TEXAS DEPARTMENT OF AGRICULTURE

TODD STAPLES
COMMISSIONER

March 24, 2011

The Honorable Ed Whitfield
Chairman
Subcommittee on Energy and Power
2125 Rayburn House Office Building
Washington, D.C. 20515-6115

Dear Chairman Whitfield:

Thank you for your service to the people of the United States and for your commitment to leading our nation during this unique time.

I write you today to request your assistance with a matter of great concern to the farmers and ranchers, and many people, of our nation – the U.S. Environmental Protection Agency's efforts to regulate greenhouse gases through the Clean Air Act. For several years, these efforts have caused great concern across Texas as businesses and consumers have waited in regulatory limbo, realizing the costs of implementing the new federal regulations while struggling to understand the benefit of rules that provide little scientific grounds for regulation and no means for the control of greenhouse gases.

As you know, uncertainty is one of the greatest threats to our social and economic prosperity. To create stability and ensure a functioning regulatory system, Congress must act now to restore and reinforce the appropriate role of the EPA. This agency's role is to protect public health and the environment through the abatement of pollution; it is not to impose a tax on the American people to pursue a political agenda or to penalize the men and women who provide the basic necessities that Americans use daily.

Showing significant bipartisan support, members of the 112th Congress have introduced several legislative initiatives to correct EPA's regulatory overreach. The Energy Tax Prevention Act of 2011 (H.R. 910/S. 482) by Chairman Upton and Senator Inhofe, the EPA Stationary Source Regulations Suspension Act (S. 231) by Senator Rockefeller, the Protect America's Energy and Manufacturing Jobs Act of 2011 (H.R. 199) by Congresswoman Capito, and the Ensuring Affordable Energy Act (H.R. 153) by Congressman Poe are all examples of Congressional leadership that may provide relief to the American public.

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Some will contend that agriculture will see a net benefit to carbon regulation and that EPA's effort to initially target only larger facilities justifies greenhouse gas regulation. EPA fails to acknowledge that regulation of our nation's chemical and energy sectors will impact our farmers and ranchers through increased costs of various fuels, transportation and fertilizers. Additionally, we all know that once initiated, government regulations almost always grow, and EPA has already served notice that more, smaller, entities will realize the direct burden of greenhouse gas regulations in the coming years – this includes farmers and ranchers across our nation.

I can assure you that there are no greater stewards of our nation's natural resources than the farmers and ranchers who depend on them for their very livelihoods. For example, in 2010 alone, more than $4.7 billion was invested to preserve and promote the quality of land, air and water for use today and for future generations. We know there is no greater heritage and no goal more noble than to pass productive land and a healthy environment to our children and grandchildren.

Thank you for the opportunity to express these concerns, which are further enumerated in the attached letters authored throughout the EPA greenhouse gas rule-making process. I ask you to hear the call of the American people, who need certainty and protection from an over-reaching regulatory scheme, and act to restrain EPA's actions, which provide costly regulation with questionable benefit. Please feel free to call on me if I may provide additional information or assistance in this effort.

Sincerely yours,

Todd Staples

Enclosures (5)

cc: The Honorable Fred Upton
Members of the Subcommittee on Energy and Power

TEXAS DEPARTMENT OF AGRICULTURE

TODD STAPLES
COMMISSIONER

June 9, 2009

Ms. Lisa Jackson
Administrator
United States Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator Jackson:

Thank you for the opportunity to comment on the proposed rules for the mandatory reporting of greenhouse gases. The matter of greenhouse gas regulation is vitally important to the Texas agriculture industry, which impacts the state's economy more than $103 billion annually.

As you know, the agriculture industry is susceptible to unnecessary economic harm at various points in the greenhouse gas regulation process. We must be very cautious when attempting to regulate naturally-occurring greenhouse gases and also when regulating greenhouse gases that are directly tied to the production of life's basic necessities such as food. The proposed mandatory reporting rules will increase input costs in the production process and place additional burdens on agricultural producers and the manufacturers of agricultural goods.

In regard to reporting for manure management, which would affect certain cattle, dairy, poultry and pork facilities, the livestock industry is vital to the economy, and additional reporting requirements would increase financial costs and administrative procedures for producers. The total economic impact of livestock in the state of Texas is $21.8 billion annually. Your agency anticipates that the proposed reporting rules for this category would impact approximately 50 facilities nationwide, and as a national leader in cattle, dairy, poultry and pork production, Texas farmers and ranchers will undoubtedly be negatively affected.

Significant uncertainty about this matter remains in the agriculture industry. Frankly, there is great concern about the process of pursuing greenhouse gas regulation. For example, EPA continues to pursue greenhouse gas regulatory measures without a clear finding that these gases endanger public health or welfare. Similarly, it is doubtful that

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the regulatory impact statement prepared by EPA accurately reflects the number of agriculture-related facilities that will be affected, and many industry groups have concerns with definitions and methodologies outlined in the proposed rules.

