

March 27, 2015 – VOLUME 12, ISSUE 3

ACPPA Takes Issue with Disastrous Ozone Emission Proposal

On Mar. 14, ACPPA submitted [comments](#) opposing the Environmental Protection Agency's (EPA) notice of proposed rulemaking (NPRM) to lower the National Ambient Air Quality Standard (NAAQS) for ozone from 75 parts per billion (ppb) to a range of 65-70 ppb. If finalized, the new standard will have disastrous consequences for the American economy by freezing economic development and vital infrastructure projects across the country.

The amount of ozone that naturally occurs in the environment is close to 65ppb. EPA's proposed levels are so low, the agency will be able to find that a vast majority of the country fails to comply with the new standard and designate these areas as being in "nonattainment." A nonattainment designation has a profound effect on business development by requiring any new facility or existing operation within—or

near—a nonattainment zone to comply with the strictest provisions of the Clean Water Act. These provisions require businesses to adopt the most effective emission reduction technology regardless of cost. This new standard will paralyze American businesses at a time when economic recovery is anything but certain.



Every single person in America relies on clean water infrastructure in some way. From morning showers and cups of coffee to hospital operating rooms and restaurant kitchens, dependable infrastructure keeps the public healthy, safe and prospering.

ACPPA's support of the Clean Water Council is a key part of the association's work to provide quality resources to the American public and ensure the best-possible operating environment for its member organizations.

Learn more at:

www.cleanwatercouncil.org

State governments are equally affected by a nonattainment designation and will be required to offset any ozone-forming emissions from new or modified projects by reducing other sources. In some situations, states will be required to offset emissions by a ratio of two-to-one and could face project termination for non-compliance. This cap-and-trade-like requirement is untethered to any sense of reality and jeopardizes local water infrastructure projects that protect millions of homes from being destroyed by seasonal floods and bring clean, drinkable water to communities across America.

The most outrageous aspect of this rulemaking is that it is entirely unnecessary. The agency revised the ozone emission standard six years ago, but it has failed to give states and industry sufficient time to fully implement that standard. Even without additional regulatory action, ozone

emissions will continue to decrease as states and industry become compliant with the existing regulatory mandate.

The window for commenting on the EPA's proposal has closed but there will be another opportunity to voice your concerns should the agency move forward and issue a final rule. Stay tuned as we follow the rulemaking.

Visit the rulemaking docket for more information: <http://www.regulations.gov/#!documentDetail;D=EPA-HQ-OAR-2008-0699-0353>.

Infrastructure 2.0 Act: A Long-Term, Bipartisan Solution to the Highway Trust Fund Crisis

Editor's note: ACPPA periodically invites members of Congress and other policy leaders to provide commentary in Actionline. The views expressed are those of commentators, not necessarily ACPPA.

By Congressman John Delaney (D-Md.)

In the private sector, it's common sense that economic growth requires long-term planning and investment. That was a lesson I learned early, watching my father work on public infrastructure projects in New Jersey. While it's been more than fifty years since my father's union helped to build Giants' Stadium and the Meadowlands Racetrack, the basic ingredients for job growth are the same today as they were then. Competitive jobs depend on our work to build a competitive infrastructure. As a former CEO and entrepreneur, I've taken that message to Congress in an effort to change the way we budget, making infrastructure investments part of a long-term commitment rather than a short term-fix.



Congressman Delaney is in his second term representing Maryland's 6th congressional district. He is a member of the House Financial Services Committee and the Joint Economic Committee. Delaney is the only former CEO of a publicly-traded company in Congress, having done it twice.

Year after year, piecemeal funding is used to stave off insolvency for our nation's largest transportation fund. Short-term budgeting for infrastructure has had an unmistakable impact on the American economy, with studies estimating the cost of underinvestment at upwards of 900,000 jobs. That cost is visible when American businesses face losses because of inefficient rail transportation, when our schools struggle with overcrowding and our largest ports face crippling backlogs. Most of all, it hurts when our families see fewer job opportunities and an American economy that struggles to keep up.

