

January 24, 2006

Mr. Robert W. Golledge, Commissioner
Massachusetts Department of Environmental Protection
One Winter Street, 2nd Floor
Boston, MA 02108

Mr. Christopher Recchia
Executive Director, OTC
444 N. Capitol Street, NW Suite 638
Washington, DC 20002

**RE: NPCA Concerns With Regards to the Ozone Transport Commission (OTC)
Adopting South Coast Air Quality Management District (SCAQMD)
Architectural and Industrial Maintenance (AIM) Coatings Rule 1113**

Dear Commissioner Golledge:

NPCA believes that it is too premature for OTC to consider adopting Rule 1113 limits. We believe that OTC should wait or work in cooperation with the California Air Resources Board (CARB) as it revises its Suggested Control Measure (SCM) later this year. OTC will benefit greatly from CARB AIM Survey data gathering efforts; similar data from OTC state surveys would most likely not be available until the end of 2006. Each state survey would involve hundreds of companies and thousands of products and commensurate staff burdens. It does not make "good governance" sense for OTC to arbitrarily develop limits different from CARB since this would result in yet another dissimilar AIM rule - increasing compliance burden on the coatings manufacturing industry.

Specifically NPCA's concerns include but are not limited to the following:

- The current OTC AIM rule was just implemented, more time is needed to assess any performance issues resulting from this rule. Sell-through of pre-OTC rule products mask technology limitations caused by new limits and will skew emissions inventories higher.
- The problematic future Rule 1113 limits (that OTC intends on adopting) have not even been implemented and based on technological problems, NPCA is currently negotiating these limits and implementation dates with SCAQMD.
- Coatings formulated for Rule 1113 will not work in the Northeast (SCAQMD staff recently affirmed this at a recent SCAQMD Governing Board meeting) and could have a severe negative impact on the infrastructure in the Northeast.
- In 2006, CARB will complete several important projects that will directly benefit OTC – CARB will complete its 2005 AIM Survey which will provide needed information on the availability of coatings compliant with Rule 1113. CARB will also complete its work on an alternative to Method 24 – since this method does not work well at the Rule 1113 limits.
- The cost impacts of Rule 1113 are excessive - \$20,000 per ton of VOC.

- There are performance and product availability issues with the current Rule 1113 table of standards. Technology assessment efforts have not comprehensively addressed the breadth of coatings technologies, substrates and settings.

As requested at our January 12th meeting, NPCA is committed to working with OTC and we tentatively agree that there are several categories of coatings that could be potentially lowered, specifically various interior coatings. Please note NPCA's difficulty in voluntarily offering OTC reduced VOC limits given the fact that problematic Rule 1113 limits have not implemented, additional time is needed to assess technical issues and NPCA does not want to see OTC adopt limits different than CARB (which would result in yet another dissimilar AIM rule). However, given an adequate implementation period (3 years) NPCA offers OTC the following **interior** AIM categories for obtaining additional AIM VOC reductions:

- Interior Flats – 75 g/L
- Interior Nonflats – 100 g/L
- Interior Primers/Sealers – 150 g/L

Note that NPCA believes that these limits should be modified accordingly based on CARB's SCM development later this year.

In addition, NPCA would like to work with OTC on the following, which could result in additional significant AIM VOC reductions for the OTC states:

1. VOC emission reductions in OTC and upwind states as a result of "Green Building" initiatives including Leadership in Energy and Environmental Design (LEED) and Greenseal.
2. Additional emission reductions granted to OTC as per the EPA ANPR.
3. VOC emission reductions as a result of the sale of OTC Model Rule compliant coatings in OTC states that have not adopted the OTC Model Rule and upwind states.
4. HAP/VOC emission reductions from the various Federal Surface Coating MACT Standards, EPA estimated over 140,000 tons per year of HAP/VOC reductions nationwide or over 25,000 tons per year in the OTC states, not to mention reductions from OTC upwind states.

If you have any questions or need further information, please do not hesitate to contact me at 202-462-6272.

Sincerely,

/s/

David Darling, P.E.
Director, Environmental Affairs