What Could Ozone Regs Cost Colorado?

CACI worked with the National Association of Manufacturers (NAM) to put together **Coloradospecific numbers** looking at potential impacts of the ozone rule as proposed at the 65*ppb* level. ** 70*ppb was the final 2015 ozone limit level established by the EPA, where the previous limit had been 75ppb.***

- \$18 Billion Gross State Product Loss from 2017 to 2040
- 24,739 Lost Jobs or Job Equivalents per Year
- \$11 Billion in Total Compliance Costs
- \$810 Drop in Average Household Consumption per Year
- \$1 Billion More for Residents to Own/Operate Their Vehicles Statewide (2017 to 2040)
- Up to a **15% Increase** in Residential Electricity Prices (National Average)
- Up to a **32% Increase** in Residential Natural Gas Prices (National Average)
- Manufacturing would be hit especially hard. When EPA considered tightening the ppb standard in 2010, the estimated costs in Colorado were \$675 million per year.

CACI Comments to the EPA:

The EPA's proposed ozone standards were drafted on a premise that reduced ozone levels would create positive health benefits, and because of this public health clause, the EPA would therefore <u>not</u> have to consider economic costs or job losses under the Clean Air Act.

In CACI's comments, we:

- Addressed the shaky science used by the EPA to justify a lower standard for health benefits;
- Pointed out a lack of correlation between ozone reductions and mortality reductions, particularly where a larger body of evidence shows either no correlation or negative health benefits from further reducing ozone levels;
- Showed how one-size-fits-all regulation does not fit Colorado, and;
- Demonstrated how regulatory burdens will create massive economic stressors and job losses.
 - In fact, CACI referenced numerous studies showing job losses are almost 40X more impactful on public health (negative) than a 10ppb reduction in ozone.