Deteriorating infrastructure is a bipartisan problem, and this year I worked with members from both parties to introduce a bipartisan solution – the Infrastructure 2.0 Act. Traditionally, Congress has relied on the gas

tax and short-term transfers from the Treasury to fuel infrastructure development through the Highway Trust Fund (HTF). In order to avoid the same funding crises that short-term transfers have caused, my bill reimagines infrastructure financing, creating a new tool that simultaneously paves the way for pro-growth tax reform and improves infrastructure funding, without leaving taxpayers on the hook.

The Infrastructure 2.0 Act would create a more competitive tax code, establishing an 8.75% tax rate on existing overseas earnings and using those revenues for infrastructure investment. That kind of reform would provide the HTF with \$120 billion in funding, enough for a six-year Highway bill. At the same time, my legislation would use \$50 billion to capitalize the American Infrastructure Fund (AIF), a new financing mechanism to support transportation, water, energy, communications and education infrastructure projects at the state and local level. By combining proposals for tax reform with strategies for infrastructure development, the Infrastructure 2.0 Act envisions a new way to invest in our economy without raising taxes on families and small businesses.

From my work in the private sector, I know that the best solutions don't just come from one person, they require collaboration and compromise. Here in Congress, I worked with members on both sides of the aisle to introduce the Infrastructure 2.0 Act. When the White House announced its budget request for Fiscal Year 2016, I was pleased to see the President include my framework for infrastructure development funded through international tax reform.

Finding ground for bipartisan work requires a willingness to look at the facts, and when we talk about infrastructure development, the facts are clear. Estimates currently put the United States' infrastructure deficit at over \$2 trillion. Facing down a problem that large with only short-term funding puts job growth and the growth of American businesses at risk. The Infrastructure 2.0 Act takes a longer-term view, putting the HTF on solid ground for the next six years while funding for the AIF could be leveraged to provide \$750 billion of revolving financing, giving states and local governments the resources to take on their infrastructure priorities.

When I talk with constituents in my district, I hear concerns about job growth, about schools that are falling behind and businesses that can't stack up. The truth is that if we want our businesses, our workforce and our kids to compete in a global economy, then we need a world-class infrastructure. That starts by making infrastructure investment part of a long-term plan. The Infrastructure 2.0 Act helped to start a bipartisan conversation about the framework for that plan and about our work to build an infrastructure we can count for generations to come. I look forward to continuing to work with concrete pressure pipe manufacturers to provide a long-term solution to the nation's infrastructure crisis.

**Come to Cement & Concrete
Day in Washington, D.C.**

On April 15, come to Washington to advocate alongside industry colleagues at the third annual Cement and Concrete Day. Organized by Portland Cement Association and held in conjunction with the Transportation Construction Coalition's Fly In on April 14, participants will storm Capitol Hill to promote expanded use of cement and concrete in federal infrastructure projects.

For more information, contact Daniel Fisher at 703-299-0784 or Daniel.Fisher@potomac-law.com.

[To view the full, combined agenda, click here.](#)

Budget resolution votes put spotlight on GOP priorities, highway funding

For most of the country, March madness means basketball. In Washington, D.C. it means the annual congressional budget process, which gets underway in earnest as the House and Senate take up resolutions aimed at reinforcing Republican priorities and smoothing the process of passing funding bills for federal departments and agencies later this year.

Despite the GOP controlling both chambers by large margins, the 114th Congress has been off to a shaky start (typified by the stumble over Homeland Security funding). The stakes for House and Senate GOP leaders in the budget debate are extremely high. House Speaker John Boehner (R-Ohio) and Senate Majority Leader Mitch McConnell (R-Ky.) need to corral various Republican factions – defense hawks, libertarians, tea partiers and moderates – to support a single federal spending blueprint for 2016 and beyond. If they fail, the questions about whether the GOP is capable of governing will grow ever louder.

The budget process is traditionally highly-partisan because the spending resolutions are chock full of the majority party's priorities. For example, this year's budget proposals would fast-track bills to repeal Obamacare. That means neither Boehner nor McConnell will be able to rely on Democratic votes to make up for votes they lose from the conservative wings of their own party.

