

SIGMA WEEKLY REPORT

December 26, 2005

SENATE REJECTS ANWR DRILLING

The US Senate rejected a Department of Defense (DOD) Appropriations Act, which included a provision to develop US oil resources in Alaska's Artic National Wildlife Reserve (ANWR), by a 56-44 vote. Senators who supported the measure said refusing to open the refuge will increase our reliance on foreign oil, jeopardize our national security and do nothing towards reducing high energy costs. This is not the last time that the U.S. Senate will address ANWR drilling, however. Senate Committee on Energy & Natural Resources Chairman Pete Domenici said, "I will seek to include an ANWR provision in the budget resolution next spring and will work to keep it in the budget reconciliation and hope for a more favorable outcome in the House." The House passed the \$454 billion defense spending bill earlier this week by a 308 to 106 vote. Provisions not previously included in the House version, like \$29 billion for Hurricane Katrina relief and funding for low-income families to pay for higher heating bills this winter, garnered widespread support from lawmakers who opposed refuge drilling voting.

EPA TIGHTENS NAAQS

Earlier this week, EPA issued a significant proposal to tighten the national ambient air quality standards (NAAQS) for particulate matter (PM). The proposal is not quite as stringent as many expected, but would do the following:

- (1) Lower the 24-hour standard for "fine" PM from 65 to 35 micrograms per cubic meter as a 24 hour average
- (2) Retain the existing annual average standard of 15 micrograms/m³
- (3) Establish a "coarse" PM standard of 70 micrograms per cubic meter as a 24-hour standard.

The standard will be subject to a 90-day comment period starting as soon as the proposal is published in the *Federal Register*. EPA is required by court order to issue a final rule by September 27, 2006. The new proposal comes as states are just now developing Implementation Plans (SIPs) for the current PM standard, after EPA identified areas in nonattainment with the existing standard earlier in 2005. SIPs for the existing standard are due to EPA in April 2008.

SIGMA REQUESTS STUDY OF THE STRATEGIC RESERVE

SIGMA President Bill Shipley sent a letter to US Department of Energy Secretary Samuel Bodman on Wednesday, requesting a feasibility study for establishing a national strategic reserve for gasoline, diesel fuel, and jet fuel. The letter details the Senate's legislative response to disruptions caused by Hurricanes Katrina and Rita (S. 1794), which leaves numerous questions as to how such a reserve would actually operate, and flags difficulties associated with storing various refined products v. crude oil. To read the letter, please visit www.sigma.org

EPA SUED OVER REFINERY EMISSIONS STANDARDS

Our Children's Earth Foundation and the Sierra Club filed suit in a Northern California federal court district on Wednesday against the Environmental Protection Agency (EPA), citing failure to update maximum achievable control technology standards for toxic emissions from petroleum refineries. The two organizations referred to the Clean Air Act, which requires EPA to monitor refineries and follow minimum stringency requirements for emission standards that apply without regard to either costs or other factors and methods. The suit seeks a court-ordered review by EPA of rules covering emissions standards for petroleum refineries—last visited in 1995—and a mandatory injunction requiring that the agency administrator issue proposed rules within six months and final rules six months thereafter.

SHUTTLE TO BRECKENRIDGE

The NPN/SIGMA Executive Leadership Conference at Winter Management is just weeks away! For those of you who need transportation from the Denver International Airport to the Beaver Run Resort in Breckenridge, SIGMA has arranged a group discount through Colorado Mountain Express. The discounted fare is \$52.60 one-way. Reservations can be made in advance by calling 1-800-334-7433 or online at www.ridecme.com. Mention or enter the group code (SIGMA) in the "discount" field.