You will never find better environmental stewards than farmers and ranchers; more than any other sector, we rely most on raw natural resources for our livelihood. Accordingly, the agriculture industry is following greenhouse gas and carbon emission policy development closely and is still working to analyze the impact of all aspects of the many greenhouse gas regulation proposals.

I urge you to move cautiously with the implementation of all related programs and to prioritize your communication with the state departments of agriculture and the various agriculture industry organizations. It is essential that EPA avoid harmful externalities and ensure that the greenhouse gas policies implemented produce true environmental benefits while ensuring the United States' continued domestic food production capabilities. The consequences of becoming dependant on imported food could far outweigh those of imported oil.

Sincerely yours,

Todd Staples

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TEXAS DEPARTMENT OF AGRICULTURE

TODD STAPLES
COMMISSIONER

June 23, 2009

Ms. Lisa Jackson
Administrator
United States Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator Jackson:

Thank you for the opportunity to comment on the endangerment findings for greenhouse gases (GHG) related to the Clean Air Act (CAA), proposed by the United States Environmental Protection Agency (EPA) on April 24, 2009. The Texas agriculture industry is proud of its dedication to environmental stewardship and conservation; you can find no better partners than farmers and ranchers in your mission to manage our nation's great natural resources.

Please know I appreciate the difficulty EPA faces in balancing administrative action with legislative and judicial direction. However, the endangerment finding published in April is a Pandora's box of devastating regulation and uncertain environmental benefit. The proposed finding ensures regulation of six greenhouse gases under the Clean Air Act without consideration of the costs or benefits to Americans or the potential for misuse and expansion of regulatory authority and legal action.

As you know, the United States Department of Agriculture (USDA) determined regulation of GHG emissions for agricultural sources under the CAA would place new reporting and permitting requirements on a substantial number of agricultural producers. USDA found that even small agricultural operators, for example "dairy facilities with over 25 cows, beef cattle operations with over 50 cattle, swine operations with over 200 hogs and farms with over 500 acres of corn,"[1] could be subject to Title V permits if subjected to CAA regulations. With these herd and acreage estimates, according to the 2007 Census of Agriculture in Texas alone approximately 575 dairy facilities, 28,000 beef cattle operations, 58 swine operations and 1,300 corn farms meet the regulatory threshold.

While these numbers are staggering, they only represent the agricultural operators who would be subject to Title V provisions; a host of agriculture-related entities could be subjected to, or negatively affected by, a myriad of other CAA permitting processes related to mobile and stationary sources. Additionally, the proposed finding states that the United States transportation and energy sectors are substantial contributors to anthropogenic GHG emissions, seeming to indicate EPA's intent to regulate these industries. Agriculture is highly dependent on the transportation, energy and manufacturing industries, and regulation of these sectors will hamper

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the ability of agricultural producers to grow, raise and provide the food and clothing necessary for life. To demonstrate the many ways in which agriculture could be impacted if GHG emissions are regulated under the CAA, an excerpt from the analysis submitted by the State of Texas during the advance notice of proposed rulemaking that occurred during 2008 is enclosed.

Next, it is important to recognize that over the past few years, more than $1 billion was invested in the protection of Texas' natural resources through various federal, state and private agricultural entities, demonstrating a strong commitment to address pollutants known to endanger public health. We have successfully and voluntarily improved water and soil quality and reduced nitrogen oxide and other air emissions. These efforts have been guided by sound science and measurable standards. This is in direct contrast to the logic used to support regulating GHG emissions under the CAA; a logic which assumes an indirect relationship between six greenhouses gases and climate change and supposes all effects of climate change are detrimental, yet acknowledges regulation under the CAA may not produce effective mitigation.

I not only have concerns about the proposed regulation of GHG under the CAA because of the potentially devastating effect on the agriculture industry but also because of the negative impact on the American economy. Recent reports by various credible analysts have sounded statistical alarm bells ranging from sharp declines in farm income, increases in operating costs and declines in gross domestic product as a result of this kind of carbon dioxide regulation.

In conclusion, the proposed endangerment finding causes great concern for the Texas agriculture industry. Farmers and ranchers prioritize conservation of our natural resources. The impact of regulating greenhouse gases under the CAA creates a great potential for harm to the nation's food and fiber supply and the American economy while failing to establish a clear link between regulation and improved human health. Additionally, I support the comments submitted by the Texas Advisory Panel on Federal Environmental Regulations. Thank you for your considerations.