Like congressional Democrats, President Obama is also on the sidelines. The budget resolution is not a bill that requires the president's signature and has no force of law. However, if the process is completed (i.e., both chambers ultimately pass the same version of the legislation), the resolution does bind lawmakers by creating procedural hurdles for bills that contravene what is in the resolution and gives preferential treatment to those that implement aspects of the spending plan.

GOP leaders on both sides of Capitol Hill were anxious to get points on the board by passing their budget plans. The House got to work first on Mar. 25, narrowly passing a resolution supported by Republican leadership after several alternatives had failed to gain a majority of votes. The Senate needed overtime, eventually passing its resolution at 3:00am in Mar. 27.

Senate Tax Reform Process Moves Forward

Senate Finance Committee leadership announced a bipartisan effort to solicit ideas for creating a simpler, fairer and more efficient tax code.

The goal is to provide additional information to the Committee's bipartisan tax working groups, which are currently analyzing existing tax law and examining policy trade-offs in the areas of individual income tax, business income tax, savings and investment, international tax and community development and infrastructure. Each bipartisan working group's goal is to issue recommendations by the end of May.

The Senate Finance Committee's effort is similar to one undertaken last Congress by the House Ways & Means Committee. ACPPA looks forward to participating in this new Senate endeavor.

ACPPA's tax priorities promote economic growth, infrastructure investment, and a more favorable tax environment for concrete pressure pipe manufacturers, including:

- Reducing top corporate tax rate to 25 percent;
- New funding and financing for long-term infrastructure investment;
- Promoting capital investment;
- Encouraging manufacturing research and development;
- Improving international tax rules;
- Allowing current year advertising-cost expensing; and
- Maintaining deductibility of local lobbying expenses

Stay tuned for more information as the process moves forward. Have an idea on how to improve the tax code better for the pressure pipe industry? [Tell us about it.](#)

The Federal Government Sets its Sights on Fracking Regulations

On March 26, the [Bureau of Land Management](#) (BLM) released long-anticipated [regulations](#) concerning hydraulic fracturing on federal and Indian lands.

The new rule is expected to cover about 100,000 oil and gas wells drilled on public lands when it takes effect. The regulation's key components include:

- Requiring a validation of well integrity and strong cement barriers between the wellbore and water zones through which the wellbore passes;
- Mandating companies to publicly disclose chemicals used in hydraulic fracturing to the Bureau of Land Management through the website FracFocus, within 30 days of completing fracturing operations;
- Increasing standards for interim storage of recovered waste fluids from hydraulic fracturing to mitigate risks to air, water and wildlife; and
- Forcing companies to submit more detailed information on the geology, depth, and location of preexisting wells to afford the BLM an opportunity to better evaluate and manage unique site characteristics.

The new rules represent the federal government's intrusion into what has traditionally been a state issue, creating a precedent for future attempts by regulators, including the Environmental Protection Agency, to issue mandates that discourage innovation and expansion in the shale energy industry with no health or safety benefit. Opponents of the rules argue that since the benefits and impacts of shale energy development are best measured and understood at the state level, the practice should continue to be regulated locally and not by the federal government.

The [American Petroleum Institute](#) (API) is concerned with the rule's impact. API's Director of Upstream and Industry Operations Erik Milito notes, "A duplicative layer of new federal regulation is unnecessary, and we urge the BLM to work carefully with the states to minimize costs and delays created by the new rule to ensure that public lands can still be a source of job creation and economic growth."

Senate Unable to Override Keystone Veto

On March 4, the Senate failed to override President Obama's veto of the Keystone Pipeline Approval Act ([S. 1](#)), legislation to approve the massive, cross-border construction project.

Despite clearing both the House and Senate with bipartisan support, S. 1 was met with a long-threatened veto from the president on Feb. 24. In its effort to override that action, the Senate was able to equal the 62 yeas from the bill's initial passage on Jan. 29. Unfortunately for supporters of the project, this tally fell short of the 67 – a two-thirds majority – required to keep the bill alive after a presidential veto.

With its failure, the project has now been stuck in idle for more than six years and the pipeline's future remains in the hands of the [U.S. Department of State](#) and ultimately the White House. While industry members will keep the pressure on for a final decision, no clear timeline exists by which the administration plans to determine whether the project is in the national interest.

