

January 24, 2007

Governor James E. Doyle
Room 115 East - State Capitol
P.O. Box 7863
Madison, WI 53707

Dear Governor Doyle,

We are writing to express our support and gratitude for your decision to pursue an ozone attainment redesignation for Milwaukee, Waukesha, Ozaukee, Washington, Racine, Kenosha, Manitowoc and Kewaunee counties. A timely submittal to the EPA will remove significant barriers to economic development and expansion in these counties. With respect to timing, it is vital that the DNR submit the request for redesignation by June 15, 2007.

The June 15th deadline is critical because any request after that date triggers a requirement that Wisconsin submit an unnecessary attainment demonstration State Implementation Plan (SIP) for the eight counties. Given that these counties are already meeting the ozone standard, a SIP would trigger additional regulatory mandates that are no longer needed. These counties have suffered many years under the significant regulatory burdens and corresponding negative perceptions associated with nonattainment. Imposing unneeded additional burdens on those businesses and citizens due to untimely paperwork would be unfortunate.

There are several related issues that must also be addressed for those counties to obtain the deserved regulatory relief. Foremost is the need to submit a timely rule package to EPA that addresses the Clean Air Act requirement relating to Reasonable Available Control Technology (RACT). Under EPA policies, a redesignation can not be approved until EPA-approvable RACT rules are submitted to EPA. While we expect industry and DNR to disagree as to the degree of RACT restrictions needed to meet EPA's policies, it remains imperative that the RACT rules be finalized in a timely manner to avoid delays or a disqualification for the redesignation. For this reason, we respectfully request DNR expedite its RACT rule process so that the final rules can also be submitted to EPA prior to June 15th.

Another important issue for your consideration as DNR develops our redesignation request relates to the requirement that the State provide a contingency plan to ensure air quality standards continue to be met. We have reviewed other EPA-approved state requests for redesignation and found EPA has been satisfied that continual improvements from "on-the-books" controls scheduled to occur in the future is sufficient. In other words, given Wisconsin's dramatic and continual improvements in ozone levels, there is no need to impose additional costly and unwarranted mandates as part of the contingency plan.

Finally, DNR has in the past suggested that it may seek to impose additional mandates in the six-county Milwaukee-Racine area as part of the attainment SIP still required for Sheboygan County. However, Sheboygan's ozone levels have dropped in the past few years from 100 parts per billion (ppb) to 86 ppb - just short of meeting the 85 ppb standard. We have no doubt Sheboygan County will meet the standard without additional mandates on Wisconsin

businesses. Using the Sheboygan County SIP requirement as a tool to impose mandates in counties meeting the standard in Southeastern Wisconsin would be very troubling.

Businesses and communities in all nonattainment counties and across the state have taken considerable steps to improve air quality. We can all be proud of the fact that reduced emissions have led to dramatic reductions in ozone pollution, enabling us to meet the health-based protection standard set by EPA. For example, industrial NO_x emissions in ozone nonattainment counties have been reduced by more than 50% in the last five years. Significant additional NO_x reductions are scheduled to occur from electric utilities when the CAIR rule is implemented in 2009. Significant additional vehicular NO_x reductions will continue to occur far into the future. It is because of the cooperative effort between the DNR, industry and citizens that we have met our air quality goals. It is now time to reward this hard work with submittal of a timely attainment redesignation request.

It is important to note that requesting that these eight counties be designated as attainment will not repeal any existing environmental regulatory controls. Air emission regulations which are already in place must remain so in order to comply with the anti-backsliding provisions in the Clear Air Act. However, a redesignation would help economic development and job creation on a prospective basis by making it easier and less burdensome to locate new businesses or expand existing facilities in these areas. Perhaps this is why our neighboring states, including Michigan, Indiana and Ohio have submitted and received preliminary approval from EPA to redesignate numerous counties within their borders.

We are deeply concerned, however, that failure to grant relief and remove regulatory barriers, as other states have done, will create an un-level economic playing field to the disadvantage of Wisconsin communities and businesses. **To recognize our success and provide the deserved regulatory relief requires diligence for a timely redesignation request, as well as assurances that we don't back into unnecessary mandates through untimely RACT rules, unnecessary contingency measures, or an overly broad Sheboygan attainment SIP.**

Thank you again for your commitment to submit a timely and much deserved request for redesignation. We look forward to working with you and the Administration toward this important goal.

Sincerely,

**Aggregate Producers of Wisconsin
American Petroleum Institute
Associated General Contractors - Greater Milwaukee
Associated General Contractors of Wisconsin
Commercial Association of Realtors Wisconsin
Eastern Wisconsin Erectors Association
Floor Coverers Association of Southeastern Wisconsin
Mason Contractors Association of Wisconsin
Master Builders Association of Wisconsin, Inc.
Mechanical Contractors Association of Wisconsin
Metropolitan Milwaukee Association of Commerce
Midwest Food Processors Association**

Residential Union Carpentry Contractors Association
Southeast Wisconsin Drywall and Plastering Contractors Association
Wisconsin Automobile and Truck Dealers Association
Wisconsin Builders Association
Wisconsin Cast Metals Association
Wisconsin Economic Development Association
Wisconsin Grocers Association
Wisconsin Industrial Energy Group
Wisconsin Insulating Contractors Association, Inc.
Wisconsin Manufacturers & Commerce
Wisconsin Motor Carriers Association
Wisconsin Painting Contractors Association
Wisconsin Realtors Association
Wisconsin Transportation Builders Association
Wisconsin Utilities Association

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Rep. Mike Huebsch, Assembly Speaker
Rep. Jim Kreuser, Assembly Minority Leader
Sen. Judy Robson, Senate Majority Leader
Sen. Scott Fitzgerald, Senate Minority Leader