

Northwest Environmental Business Council
"Looking Ahead: EPA's Priorities and Plans"
June 4, 2008

I appreciate the opportunity to attend another NEBC event. I understand you would like to hear about EPA's priorities for the coming year. This is an interesting topic for me to address. With a change in administration coming, it is virtually unheard of for us political appointees to stay around.

So that gives me some freedom to emphasize what I think the priorities for the region ought to be. In doing so, I will weave into my remarks relevant EPA policy perspectives and developments.

I tend to think that what we put into the Region 10 Strategy just last year, a 5-year strategy designed to carry us through to 2011, remains valid.

So I will start by highlighting the 6 strategic endeavors of that strategy.

- First, Support the Core—the idea here is that sometimes past strategies had tended to give insufficient emphasis to one of EPA's core functions—ensuring compliance with regulatory requirements. Some national folks have considered Region 10 among the least vigorous EPA region in terms of enforcement. That is changing. And let me tell you what that means in terms of some of our focus areas. Under the Clean Water Act, the emphasis is on wet weather issues including Stormwater permitting and compliance, CAFO permitting and compliance, and municipal combined sewer and sanitary sewer discharges.

Related to that is a focus on mining and mineral processing, with special emphasis on facilities that utilize surface impoundments, which have too often leaked causing

widespread environmental damage. EPA will also be focusing on financial responsibility provisions of CERCLA, TSCA and RCRA, especially Subtitle C (closure/post-closure) and corrective action. Finally, under the Clean Air Act, EPA will be focusing on New Source Review and Prevention of Significant Deterioration issues in four sectors, the first two of which may affect facilities in Region 10: manufacturers of cement and of glass, sulfuric and nitric acid manufacturers and coal-fired utilities. EPA's compliance priorities also include one for Indian Lands that I will talk about a little later on.

- Our second endeavor is Clean Energy and Climate Change—our era's hottest issue, if you'll pardon the pun. And one that I suspect will continue to dominate the headlines for at least the next several months. I say that thinking not only about the current congressional debate over proposed legislation to put in place greenhouse gas cap and trade regulations but other things as well. For example, Administrator Johnson announced earlier this year that EPA would be developing a comprehensive review of regulatory pathways under the Clean Air Act for regulating Greenhouse Gas Emissions from both mobile and stationary sources, which will include the long-awaited Endangerment analysis called for in the landmark Massachusetts v. EPA decision. The Advanced Notice of Proposed Rulemaking for Greenhouse Gases is scheduled for release in the coming weeks. EPA is also working to develop a Greenhouse Gas Emissions Mandatory Reporting Rule as mandated in December's Omnibus Budget Bill. That bill directs EPA to develop draft inventory regulations this fall and issue final regulations next summer. It is too soon to say what these various legislative and regulatory processes will produce. It is certain they will be worth our continued attention.

- Our third endeavor is Protecting and Restoring Watersheds—a broad endeavor that includes continuing our effort to complete TMDLs in a timely way and also includes several specific large and important waterbodies such as the Columbia River and Puget Sound which are both now also national priorities. I will return to the issue of watersheds, and in particular to Puget Sound, a little later, for it serves as a convenient and appropriate focus for many of our endeavors.
- Our fourth endeavor is Sustainability and Strategic Partnerships. This cross-media endeavor includes specific actions that also relate to many of the other endeavors such as working with Alaska to develop that state's GHG emissions inventory and encouraging Smart Growth in the Puget Sound region. We are also working with Alaska as it pursues NPDES authorization. And, speaking of the NPDES program we also are working with Oregon Department of Environmental Quality on needed program improvements.
- Enhancing Tribal Environments is another of our endeavors. You might think this one less relevant to your work, but with 271 federally recognized Tribes in Region 10, nearly half the nation's total, our tribal program work is as important as anything else we are doing. Indian Lands compliance and enforcement is another of the EPA national priorities especially with regard to improving compliance of public drinking water systems, improving solid waste management--especially the closure of unmanaged open dumps--as well as multimedia compliance at tribal schools. And for all those here who are involved in water quality work, you should be aware that our commitment to fostering the development of water quality standards to protect subsistence resources, specifically fish and shellfish, is leading Oregon Department of Environmental Quality in the direction of proposing water quality

standards in Oregon whose fish consumption basis would be 10 times more stringent than the current standards.

- The final endeavor, entitled A Stronger EPA, is really about us. Succession planning, 360 degree feedback, enhancing employee development opportunities are all part of our effort to keep Region 10 in the top ten of best places to work in the federal government—where we have placed in the last two such federal government-wide surveys.