Bipartisan Letter Sent to House Leadership Urges Long-Term Highway Bill Action

On Feb. 24, a strong majority of House lawmakers joined [a letter](#) urging the chamber's leadership to make passing a long-term, fully-funded surface transportation bill an immediate priority.

The effort, led by Reps. [Tom Reed](#) (R-N.Y.), [Reed Ribble](#) (R-Wis.), [Dan Lipinski](#) (D-Ill.), and [Bill Pascrell](#) (D-N.J.), garnered the support of 130 Republicans and 155 Democrats, demonstrating the broad, bipartisan backing for an immediate, multiyear solution to the country's highway funding crisis.

The letter states, "We are united in our conviction that now is the time to end the cycle of short-term extensions that kick the can down the road by doing the work needed to pass a multiyear surface transportation reauthorization bill. To make this happen, we support efforts to develop a long-term sustainable revenue source for our nation's transportation network as soon as possible."

With the current authorization law (MAP-21) expiring at the end of May and the Highway Trust Fund projected to go insolvent soon after, the time is now for decisive leadership and significant action by Congress.

Pressure Pipe Post

ACPPA's Monthly Source for Industry News

March 2015

To keep members aware of the activities of government and standards organizations, we regularly sweep public databases and publications for the industry-specific terms indicated below. We then provide our members with links to documents identified in the search. Please note that in some cases the URLs may link to subscription-only databases. The purpose of this service is to identify emerging threats and trends as well as opportunities for collective action by ACPPA.

NEWS RESULTS

American Concrete Pressure Pipe Association

Business Groups Challenge Union Election Rule in Federal Court Case

2/25/2015 <http://www.concreteproducts.com/government-affairs/8840-business-groups-challenge-union-election-rule-in-federal-court-case.html?tmpl=component&print=1&layout=default&page=>

A lawsuit filed in U.S. District Court for the District of Columbia seeks to prevent the National Labor Relations Board from implementing its final Representation-Case Procedures rule, which critics contend enables "ambush" elections by limiting the actions of employers responding to petitions of organizing-minded union locals. The rule significantly shortens the period between the time the union files a request for an election with the Board and the time the election is held.

Cement

Cracked Concrete May Soon Be Able to Heal Itself

3/6/2015 <http://www.kotatv.com/news/south-dakota-news/cracked-concrete-may-soon-be-able-to-heal-itself/31663124>

"Self-healing concrete is just looking at the properties of concrete. When it cracks and has really small cracks, if you pour water into it and rehydrate it, it basically heals itself over time. So we're looking at the positives and trying to create a design mix that is natural and does not cost a lot of money."

Fly Ash

A New Economy Will Help Save Rivers and Fisheries

3/25/2015 <http://beforeitsnews.com/economy/2015/03/a-new-economy-will-help-save-rivers-and-fisheries-2712450.html>

Globalization and cheater economics have been destroying the world's great rivers and their fisheries. Most people know about the devastation of rivers from water pollution, but not as many are aware of the significant impacts of big dams, river engineering, and real estate development in and on top of rivers.

Pipe

Emerging Innovations in Composites Industry 2015-2025

3/24/2015 <http://www.nbc26.tv/story/28600390/emerging-innovations-in-composites-industry-2015-2025>

The market for one of the composite materials, such as glass fiber, which is used as a reinforcing material for a variety of applications, such as boat, construction, wind, pipe and tank, and consumer goods, was approximately \$8.1 billion in 2013.

Wet Wipes are Wreaking Havoc on Our Sewers

3/13/2015 <http://qz.com/362361/wet-wipes-are-wreaking-havoc-on-our-sewers/>

The New York Times had an article on the plague of wet wipes in New York City's sewers.

[New Jersey] State Orders Reduction of Sewage Flow into Rivers

3/13/2015 <http://www.northjersey.com/news/environment/state-orders-reduction-of-sewage-flow-into-rivers-1.1288374>

State officials ordered several North Jersey towns and sewer authorities on Thursday to begin to develop ways to cut down on the billions of gallons of human waste that go into the Hackensack, Passaic and Hudson rivers every year.

