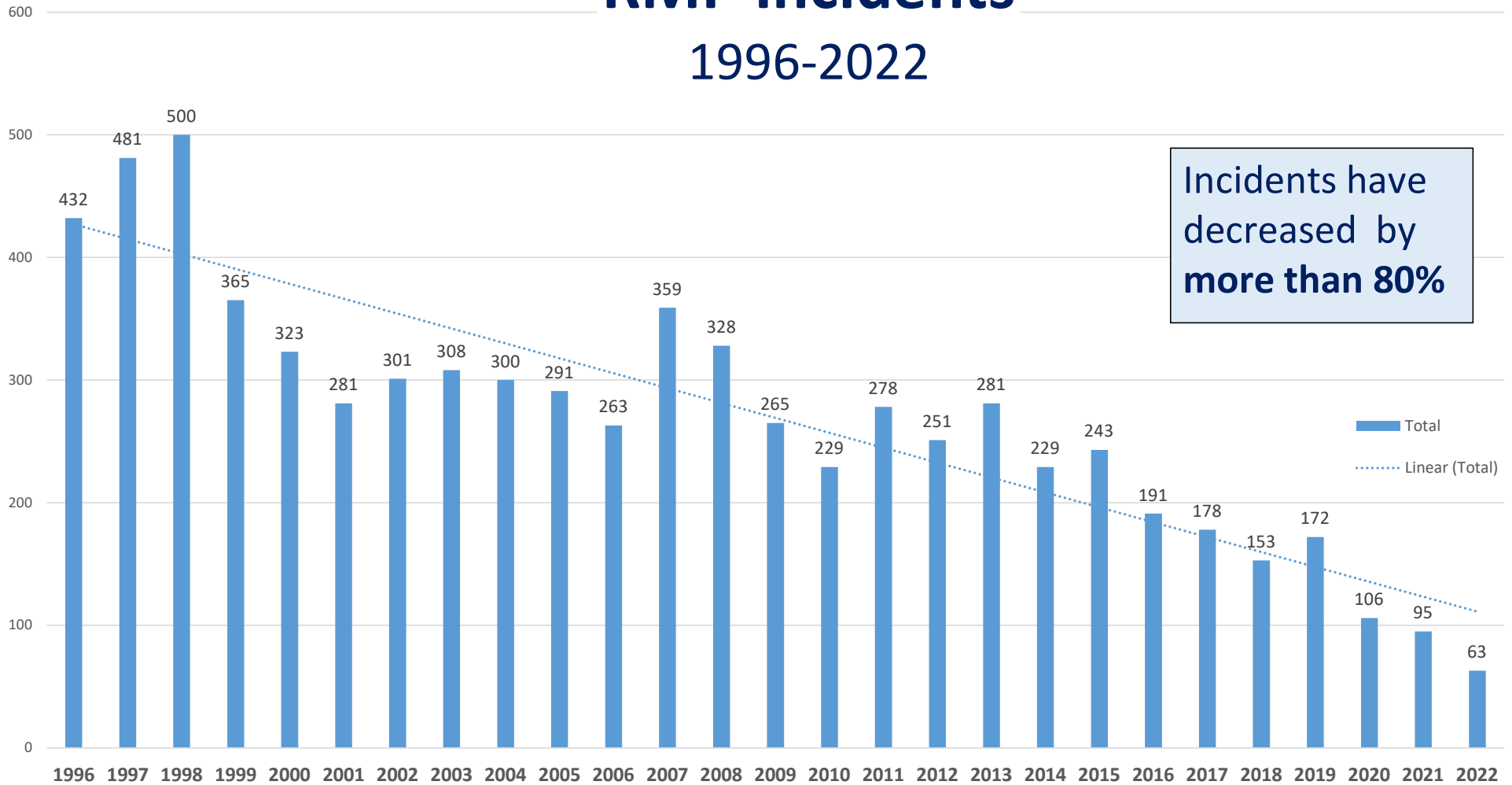


Coalition Meeting with OMB – Overview

- **The current RMP program effectively improves safety**
 - More than 80% reduction in incidents between 1996 and 2022, with a continued downward trend
 - Nearly 93% of regulated chemical facilities did not report any accidental releases between 2014 and 2021
- **EPA's Final Rule will greatly expand RMP scope and costs**
 - Annual cost expected to exceed \$257 million
- **The Agency has failed to demonstrate safety benefits to justify new requirements**
 - Safer Technologies Alternatives Assessments (STAA)
 - Third party audits
 - Availability of specified chemical hazard information
- **EPA should pursue a performance-driven approach to build on RMP's success**
 - Fully assess potential regulatory alternatives
 - Focus on approaches expected to meaningfully reduce accidental releases

