Toxic Substances Control Act Developments

Maryland-District of Columbia Utilities Association
Environmental Conference
October 13, 2022

John B. Mavretich
Counsel, Venable LLP

JBMavretich@Venable.com

202.344.4119

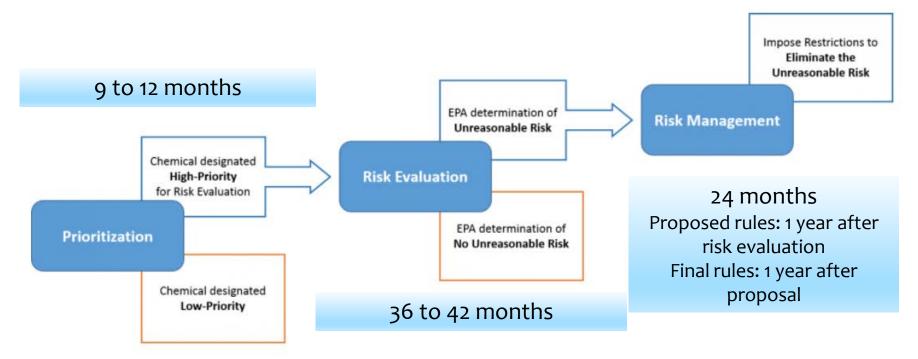
Allison D. Foley
Partner, Venable LLP

<u>ADFoley@Venable.com</u>

202.344.4416

TSCA Chemical Risk Evaluation Process

Statutory Timelines



Overall Process: 5 yrs 9 mos to 6 and ½ years

TSCA Risk Management Process

- > EPA **must** promulgate regulatory measures to address any "unreasonable risk" found in TSCA chemical risk evaluation
 - Unlike prioritization & risk evaluation, no process rule for risk management
 - Regulations can be broader than condition of use posing unreasonable risk
- Range of options from which EPA can choose, including:
 - Prohibition/restriction on manufacture/import, processing, and/or distribution in commerce;
 - Requirements for warnings/instructions re: use, distribution, disposal;
 - Recordkeeping, monitoring, or testing requirements;
 - Notification requirements to users and/or general public;
 - Prohibit or regulate manner or method of disposal of the chemical/articles;
 - Direct manufacturers and/or processors to give notice of unreasonable risk to distributors/users/public, and/or to replace/repurchase.

What does this mean for utilities?

- Could face ban of, or other restrictions on, import and/or use of chemicals used in the utility operations
 - "Other restrictions" might include limitations on concentration or volume of chemical; reporting or recordkeeping obligations; storage or marking requirements; disposal obligations
- Could face ban or restriction on manufacture, import, or sale of articles containing specific chemicals
- > Requirements could attach to **legacy** uses of chemicals/articles
- → How EPA will interpret and implement its authority under the statute—and how that approach will hold up under judicial scrutiny—remains to be seen.

TSCA Chemical Risk Evaluation: Risk Evaluation Groups

INITIAL TEN	TWENTY HIGH-PRIORITY		MFR-REQUESTED
Asbestos	Formaldehyde	1,2-Dichloropropane	DIDP
1-Bromopropane	1,2-Dichloroethane	1,1-Dichloroethane	DINP
Carbon tetrachloride	o-Dichlorobenzene	1,1,2-Trichloroethane	D4
Pigment violet 29	p-Dichlorobenzene	ТВВРА	OTNE
Cyclic aliphatic bromide cluster	Dicyclohexyl Phthalate (DCHP)	trans-1,2- Dichloroethylene	
1,4-Dioxane	1,3-Butadiene	TCEP	
Methylene chloride	DBP	TPP	
N-methylpyrrolidone	DIBP	Ethylene dibromide	
Tetrachloroethylene	ВВР	ННСВ	
Trichloroethylene	DEHP	Phthalic anhydride	