Wilsonville to Hear Status of \$1 Billion Willamette Water Program

3/11/2015 <http://portlandtribune.com/wsp/134-news/253100-122167-wilsonville-to-hear-status-of-1-billion-willamette-water-program>

The Tualatin Valley Water District announced March 3 that it has finalized a preferred pipeline route for its \$1 billion Willamette River water distribution project.

The Workforce Impact: Train Your Workforce and Power Your Business

3/4/2015 <http://shalemag.com/train-your-workforce/>

The Texas Workforce Commission (TWC) Skills Development Fund is one more reason why Texas is a great place to do business. Customized training through state-funded Skills Development Fund grants ensure that your current workforce stays up-to-date to keep your business competitive and new workers trained with the skills your industry requires.

Green Light for the World's First Intelligent Oil Pipelines

3/2/2015 <http://www.sciencedaily.com/releases/2015/03/150302071136.htm>

Electronics installed in Norwegian oil pipelines have been tested both at sea and in transport vessel reeling simulations. All that now remains is to install them offshore. Researchers have been developing oil pipelines that can provide real-time condition monitoring reports by means of transmitting data to shore.

Pipeline Stress Corrosion Cracking: Detection and Control

3/1/2015 <http://www.pipelineandgasjournal.com/pipeline-stress-corrosion-cracking-detection-and-control>

According to the federal Pipeline & Hazardous Materials Safety Administration (PHMSA), the majority of pipeline incidents caused by SCC are found on natural gas pipelines rather than hazardous liquid pipelines. However, SCC can manifest itself wherever the right combination of factors exists.

Federal Request Filed for Pipeline Project

2/25/2015 <http://www.pipelineandgasjournal.com/pipeline-stress-corrosion-cracking-detection-and-control>

A subsidiary of Kinder Morgan filed documents with the Federal Energy Regulatory Commission requesting permission to abandon a line of the Tennessee Gas Pipeline to carry natural gas liquids from through Boyle and surrounding counties.

Underground Infrastructure

[Ireland] Port Commission Could Sign Waterfront Agreement on March 31

3/17/2015 <http://bbjtoday.com/blog/port-commission-could-sign-waterfront-agreement-on-march-31/30660>

After more than a year of negotiating with Harcourt Developments of Ireland, the Port of Bellingham could finally sign an agreement with the firm at a March 31 meeting.

It's Water Main Break Season

3/2/2015 <http://www.dailyrecord.com/story/news/local/2015/03/02/water-main-break-season/24133241/>

In 1904, a West Orange man applied to the West Orange Water Co. for a pipe to bring water into his lab. He agreed to pay the company the pricey sum of \$20 for the work in the street and .45 per foot of pipe. This came with a 15-year guarantee that Thomas Edison happily agreed to.

New York's Exploding Manhole Covers Pose Unexpected Winter Hazard

2/28/2015 <http://www.reuters.com/article/2015/03/01/us-usa-newyork-manholes-idUSKBN0LW0IH20150301>

Salvatore Grillo was walking his Labrador retriever near Brooklyn's Prospect Park on a cold morning in February when he heard what sounded like a muffled explosion.

Water Infrastructure

Dow Joins Water Infrastructure Coalition

3/24/2015 <http://ewallstreeter.com/dow-joins-water-infrastructure-coalition-3891/>

Dow Chemical has joined a coalition of public and private sector companies that aim to revitalize the nation's aging and underfunded water infrastructure, called the Value of Water Coalition.

Industry Launches PR Blitz as Municipalities Scramble for Funding

3/23/2015 <http://www.environmentguru.com/pages/elements/element.aspx?id=1954034>

With leaders in Washington, D.C., keenly interested in finding ways of bringing private money to the country's gaping needs for water and sewer infrastructure, the private water industry is launching a campaign today aimed at smoothing the conversation at the local level.

America's Water Infrastructure Problem

3/23/2015 <http://seekingalpha.com/article/3021216-americas-water-infrastructure-problem>

The analysis of water utilities on Seeking Alpha primarily focuses on the payout ratio. However, cost recovery is important.

