June 17, 2013

Administrator Robert Perciasepe
Acting Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460-0001

Dear Administrator Perciasepe:

We are seeking clarification regarding the Environmental Protection Agency’s (EPA) New Source Performance Standard (NSPS), Subpart UUU (40CFR, Part 60) for Calciners and Dryers in Mineral Processing Industries and recent enforcement actions against U.S. foundries. Specifically, we are concerned about why: a) EPA is enforcing the provisions of Subpart UUU against foundries when it never intended to include these type of facilities as a source category since metalcasting is not a mineral processing industry; and, b) why EPA has failed to promulgate an exemption for foundries from NSPS, Subpart UUU consistent with the original intent of the rule.

It is our understanding that it was not the EPA’s intention to subject the foundry industry to this NSPS rule as metal casting is a separate industry from the mineral processors that Subpart UUU was intended to regulate. Furthermore, the original NSPS, Subpart UUU rule which was finalized in September 1992, did not list foundries as an affected industry nor did it designate applicable foundry Standard Industrial Classification (SIC) codes.

On April 22, 2008 (73 Fed. Reg. 21559), EPA proposed a regulation to specifically exempt foundries from the requirements of Subpart UUU (in part because the Agency never intended to cover foundries). The proposed regulatory language that EPA agreed to stated that, “processes used solely for the reclamation and reuse of industrial sand from metal foundries” shall be exempt from the requirements of Subpart UUU in the final rule. In April 2009 (74 Fed. Reg. 19294), EPA issued the final rule for Subpart OOO and noted in the preamble that it was not taking final action on the proposed revisions to Subpart UUU. It is our understanding that in subsequent discussions with EPA officials following the decision to take no final action on the exemption for foundries, EPA enforcement officials agreed that the Agency would not initiate enforcement actions against foundries for Subpart UUU requirements and would address the issue with individual facilities at the time of permit renewal.

In addition, EPA regions across the country have taken inconsistent positions on whether Subpart UUU should apply to foundry sand reclamation and reuse processes at foundries. Recently EPA Region V has initiated enforcement actions against foundries that included violations of Subpart UUU requirements. Although the recent enforcement actions are currently limited in geographic
scope to this region, we have significant concerns that enforcement efforts will be expanded to other areas in the country. As the EPA originally intended to exempt foundries from this regulation, we believe this new enforcement action is misguided.

EPA’s recent efforts to impose Subpart UUU requirements on units used solely for the reclamation and reuse of industrial sand from foundries creates an unnecessary regulatory burden, uncertainty and increased costs for foundries. EPA Region V has initiated enforcement actions, even though the record is clear that Subpart UUU should not apply to foundries. By way of background, foundries are essential to the U.S. economy. Every sector relies on metal castings, with 90 percent of all manufactured goods and capital equipment incorporating engineered castings into their makeup. They produce castings that are integral to the automotive, construction, energy, aerospace, agriculture, plumbing, manufacturing, and national defense sectors. The American foundry industry provides employment for over 200,000 men and women directly and sustains thousands of other jobs indirectly. The industry supports a payroll of more than $8 billion and sales of more than $36 billion annually. Metalcasting plants are found in every state, and the industry is made up of predominately small businesses. Approximately 80 percent of domestic metalcasters have fewer than 100 employees.

Foundries utilize millions of tons of sand each year – these processing units serve to reclaim and reuse the sand. This process should be encouraged because they provide significant environmental benefits. Additionally, sand systems at foundries are already controlled by other air regulations.

It is clear to us that EPA’s original rule did not intend for foundries to have to comply with NSPS, Subpart UUU. Consistent with its original intent of Subpart UUU, EPA must finalize a regulation to exempt foundries from the applicability of this regulation. Please provide a detailed explanation of how and when EPA plans to promulgate an exemption for foundries from NSPS, Subpart UUU. We appreciate your attention to this matter and look forward to your timely response.

Sincerely,

Chuck Fleischmann
Member of Congress

Gary Peters
Member of Congress

Phil Roe
Member of Congress

Joe Barton
Member of Congress
Bill Huizenga
Member of Congress

Paul Broun
Member of Congress

Bill Shuster
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Bill Johnson
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