Last October, Jay and I spoke at a different NEBC event where I focused on Climate Change and Puget Sound. Today, I want to focus more on Puget Sound—but climate change is a significant part of that focus.

Why? I have encountered in compelling ways how the two intersect. Last week, I was in Portland for a meeting of EPA's national water Director's HQ where the Office of Water presented their climate change strategy which they call a "response to climate change." It is a remarkable document that takes a comprehensive look at what we expect climate change to mean—warmer temperatures, rising sea levels, changes in precipitation patterns, more intense storms and longer droughts—and how the national water program can respond. For those who have considered the matter, it will not surprise you to learn that of the 46 response actions identified in the draft strategy, 23, exactly half, are under the heading of adaptation. Adaptation includes things like helping communities to identify safe upland locations for drinking water and waste water infrastructure and assessing criteria for waterborne disease. Let me pause here to say that the public comment period on this strategy ends on June 10. You can review the strategy and submit comments at the EPA website: www.epa.gov/water/climatechange.

And earlier this week, in meeting with officials from the Port of Tacoma, I learned that in upgrading the marine terminals, they are building them four feet higher than they used to, primarily to account for the potential of rising seas. Finally, let me draw attention to one last climate change document, Region 10's own climate change strategy which emphasizes, among other things, the importance of promoting adaptation measures to protect the resiliency of our ecosystems. Protecting the resiliency of our ecosystems. That is really what it is all about isn't it. Today, we still have some resiliency to protect. Compared to some other parts of the country, much of the Pacific Northwest and Alaska generally, and Puget Sound in particular, are comparatively clean. Chesapeake Bay is not looking good by comparison despite several years of focused effort by EPA and its state and other partners.

Much of what is going wrong there is what we have going wrong here.

We know already that stormwater and its management is likely to be a topic that those involved in developing the Puget Sound Partnership Action Agenda will need to address. I fully expect the stormwater management provisions of the Action Agenda and any other provisions that call for changing the status quo to be controversial. Stormwater and other forms of what was long considered non-point source pollution such as failing septic systems have tended to undermine the good that has been accomplished in bringing industrial and municipal point source discharges more or less under control. I say that, acknowledging that there is still a good deal to be done to address combined sewer and sanitary sewer overloads. And in that regard, I foresee more stringent mixing zones and tighter discharge limits, especially with bioaccumulative toxics.

That stormwater needs more attention can be illustrated another way. We clean up our contaminated waterways at great expense and in a manner that is scientifically sound and technically superb. Commencement Bay and the Duwamish are both good examples. But can we say that our controls for upland sources of contamination are as sound? I do not want to be misunderstood on this point. In water sediments work can be plenty challenging and complex. But Jay Manning and the Department of Ecology have frankly drawn the even tougher assignment of ferreting out and addressing effectively upland sources that present long-term recontamination threats. I urge you to commit your skills, knowledge and creativity to helping Jay and his staff carry out this important work.

We are trying to do our part on the federal side. EPA is working on developing more stringent effluent guidelines for stormwater. Specifically, sometime in the next couple of years, you should expect to see, for the first time, federally mandated, numeric turbidity limits for stormwater. Eventually such guidelines will be incorporated into things like a new construction and development general NPDES permit.

And yet, all that said, it is not enough. And so having done what I was asked to do-- providing some insight as to EPA's priorities, allow me to close by challenging you. Don't be passive. Don't be reactive. Don't wait for regulatory changes.

It is essential that the private sector lead in developing not simply low-impact development, but no-impact development. Strive to demonstrate how cost-effective development can replicate natural hydrologic patterns. We simply must see land use practices that keep water out of pipes and in the ground and in the streams where it belongs. For on a watershed scale, it is certainly the case that it will be far cheaper to design and build in a manner the truly protects water quality than it will be to

retrofit our communities to achieve the same results later. And consider that with rising sea levels and more intense storms, our watersheds will need all the help we can give them. Finally, consider the economic advantage that our Region has enjoyed because of its high quality of life. Consider how much more that will be worth as the next generation continues to grapple with mitigating climate change and habitat degradation and adapting to that which is unlikely to be mitigated or restored. Consider the economic advantages to those on the cutting edge of no-impact development trumping competitors less adept at sustainable development. Many of us in government stand ready to support you -- with our knowledge, our ideas and even, occasionally, with some funding.

As a former state regulator and CEO, I suggest consider, in sum, that while climate change and other environmental degradation are threatening to our high quality of life, and corporate bottom lines for those with the right stuff, these same threats also present a competitive opportunity. It is possible both to do quite well and to do lots of good.

Please don't settle for less.