Sincerely yours,

Todd Staples

Todd Staples

TS/KS/ks

Enclosure

[1] Letter to Susan E. Dudly, OMB from the Secretaries of Agriculture, Transportation, Commerce and Energy, July 9, 2008

TEXAS DEPARTMENT OF AGRICULTURE

TODD STAPLES
COMMISSIONER

November 27, 2009

Ms. Lisa Jackson, Administrator
United States Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator Jackson:

Thank you for the opportunity to comment on the proposed rules for regulation of greenhouse gas (GHG) emissions from motor vehicle sources. The matter of greenhouse gas regulation is vitally important to the Texas agriculture industry, which has an economic impact of $103 billion annually on the state's economy.

As in previous comments submitted to your agency on the proposed endangerment finding and the proposed greenhouse gas reporting rules, I remain concerned that regulation of GHG emissions will decimate Texas agricultural producers and our state's economy. From small farmers and ranchers to agricultural processing facilities, all steps in the industry's production chain may be affected by the GHG regulatory proposals. If our agricultural producers are capable of bearing the resulting increased costs of fuel, fertilizer, transportation and processing, the American consumer will see significant increases in the prices they pay for the very basic necessities of food and clothing.

I am specifically concerned that the GHG provisions included in the motor vehicle proposal may impose Prevention of Significant Deterioration (PSD) and Clean Air Act Title V permitting requirements on a host of stationary sources. In the proposed PSD tailoring rules, EPA estimates that nationwide "small sources" will be subject to approximately $38 billion in permitting costs under the Title V program.

I urge you to fully consider the impact of the proposed motor vehicle rule. It is imperative the true impact of this rule is understood prior to the regulation of GHG emissions from motor vehicle sources.

Sincerely yours,

Todd Staples

Todd Staples

TS/KS/ks

cc: Mr. Ronald Medford

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TEXAS DEPARTMENT OF AGRICULTURE

TODD STAPLES
COMMISSIONER

December 28, 2009

Ms. Lisa Jackson
Administrator
United States Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator Jackson:

Thank you for the opportunity to comment on the proposal published in Docket ID: EPA-HQ-OAR-2009-0517, the greenhouse gas (GHG) tailoring rule.

As in previous comments submitted to your agency on the proposed endangerment finding, as well as the proposed greenhouse gas reporting and motor vehicle rules, I remain concerned that regulation of GHG will decimate Texas agricultural producers, for example cotton ginning facilities, and our state's economy.

In the proposed tailoring rule, the U.S. Environmental Protection Agency (EPA) notes the provision is necessary because the agency is planning to trigger Prevention of Significant Deterioration and title V applicability requirements for GHG emissions, increasing permitting requirements to the point that state regulatory authorities are paralyzed. While I appreciate the effort to ease the burden of GHG regulation through the tailoring rule, the existence of this rule demonstrates why EPA should reconsider the GHG efforts.

Many have noted the tailoring rule is necessary because currently proposed regulation of GHG emissions under the Clean Air Act and the motor vehicle rules will have a detrimental effect on the nation's economy; according to EPA's own analysis, the current policy will subject more than six million stationary sources to permitting requirements at a cost of more than $38 billion. I am gravely concerned that EPA continues to pursue the current GHG regulatory measures knowing the financial damage that will be caused but not having conclusive proof of the environmental benefit.

Again, I appreciate the opportunity to comment on the greenhouse gas tailoring rule, and I continue to urge EPA's consideration of the impact of the GHG proposals on Texas and the United States as the agency moves forward.

Sincerely yours,

Todd Staples

TS/KS/ks

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TEXAS DEPARTMENT OF AGRICULTURE

TODD STAPLES
COMMISSIONER

January 31, 2011

Ms. Lisa Jackson, Administrator
United States Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator Jackson:

Thank you for the opportunity to comment on the propose rules for regulation of greenhouse gas (GHG) emissions from medium- and heavy-duty vehicles. The matter of greenhouse gas regulation is vitally important to the Texas agriculture industry, which has an economic impact averaging $100 billion annually on the state's economy.

Just as in previous comments submitted to your agency on the proposed endangerment finding and the many subsequent GHG reporting and permitting rules, I remain concerned about the harmful effects the regulation of GHG emissions under the Clean Air Act could have on the Texas farmers, ranchers and consumers. As you know, the affordable food and fiber American consumers enjoy is produced in remote rural areas that are often long distances from those very consumers, which creates a significant demand for transportation services, including the use of medium- and heavy-duty vehicles. For example, according to a 2006 U.S. Department of Agriculture study, Americans spent approximately $43.4 billion for the transportation of their food from the farm to consumption.

While thoughtfully promoting efforts to encourage increased fuel efficiency may eventually produce a positive financial benefit and is a function of the U.S. Department of Transportation, EPA's continued efforts to control GHG emissions from mobile sources under the Clean Air Act will produce **certain costs** but **obscure benefits**. Greater benefits from increased fuel efficiency will be best found by understanding and leveraging consumer demand while considering long-term technical capabilities of medium- and heavy-duty vehicle manufacturers.

Sincerely yours,

Todd Staples

Todd Staples

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