U.S. Water Infrastructure in Crisis as a Result of Lack of Investment

3/22/2015 <http://www.homelandsecuritynewswire.com/dr20150323-u-s-water-infrastructure-in-crisis-as-a-result-of-lack-of-investment>

Over the past decades, America's water infrastructure has deteriorated, lacking the much needed investment to secure and ensure the sustainability of a vital natural resource.

CBO Report Details Public Spending on Transportation and Water Infrastructure, 1956 to 2014

3/20/2015 <http://cenews.com/post/6989/cbo-report-details-public-spending-on-transportation-and-water-infrastructure-1956-to-2014>

Public spending — spending by federal, state, and local governments — on transportation and water infrastructure totaled \$416 billion in 2014. Most of that spending came from state and local governments: They provided \$320 billion, and the federal government accounted for \$96 billion.

Bill Would Provide Federal Grants for Water Infrastructure

3/17/2015 <http://www.bondbuyer.com/news/washington-infrastructure/bill-would-provide-federal-grants-for-water-infrastructure-1071429-1.html>

Senate Minority Leader Harry Reid and two fellow Democrats have introduced a bill that would provide \$50 million in federal grants for each of fiscal years 2015-2019 to help states, local communities, and tribal governments upgrade their water and wastewater infrastructure systems.

Reid, Cardin, Boxer Introduce New Grant Program to Upgrade America's Crumbling Water Infrastructure

3/16/2015 <http://www.indianvoices.net/nevada-news2/1131-reid-cardin-boxer-introduce-new-grant-program-to-upgrade-america-s-crumbling-water-infrastructure>

A healthy water infrastructure system is as important to America's economy as paved roads and sturdy bridges

REGULATORY RESULTS

Pipe

Pipeline and Hazardous Materials Safety Administration | Final Rule | Miscellaneous Changes to Pipeline Safety Regulations

3/11/2015 <https://www.federalregister.gov/articles/2015/03/11/2015-04440/pipeline-safety-miscellaneous-changes-to-pipeline-safety-regulations>

PHMSA is amending the pipeline safety regulations to make miscellaneous changes that update and clarify certain regulatory requirements.

Water Infrastructure

Environmental Protection Agency | Notice | Information Collection Request Submittal to OMB for Review and Approval; Comment Request; 2015 Drinking Water Infrastructure Needs Survey and Assessment (Reinstatement)

3/16/2015 <http://www.gpo.gov/fdsys/pkg/FR-2015-03-16/pdf/2015-05936.pdf>

The U.S. Environmental Protection Agency (EPA) has submitted an information collection request (ICR), "2015 Drinking Water Infrastructure Needs Survey and Assessment (Reinstatement)".

Environmental Protection Agency | Notice | Notification of a Public Meeting of the Science Advisory Board Drinking Water Committee

3/18/2015 <http://www.gpo.gov/fdsys/pkg/FR-2015-03-18/pdf/2015-06215.pdf>

The Environmental Protection Agency (EPA) Science Advisory Board (SAB) Staff Office announces a meeting of the Drinking Water Committee (DWC) to review the EPA's Draft Fourth Contaminant Candidate List.

LEGISLATIVE RESULTS

Water Infrastructure

H.R. 1278 | Introduced by Rep. Lois Capps (D-Calif.) | Water Infrastructure Resiliency and Sustainability Act of 2015

3/23/2015 <https://www.congress.gov/bill/114th-congress/house-bill/1278?q=%7B%22search%22%3A%5B%22%5C%22water+infrastructure%5C%22%22%5D%7D>

To authorize the Administrator of the Environmental Protection Agency to establish a program of awarding grants to owners or operators of water systems to increase resiliency or adaptability of the systems to any ongoing or forecasted changes to the hydrologic conditions of a region of the United States.

S. 741 | Introduced by Rep. Benjamin Cardin (D-Md.) | Water Infrastructure Resiliency and Sustainability Act of 2015

3/16/2015 <https://www.congress.gov/bill/114th-congress/senate-bill/741?q=%7B%22search%22%3A%5B%22%5C%22water+infrastructure%5C%22%22%5D%7D>

To authorize the Administrator of the Environmental Protection Agency to establish a program of awarding grants to owners or operators of water systems to increase resiliency or adaptability of the systems to any ongoing or forecasted changes to the hydrologic conditions of a region of the United States.