

**Opening Statement of Chairman Greg Walden
Subcommittee on Environment hearing on
“New Source Review Permitting Challenges for
Manufacturing and Infrastructure”
February 14, 2018**

(As prepared for delivery)

The purpose of the Clean Air Act is “to protect and enhance the quality of the Nation's air resources to promote the public health and welfare and the productive capacity of its population.”

With today’s hearing, we will highlight the necessity to ensure the rules to protect and improve air quality promote both core objectives.

Effective clean air regulations should allow the nation to continue to expand its manufacturing and industrial capacity. But these goals are undermined when regulatory requirements no longer reflect practical reality. As a result, American communities are deprived of both continued environmental improvements and economic prosperity.

The New Source Review permitting process serves as a case in point. Permitting requirements under EPA’s NSR program have evolved in complexity and confusion since the program began in the 1970s. As a result, complex pre-construction planning requirements present unnecessary delays and impediments to the expansion of manufacturing and industrial facilities.

As we will hear in testimony this morning, the complexity of the NSR process, permitting time delays, and regulatory uncertainty, create powerful incentives to forego needed project upgrades, even in areas that meet current air quality standards.

And for other communities, NSR complexity raises costs and otherwise harms the prospects for economic expansion and increased environmental benefits. In fact, the burdens associated with NSR can

lead to communities losing the emissions benefits offered by more efficient modern technologies.

Prineville, Oregon in my district is home to data centers for Facebook and Apple. Recently, a proposed data center expansion ran headlong into permitting issues because of potential backup generator emissions. A single air sampling location and restrictive air quality rules made it unclear whether the expansion could go forward. It was only after the city persuaded EPA to add an additional sampling location that they were able to resolve the issue.

That instance involved hundreds of millions of dollars in investments and hundreds of construction jobs. Multiply that by the thousands of projects waiting to take off around the nation in response to our reformed tax structure and the urgency of addressing NSR problems becomes apparent.

The witnesses today will bring a range of perspectives on NSR permitting to help us examine the challenges with the current process. I'm hopeful we can begin to identify practical reforms to ensure that the NSR program serves its environmental planning purpose while still allowing for economic expansion and infrastructure modernization.

Our goal, is to develop responsible, targeted reforms that will provide for economic growth, while maintaining environmental protections. Doing this will ultimately benefit all American workers and consumers.