NFIB.
The Voice of Small Business

MICHIGAN

To: Honorable Members of the House Committee on Energy and Technology

From: Charles Owens, State Director

Date: December 1, 2014

RE: EPA Restrictions on Wood Burning Stoves

We are writing to ask your support for SB 910 and Resolutions SCR 14 and SR 127 that seek to curtail the efforts by the Environmental Protection Agency (EPA) to restrict the use of wood stoves and appliances for heating.

Leave it to the same EPA and the Washington bureaucrats that want to dictate what light bulbs we use and how our toilets flush to seek tougher restrictions on wood burning on the heels of a record cold winter season.

The EPA has announced new regulations called New Source Performance Standards (NSPS) for new residential wood heaters and wood heating appliances. The new standards also include pellet, corn burner and outdoor wood boilers. Manufacturers of wood stoves and heating appliances based in Michigan have testified before the Senate Natural Resources Committee that the proposed new emission requirements could virtually end the burning of wood for heat in the United States and more than double the cost of new wood burning appliances.

Nearly 90 percent of wood stove manufacturers are small businesses as are the dealers that repair and sell these devices. In addition, these heaters are used by many farmers and small business owners to offset the high cost of energy in rural areas.

Again, we ask for your support of SB 910.

Thank you for your support of small business.

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NFIB
The Voice of Small Business.

April 22, 2014

The Honorable Blaine Luetkemeyer
U.S. House of Representatives
2440 Rayburn House Office Building
Washington, DC 20515

Dear Representative Luetkemeyer:

The National Federation of Independent Business (NFIB), the nation's leading small business advocacy organization, writes in support of H.R. 4407, the Wood Stove Regulatory Relief Act of 2014. This legislation will provide important regulatory relief for manufacturers of residential wood heaters from the Environmental Protection Agency's recently proposed rules limiting emissions from new units.

EPA's own estimates show that 90 percent of the manufacturers in this industry are small businesses. These companies provide the heaters that are the primary heating source in about 12 percent of American homes. Though the agency convened a Small Business Advocacy Review (SBAR) panel as required by the Small Business Regulatory Enforcement Fairness Act, NFIB is concerned that the proposed rule did not adequately incorporate the suggestions of that panel.

The increased costs imposed on these small businesses due to new emissions limit mandates and testing procedures will hit the bottom line twice. The first way is in increased upfront costs to comply with the proposed rule. The second is that with a higher cost to retailers and consumers, demand for these heaters will drop – perhaps substantially.

In particular, SBAR panel members recommended a longer phase-in period for the second-step of EPA's proposed two-step scheme. The current proposal of just five years is too short, according to the panel report. In addition, the panel said that EPA's testing requirements were too burdensome and expensive.

H.R. 4407 would address these two main problems by preventing EPA from issuing limits more stringent than the proposed first step for eight years after enactment. The legislation also requires EPA to accept commonsense testing procedures and ensures owners can sell any wood heaters certified by EPA for five years from date of certification.

Thank you for introducing this commonsense legislation that will ensure that small businesses can continue to supply the affordable heating source many Americans use each winter. We look forward to working with you to ensure H.R. 4407 is enacted.

Sincerely,

Susan Eckerly

Susan Eckerly
Senior Vice President
Public Policy

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COMMITTEE ON AGRICULTURE

COMMITTEE ON NATURAL RESOURCES

COMMITTEE ON VETERANS' AFFAIRS

Congress of the United States
House of Representatives

March 19, 2014

The Honorable Gina McCarthy
Administrator
Environmental Protection Agency
1200 Pennsylvania Ave N.W.
Washington, D.C. 20460

Dear Administrator McCarthy:

We write today regarding the EPA's proposed New Source Performance Standards that would update emission requirements for new residential wood heaters. Since the EPA released the proposed rule in early January, we have heard from a number of citizens in our districts that are greatly concerned about the impact this regulation will have on their ability to heat their homes in a cost effective manner.

In a time of rising fuel costs, many of our constituents have turned to the traditional wood burning stove as a means of providing affordable heat for their families during periods of record cold. As you are aware, many of these families and senior citizens live in very rural communities where heating alternatives are extremely limited. Winters in the Upper Peninsula of Michigan are often harsh, and access to reliable heat can be a matter of life and death.

