

STAPPA / ALAPCO

STATE AND TERRITORIAL
AIR POLLUTION PROGRAM
ADMINISTRATORS

ASSOCIATION OF
LOCAL AIR POLLUTION
CONTROL OFFICIALS

May 3, 2006

S. WILLIAM BECKER
EXECUTIVE DIRECTOR

Dear Representatives:

On behalf of the State and Territorial Air Pollution Program Administrators (STAPPA) and the Association of Local Air Pollution Control Officials (ALAPCO), we write to you today to express the associations' concerns regarding the *Refinery Permit Process Schedule Act*.

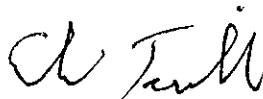
First, we question the premise of this bill – namely, that environmental permitting requirements obstruct efforts to construct or expand refining capacity and contribute to escalating gasoline prices. We are aware of no evidence that such requirements, particularly those related to air pollution, have prevented or impeded construction of new, or the major modification of existing, refineries. In fact, what experience shows is that when regulated sources comply with federal, state and local permitting requirements in a timely manner, state and local agencies are able to act expeditiously to approve permits.

Second, it is unclear how this bill would expedite the issuance of permits. Rather, it appears that it could have the opposite effect. Subtitle H of Title III of the Energy Policy Act of 2005, approved by Congress last year to streamline the permitting of refineries, already provides states the ability to request special procedures to coordinate federal and state agency permitting actions for refineries. Repealing those provisions and replacing them with ones that insert a "Federal Coordinator" into the process and impose additional procedural requirements on states and localities – including a requirement to enter into judicially enforceable schedules – would almost surely delay the permitting process.

Third, we are concerned that this bill is moving directly to the floor of the House of Representatives, circumventing consideration by the House Committee on Energy and Commerce and open public debate during which state and local permitting authorities and other stakeholders could present their views.

STAPPA and ALAPCO understand the desire to take swift action of some kind to address fuel prices. Moreover, we recognize that this particular bill is an improvement over other refinery permitting legislation introduced in the past few years. Notwithstanding this, however, we firmly believe environmental permitting requirements have been wrongly targeted and, further, that the *Refinery Permit Process Schedule Act* could result in unintended, problematic consequences. Therefore, our associations oppose the bill.

Sincerely,



Eddie Terrill
STAPPA President



John A. Paul
ALAPCO President