon with S&P Global Marketing.

(Esther Whieldon): Hi, I apologize I'm fairly new to filling in on (this beat). So, I noticed the air quality also has suffered a little bit compared to last year, and I'm assuming that was probably -- also had to do with wildfires, but I just wanted to confirm that might have been the main factor, or maybe there's something else that you wanted to point that could have contributed to that?

Bill Wehrum: Yeah, this is Bill again. No need to apologize, this -- welcome to the club, we're happy to have you. So I'll offer a thought, and then Liz if you want to offer further thoughts that would be great. But I think that I would just sum up what we've talked a little bit about a few minutes ago which is we see relative increases year-over-year for a couple of pollutants.

One is called particular matter, which is like soot. And I mean we, a lot of things can contribute to that but we think probably the primary contributor are the large wildfires that occurred out west, which we see on an annual basis but their severity and extent sometimes is greater and sometimes is less. And then we'll just see a varying impact on overall air quality.

And again, we're reporting annual average numbers here, so those effects were big enough last year we think that they actually moved the needle. As Liz described earlier we saw a relative increase in lead as well, but we think that's an artifact of just the data we're using, the number of monitors we're using, and not necessarily a suggestion that lead emissions have gone up.

It's just we repositioned ourselves to try to take advantage of a greater number of monitors and more data that are now available than were available historically. So we just kind of did a mid-course correction that looks like an increase -- but I think is just an artifact of repositioning ourselves that way. Liz, did I -- did I get that right? Anything else?

(Liz Naess):

Yeah, you got that right, thanks Bill. The only thing I would add if you are new to looking at the report, is when you actually look at the chart - looking at the pollutant concentrations it will look like you'll see three lines that are having sort of that up-tick in this year -- all three of those lines are related to particulate matter.

So you have PM10, and then you have two PM2.5 standards -- a daily and an annual standard. So I just wanted to make sure that you realized that those were all related to the wildfires, we think, that Bill was talking about earlier.

(John Millett):

OK, great. That concludes our question session for now. If there are any follow-up questions that we didn't get to, I refer you to <a href="mailto:Press@EPA.gov">Press@EPA.gov</a> thank you for joining the call.

Operator:

That concludes today's conference, thank you for your participation. You may now disconnect.

**END**