

EPA could change how it calculates the financial effects of regulations

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The way that the Environmental Protection Agency determines the costs and benefits of regulations is under scrutiny and could soon change, according to an article in *Chemical & Engineering News* (C&EN), the weekly newsmagazine of the American Chemical Society.

Since the 1980s, federal agencies—including EPA—have calculated the financial [costs](#) and [benefits](#) of proposed regulations, says Senior Correspondent Cheryl Hogue. The general idea of running the numbers to show that the benefits outweigh the costs isn't up for debate, but EPA is now taking a long, hard look at one aspect of the process. Currently, the analysis takes into account the side benefits, or "cobenefits," of a [regulation](#). For example, in 1985, EPA reduced the amount of lead allowed in gasoline. Lead is neurotoxic, but lowering lead levels had the cobenefit of also potentially reducing smog, which can cause health problems.

Although some experts consider this practice a "win-win," some states, conservative groups and parts of the utility industry claim that adding cobenefits into the mix can be an accounting gimmick to support expensive regulations. They point to EPA's 2012 rule requiring power plants to slash mercury emissions. In this example, the cobenefit of also slashing [fine particulate matter](#) levels was responsible for nearly all of the estimated benefits for the calculation, which has opponents crying foul. The public can comment on this issue and other aspects of the analysis through Aug. 13. EPA could change its method in the coming months.

The article, "Trump administration is considering reweighing costs and benefits of EPA regulations," is freely available [here](#).

Provided by American Chemical Society

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