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Air and Radiation Docket and Information Center
Environmental Protection Agency
Mail Code 2822T
1200 Pennsylvania Ave., NW
Washington, DC 20460

**Re: Regulating Greenhouse Gases under the Clean Air Act
Docket ID: EPA-HQ-OAR-2008-0318**

The Petroleum Marketers Association of America (PMAA) submits these comments in response to the Advance Notice of Proposed Rulemaking (ANPR) on Regulating Greenhouse Gases Under the Clean Air Act (CAA) issued by the Environmental Protection Agency (EPA) and published in the *Federal Register* on July 30, 2008.

Although PMAA agrees with EPA's initial decision to issue an ANPR, we have major concerns with the actual content of the ANPR as drafted by EPA staff. Trying to address greenhouse gas (GHG) emissions through the existing provisions of the CAA will not only do great economical harm to the US, but will also fail to provide an effective response to reducing greenhouse gases.

The draft suggests opportunities to control GHG emissions that would overlap laws and regulations that industries are already struggling to meet. Federal agencies within the Department of Transportation are developing rules to raise the Corporate Average Fuel Economy (CAFE) standards for automobiles. Additionally, the EPA's Renewable Fuel Standard (RFS) program has managed to replace billions of gallons of motor vehicle fuel in the national distribution network with renewable fuel. The Energy Independence and Security Act of 2007 (EISA) increased the production goal of ethanol to 36 billion gallons by 2022 further reducing the amount of CO₂ emitted from automobile exhaust. Furthermore, the EISA establishes significant GHG life-cycle reductions (up to 60 percent) for all renewable fuels included in the federal RFS.

Given the global nature of GHGs, any plan to regulate GHGs must consider the international community. The draft fails to address in any significance international efforts to reduce GHGs globally. If the US takes action on GHGs without international cooperation then that reduction is likely to be insignificant. All of the assumptions about the global reduction GHGs need to be predicated on a realistic appraisal of what foreign countries will do in order to reduce their GHGs.

Directly related to this is the impact on the ability of American business to compete globally. In an era where we already face an exodus of jobs from our manufacturing sector, adding to energy costs will accelerate the process and harm an already stressed economy. Failure to draft a comprehensive plan with input from other countries will drive companies' off-shore to areas where they are not subject to our current environmental regulations. These moves allow companies to operate in a manner that will increase global GHG's. According to the Energy Information Agency emissions are already shifting to countries not part of the Organization of Economic Cooperation and Development (OECD). Focusing on reduction of GHGs in OECD countries is not the most effective way to address this global concern.

The cost of regulating GHGs under the CAA to the American consumer has the potential to be high and that cost should be justified by a real reduction in GHG's. Any regulatory regime that raises energy prices

discriminates against poor and low-income families. Low-income and impoverished families spend more of their limited resources on energy. As the price of energy increases those families suffer the most. As these comments make clear, the CAA is ill-suited for regulating greenhouse gas emissions, and EPA must not move forward with a proposed rule or any other type of regulation of greenhouse gas emissions under the CAA. Regulation under the CAA will result in a cascade of unintended regulatory consequences that could wreak economic havoc on all sectors of business in the United States. PMAA firmly believes that the Clean Air Act is not the appropriate vehicle for regulation of greenhouse gases, and urges EPA not to regulate greenhouse gases from any source under the Act.

Respectfully Submitted,

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