We understand that these regulations apply to only newly-introduced wood stoves. Still, manufacturers estimate that compliance will significantly increase the cost of new stoves, and the increased costs may make wood heating prohibitively expensive for many. By EPA's own analysis, this regulation will increase the price of stoves and may reduce the number of households opting to burn wood for heat. As many of the lowest income citizens choose to heat with wood in our district, we are concerned that this rule will have a disparate impact on those constituents who can least afford it.

As you are aware, the areas that most frequently use wood burning stoves are rural in nature. The proposed rule makes no distinction between stoves in these communities and those in polluted, urban areas. It is our belief that this proposal reflects a one-size-fits-all, Washington approach to governance that does not adequately address the diverse needs of different regions of our nation.

The benefits cited in the EPA Regulatory Impact Analysis are largely intangible and speculative. The cost on Northern Michigan families, however, will be immediate and clear. It is our hope that you will fully consider the needs our nation's rural population when considering the need for promulgating a final rule. Should you have any final question or concerns, please do not hesitate to contact our offices directly.

Sincerely,

Dan Benishek
Member of Congress
Michigan's First District

Reid Ribble
Member of Congress
Wisconsin's Eighth District

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NFIB
The Voice of Small Business.

April 22, 2014

EPA Docket Center
U.S. EPA
1200 Pennsylvania Ave. NW
Washington, DC 20004

RE: Docket ID No. EPA–HQ–OAR–2009–0734 – Standards of Performance for New Residential Wood Heaters, New Residential Hydronic Heaters and Forced-Air Furnaces, and New Residential Masonry Heaters

These comments are submitted for the record to the U.S. Environmental Protection Agency (EPA) on behalf of the National Federation of Independent Business (NFIB) in response to the Notice of Proposed Rulemaking (NPRM) regarding Standards of Performance for New Residential Wood Heaters, New Residential Hydronic Heaters and Forced-Air Furnaces, and New Residential Masonry Heaters published in the February 3, 2014 edition of the *Federal Register*.

NFIB is the nation's leading small-business advocacy association, representing members in Washington, D.C., and all 50 state capitals. Founded in 1943 as a nonprofit, nonpartisan organization, NFIB's mission is to promote and protect the right of its members to own, operate, and grow their businesses. NFIB represents about 350,000 independent-business owners who are located throughout the United States. NFIB has manufacturing members that will be directly regulated by the proposed rule. In addition, retail members that sell these heaters stand to be affected as well.

NFIB is concerned that the proposed rule would have significant consequences on residential wood heater manufacturers, which EPA estimates represent 90 percent of the industry. Specifically, the increased costs imposed on these small businesses due to new emissions limit mandates and testing procedures will hit the bottom line twice. The first way is in increased upfront costs to comply with the proposed rule. The second is that with a higher cost to retailers and consumers, demand for these heaters will drop – perhaps substantially.

While NFIB commends EPA for convening a Small Business Advocacy Review panel – and recognizing that this rule will have a substantial economic impact on a significant number of small businesses – we believe the agency could have incorporated more of the panel's feedback and recommendations in the proposed rule.

In particular, EPA could increase flexibility by lengthening the two-step phase in period. As proposed, a first-step emissions limit would take effect in 2015 and the far more substantial second-step limit would need to be reached by 2020. In the panel report, many small entity

representatives emphasized they would need a seven-year window at a minimum to reach the second step. Accordingly, we believe EPA should set the second step at 2022 at the earliest. Additionally, the panel was extremely concerned about the testing changes in the proposed rule. Many cited specific costs related to using either in-house or outside labs that are prohibitive and could push small businesses to the brink of financial viability. EPA should also ensure that manufacturers and retailers can sell any wood heaters certified by EPA for five years from date of certification. We ask that EPA further address these concerns in the final rule.

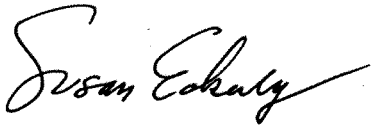
NFIB is concerned that EPA has not recognized the impact of the likely decreased demand for wood heaters stemming from this rule. Many consumers that purchase wood heaters do so because they are more affordable that other heaters or buy them as a supplementary source to reduce the use of other heating sources.

By substantially driving up the price, perhaps by hundreds of dollars per unit, consumers will stay with their older, less-efficient wood heaters for longer. In addition to being clearly counter to EPA's regulatory goal of reducing emissions, heater manufacturers will not sell as many units – forcing them to reduce capacity in the form of lost jobs and other reductions.