RMP Incidents

1996-2022

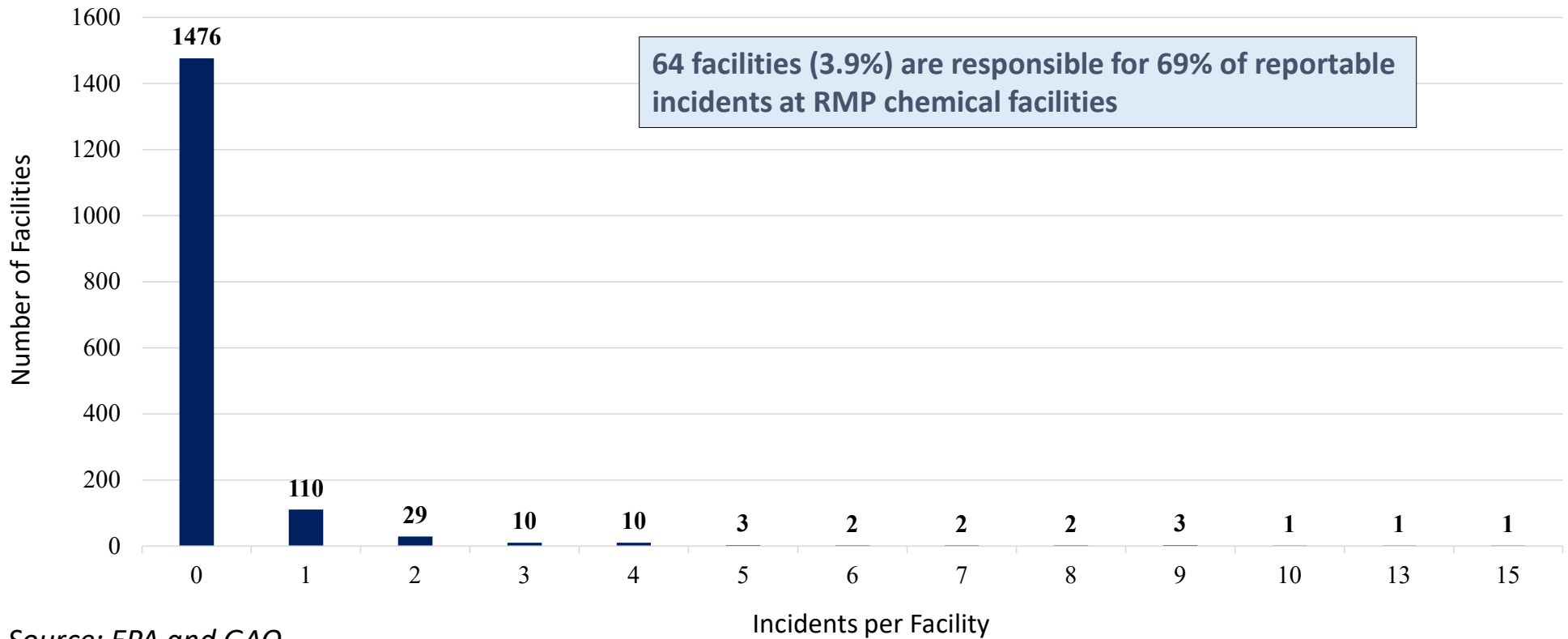


Incidents have decreased by more than 80%

Source: EPA

Chemical Industry RMP Incidents Are Rare & Concentrated

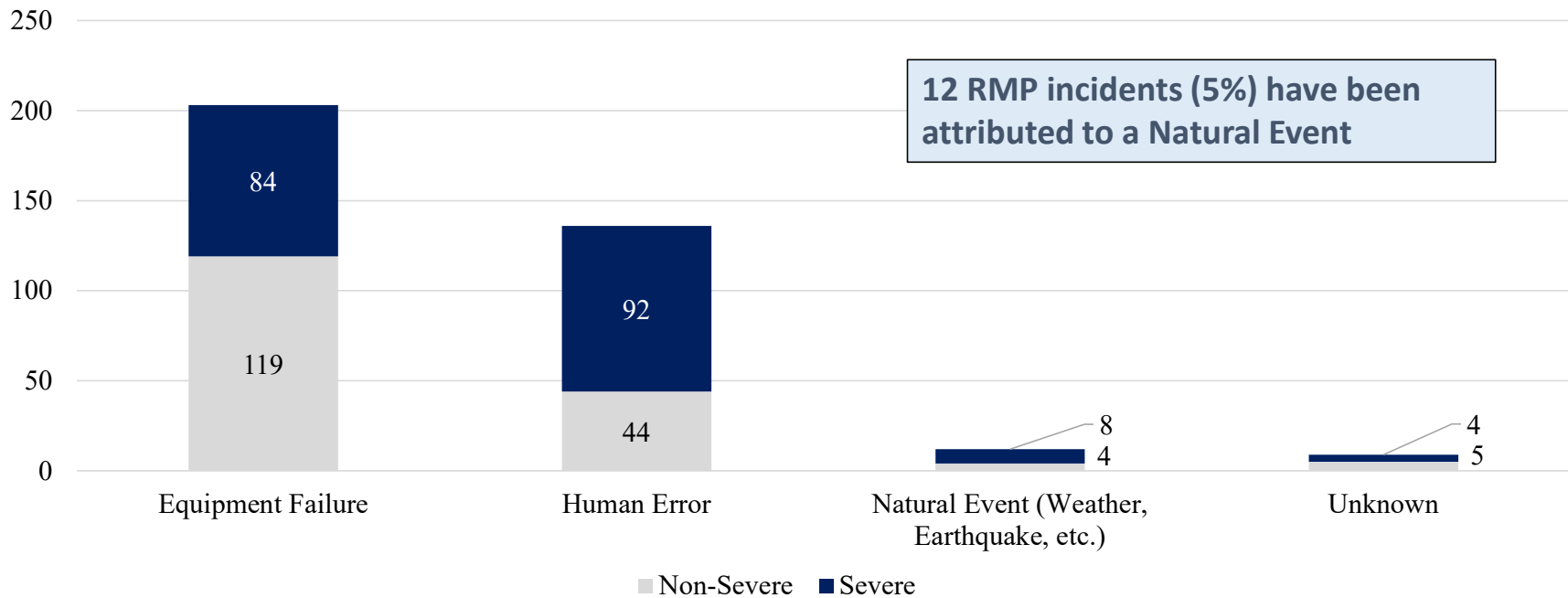
NAICS 325 Facilities



Source: EPA and GAO

Initiating Event (Chemical Industry)

NAICS 325 Facilities



Source: EPA

Costs Attributed to RMP Rule (\$ millions)

Rule Element	Proposed Rule Annualized Cost ¹	Anticipated Final Rule Annualized Cost ²
Third-party Audits	10.3	36.8
Root Cause Analysis	0.7	
Employee Participation Plan	0.9	
Community Notification System	3.8	
Information Availability	3	
Rule Familiarization	5.3	Not available
STAA	51.8	
Backup Power for Perimeter Monitors	0	
Total Cost	75.8	257.2

¹ 2022 dollars (3%) – Source: EPA NPRM (August 2022)

² 2023 dollars (3%) – Source: EPA Briefing (September 2023)

Safer Technologies Alternatives Assessment

➤ **NPRM**

- Assessments required for NAICS 325/324 facilities w/in 1-mile of other NAICS 325/324 RMP facilities; also required for in NAICS 324 with hydrofluoric acid alkylation
- STAA accounts for 68% of total costs (\$51.8 million of \$75.8 million annual cost)

➤ **Industry comments**

- NPRM mischaracterizes chemical industry as “highest risk”
- No correlation between site proximity and “cascading chemical releases”
- No evidence that requiring STAA assessment will reduce RMP incidents

➤ **Final rule**

- Significantly expands STAA requirements
- STAA provisions drive vast majority of \$257 million annual cost
- We are aware of no new data to demonstrate safety benefits of STAA requirements

Root Cause Analysis and Third-Party Audits

➤ **NPRM**

- Requires root cause analysis after catastrophic incident
