



**International Dairy Foods Association**  
Milk Industry Foundation  
National Cheese Institute  
International Ice Cream Association

December 21, 2009

EPA Docket Center, EPA West (Air Docket)  
US Environmental Protection Agency  
Mail Code 2822T  
1200 Pennsylvania Avenue, NW  
Washington, DC 20460

**Re: Prevention of Significant Deterioration and Title V Greenhouse Gas Tailoring Rule**  
**Docket ID: EPA-HQ-OAR-2009-0517**

The International Dairy Foods Association (IDFA) submits these comments in response to the proposed Prevention of Significant Deterioration and Title V Greenhouse Gas Tailoring Rule issued by the Environmental Protection Agency (EPA) and published in the *Federal Register* on October 27, 2009.

The International Dairy Foods Association represents the dairy manufacturing and marketing industries and their suppliers, with a membership of 530 companies representing a \$110-billion a year industry. IDFA is comprised of three constituent organizations, the Milk Industry Foundation (MIF), the National Cheese Institute (NCI) and the International Ice Cream Association (IICA). IDFA's 220 dairy processing members run more than 600 plant operations, and range from large multi-national organizations to single-plant companies. Together they represent more than 85% of the milk, cultured products, cheese and frozen desserts produced and marketed in the United States. IDFA can be found online at [www.idfa.org](http://www.idfa.org).

Our industry has been working hard to find ways to improve the energy efficiencies associated with technologies used in our facilities, offices and vehicles. We believe the physical and economic health of this nation is inextricably linked to our finding new sustainable solutions to meet our nation's energy needs while reducing greenhouse gas emissions and improving our air quality. We do not, however, believe the Clean Air Act (CAA) is well-suited for regulating greenhouse gas emissions and, as such, we have urged the EPA not to move forward with regulating greenhouse gas emissions without being provided additional legislative authority and direction.

The dairy processing industry is both a direct and indirect source of greenhouse gas emissions. We operate both mobile and stationary sources of emissions. We burn natural gas and fuel oils for our thermal operations and use electricity for refrigeration, lighting and mechanical operations. We operate industrial and over-the-road vehicles that burn propane, diesel, gasoline and other fuels.

Our members' 600 processing facilities are but a small part of the approximately 180,000 domestic food processing and distribution facilities contained in the Food and Drug Administration's registration database that could be included under a CAA regulatory scheme as it unfolds. All of these facilities are struggling with tough economic times and many are striving to do so in a sustainable fashion that meets the demands of consumers while providing a safe, suitable and abundant supply of wholesome, convenient and nutritious foods. Our members' facilities are already heavily regulated by several federal and state agencies, including the Food and Drug Administration, the Department of Homeland Security and the EPA.

While we have always been an environmentally conscious industry, we recognize that more needs to be done to address the issue of climate change and related energy usage. As such, the dairy industry is voluntarily and aggressively pursuing changes that will reduce our industry's greenhouse gas emissions. The fluid milk industry is currently ascertaining its carbon footprint and is pursuing specific innovations which may help to reduce our greenhouse gas emissions. The cheese industry is in the early stages of following the milk industry's example. As this work is underway, we also are working collaboratively with other segments of the dairy industry to launch pilot projects that will jump start the use of technologies that will reduce carbon emissions and encourage new practices to improve the environment. We are excited about what we may ultimately achieve.

While we move forward with our voluntary initiatives, we are concerned that an ill-conceived regulatory regimen will drive resources toward strict regulatory compliance instead of innovation and we believe it is unlikely that a regulatory approach will ever result in the type and magnitude of improvement that we can achieve by pursuing the course of action we have charted. As a result, an effort to regulate greenhouse gasses using the CAA will prove to be counterproductive and could hinder efforts to address this issue.

As you are well aware, almost everyone agrees that using the CAA is the wrong way to reduce greenhouse gas emissions. The CAA was designed and has been used to regulate pollutants that are significantly different from greenhouse gas emissions. In fact, unlike pollutants currently regulated, greenhouse gases are emitted in greater quantities, have a long atmospheric lifetime and are capable of long-range transport. The CAA has been used to address local or regional air quality issues while the problems created by greenhouse gas emissions are global in scope.

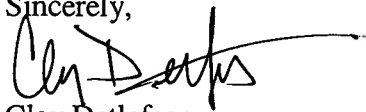
With respect to the current proposed rule, it is our understanding that exceeding the threshold for green house gases (e.g. 25,000 tons per year) at a facility will trigger a need for a Title V operating permit and that once the need for a permit is triggered, other CAA criteria pollutants will need be regulated under the Title V permitting umbrella, regardless of the fact that the facility's emissions of CAA criteria pollutants are well below Title V thresholds. For example, a Title V permit issued because of the greenhouse gases will carry with it obligations to address Nitrogen Oxide (NOX), Sulfur dioxide (SOX), Carbon Monoxide (CO) and particulate matter (PM). This, combined with the fact that the 25,000 ton threshold is not static, results in a situation where we could at some point in time have any number of facilities that

become regulated because of relatively small amounts of green house gases and then are required to address a whole host of issues and pollutants that have up to this point not been subject to the Title V regulatory process because they were below a level of concern. It is our further understanding that the newly regulated facilities would need to apply and utilize stringent measures to reduce their emissions, specifically, best available control technology (BACT).

It is our further understanding that under the prevention of significant deterioration (PSD) rule that the trigger is not limited to actual emissions, but to potential emissions as well. We believe that crafting the trigger in such a manner in essence results in the threshold being considerable less than the 25,000 ton per year threshold. Finally, we also understand that once a company is subject to the rule, they are always subject to the rule. A once-in, always-in rule may have some purpose when one is dealing with traditional pollutants regulated under the CAA, but such an application to greenhouse gases is counterproductive. We believe EPA should encourage reductions and reward a successful facility by allowing it to drop out once it falls below the regulatory threshold.

To be clear, IDFA does not oppose reasoned and appropriate regulation of greenhouse gas emissions and we support efforts that will enhance energy efficiencies, reduce air pollution and reduce our nation's reliance upon foreign energy. IDFA, however, does not believe that the Clean Air Act is the appropriate vehicle for regulation of greenhouse gases. EPA has admitted such and characterized a strict application of the CAA as one that would culminate in "absurd results." Rather than forcing an old regulatory scheme on a new problem, we urge EPA to use its limited resources to work with Congress to identify and develop new proposals that will address this very serious problem both effectively and efficiently.

Sincerely,



Clay Detlefsen

Vice President, Regulatory Affairs and Counsel