Lastly, we believe EPA should consider how this rule will impact those small businesses that use residential wood heaters as a source of heat for their facility. NFIB thinks EPA should seek out data on how many small companies use wood heaters. It does not appear from the proposed rule and the preamble that the agency explored this at all.

We appreciate the opportunity to comment on the proposed rule. Should EPA require additional information, please contact NFIB's manager of regulatory policy, Daniel Bosch, at 202-314-2052.

Sincerely,



Susan Eckerly
Senior Vice President
Public Policy

Newsmax

EPA Wood-Stove Proposal Prompts Rural Backlash

Sunday, February 23, 2014 11:33 AM

By: Newsmax Wires

A federal proposal to clean up the smoke wafting from wood-burning stoves has sparked a backlash from some rural residents, lawmakers and manufacturers who fear it could close the damper on one of the oldest ways of warming homes on cold winter days.

Proposed regulations from the U.S. Environmental Protection Agency would significantly reduce the amount of particle pollution allowed from the smokestacks of new residential wood-powered heaters.

Wood-burning stoves are a staple in rural homes in many states, a cheap heating source for low-income residents and others wanting to lessen their reliance on gas or electric furnaces. Outdoor models often cost several thousand dollars, but indoor stoves can cost as little as a few hundred dollars and sometimes double as fashionable centerpieces in homes.

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Some manufacturers contend the EPA's proposed standards are so stringent that the higher production costs would either force them out of business or raise prices so high that many consumers could no longer afford their products.

"There's not a stove in the United States that can pass the test right now — this is the death knoll of any wood burning," Reg Kelly, the founder of Earth Outdoor Furnaces in Mountain Grove, told Missouri lawmakers during a recent hearing.

More than three dozen Missouri lawmakers have co-sponsored a bill that would symbolically fight back against the EPA by declaring that "All Missourians have a right to heat their homes and businesses using wood-burning furnaces, stoves, fireplaces and heaters."

This past week, a Missouri House committee endorsed a revised measure that proposes to ban state environmental officials from regulating residential wood heaters unless authorized by the Legislature.

Missouri appears to be one the first states to introduce legislation in response to the proposed EPA regulations. But concerns over wood-stove pollution and regulations also have been simmering in other states, including Utah and Alaska.

States such as Washington and New York already have adopted stricter emission rules. And last fall, New York's attorney general led a coalition of seven states in a federal lawsuit seeking to compel to the EPA to adopt new emission limits on wood-fired boilers, which heat water that is piped into a home's radiator system.

The EPA's existing regulations date to 1988 and don't apply to all of the

different kinds of wood-burning devices now in use. Under a proposed rule change released last month, the EPA would give manufacturers five years to meet standards that would reduce emissions by an estimated 80 percent.

The EPA has scheduled a public hearing next Wednesday in Boston, and the sponsor of the Missouri legislation plans to travel there to make his case.

"What they're doing is unnecessary, and it comes against our American values and our traditions," said Rep. Tim Remole, a Republican who has a wood stove at his rural Missouri home.

There are about 12 million wood stoves in U.S. homes, including about 9 million that are less than half as efficient as the newer stoves, according to the EPA. The agency's proposed rules would not affect stoves already in homes.

Most people who own wood stoves have other means of heat, such as electric or gas furnaces. But about 2 percent U.S. homes rely on wood as their primary heating source — a figure that has been rising over the past decade.

Darwin Woods, who owns a farm near the small central Missouri town of Clark, said his 12-year-old outdoor wood stove heats both his home and water. Though he wouldn't be forced to upgrade the stove, Woods views the proposed EPA rule as an intrusion.

"It's just another way for them to control my life and lifestyle and basically force me to pay more for just survival," Woods said.

Others point to the negative health effects from burning wood. The fine particles can worsen asthma and cardiovascular problems, ultimately leading to earlier deaths, according to the American Lung Association.

In Utah, Republican Gov. Gary Herbert has called for a winter ban on wood-burning in an attempt to improve air quality. The Alaska Department of Environmental Conservation has also proposed its own emission requirements.

But some homeowners "want to keep their fireplaces to have a way to heat homes and cook food in the event an earthquake cuts gas lines and power," said Erin Mendenhall, a Salt Lake City council member and executive director of Breathe Utah, which is offering to replace wood stoves with gas units.

The National Firewood Association, based in Duluth, Minn., says some of the pollution from wood-burning stoves could be reduced if people would burn only aged wood rather than wood with too much wet sap.

"A properly burning wood fire — there's virtually no smoke or smell," said Executive Director Scott Salveson.

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