- Requires third-party audits after 2 incidents in a 5-year period **or** after 1 incident within 1-mile of another NAICS 325/324 process

➤ **Industry comments**

- Support proposed root cause analysis requirement for incidents involving a fatality or offsite consequences
- Oppose third-party audit requirements
 - EPA lacks authority to require third party audits
 - No risk-based support
 - May provide less value than audits conducted with company personnel

➤ **Final Rule**

- Further expands requirement
- Third-party audit required after one RMP incident

Access to Chemical Hazard Information

➤ **NPRM**

- Requires facilities to provide specified chemical hazard information for all regulated processes to public residing within 6-miles of a chemical site.

➤ **Industry comments**

- Dissemination of sensitive information creates significant security threats
- 6-mile proximity is arbitrary and inappropriate
- EPA should instead encourage local citizens to engage with LEPC

➤ **Final Rule**

- Further expands availability of sensitive information
- Requires facility to provide specified hazard information to the public residing, working, or spending significant time within a 6-mile radius

Alternatives Would Yield Higher Net Benefits

Alternative	Annual Savings vs. NPRM	Annual Savings vs. Final Rule	Safety Impact
Require root cause analysis and third-party audits for facilities with single reported accident involving a fatality or offsite consequences	~\$10.75 million	>\$20 million	No demonstrated impact
Promote engagement with LEPC's and eliminate requirement to provide chemical hazard information within 6-mile radius	~\$3 million	>\$3 million	Reduced security threats
Eliminate STAA requirement	~\$51 million	>\$200 million	No demonstrated impact