TSCA Risk Evaluation – Initial 10 Chemicals/What's Next

- > Initial 10 chemicals
 - June 2021: EPA announced new approach; revisiting initial 10 risk evaluations
 - Moving forward with risk management for asbestos, HBCD, PV29
 - Asbestos Part 1 (ongoing uses) and Part 2 (legacy uses/assoc disposal):
 - o Part 1: risk management regs proposed April 2022; final rule target Nov. 2023
 - o Part 2: final scope doc issued June 2022; final risk evaluation target: Dec. 2024
 - Then: Revisiting asbestos risk evaluations and issue "whole chemical" finding?
- What's next
 - 20 high priority chemicals Draft risk evaluations overdue
 - Next 20 high priority chemicals Next batch will be identified any day

Recent Timeline and Projections

2019 2020 2021 2022 2023 2024 **Revisit Risk Revised Risk Proposed Risk Final Risk** Initial 10 **Final Risk Evaluations** Mgmt. Rules? **Evaluations Evals under** Mgmt. Rules? Chemicals **New Criteria** (Rolling) Completed Final High **Scoping Docs DUE: Final Risk Ongoing Risk DUE:Draft Risk** Likely still Priority Issued (Sept.) **Evals (Q3/Q4?)** finalizing risk (mid/late year) Next 20 Initiate Initiate Risk **Final Scope** High-Prioritization Evals? Documents -(by year end?) **Priority** June-Dec? Asbestos Pt 1 Risk Eval. **Proposed Risk** Final Rule -Litigation Ongoing **Finalized** Mgmt Rule to likely November? Uses OMB (Dec.) (Dec.) **Draft Scoping Final Scoping** Asbestos Pt 2 **Draft Risk Final Risk** 9th Cir. **Doc Issued** Doc (June) **Evaluation** Legacy **Evaluation??** Decision (Dec.) (Dec.) Uses

Asbestos Pt 1 (Ongoing Uses) Risk Evaluation: Proposed Risk Management Regulations

- Part 1 asbestos risk evaluation: Uses associated with ongoing manufacture/import, processing, distribution in commerce of asbestos and asbestos-containing articles (chrysotile asbestos)
 - December 2020: Final risk evaluation found unreasonable risk to health associated with several conditions of use
 - April 2022: EPA issues proposed risk management regulations:
 - Effective 2 years from final rule: Ban on manufacture/import, processing, distribution in commerce, and commercial use of chrysotile asbestos in diaphragms in the chlor-alkali industry, several other applications in chemical, oil, and automotive industries
 - Effective 180 days from final rule: Ban on manufacture/import, processing, distribution in commerce of applications for consumer use
- Could establish precedent for future risk management regulations, including for asbestos Part 2 (legacy uses)

Asbestos Pt 2 Risk Evaluation (Legacy Uses/Associated Disposals)

- Part 2 asbestos risk evaluation: Uses where manufacture/import, processing, distribution in commerce of asbestos <u>not</u> ongoing; also considers associated disposals of chemical/articles
 - Final scope (June 2022) identifies specific conditions of use, including:
 - Pipeline wrap
 - Arc chutes
 - High-grade electrical paper
 - Building materials (vinyl flooring; felt roofing)
- > EPA could propose regulatory program for some/all of these uses similar to that promulgated for PCBs in electrical equipment and gas pipelines

Other TSCA Developments

- Revision to Risk Evaluation Procedures
 - EPA considering proposing amendments to align with recent executive orders
 - Proposal scheduled for September 2022 (not yet at OMB)
- > TSCA Fee Rule
 - Dec. 2020: Proposal would, among other things, exempt certain manufacturers:
 - Importers of chemical substance in article
 - Producers of chemical substance as a byproduct
 - Producers or importers of chemical substance as an impurity.
 - October 2021 Statutory deadline for final revisions
 - October 2022 Supplemental proposal expected per Regulatory Agenda (submitted to EPA July 1)

PFAS Reporting Under TSCA – Regulatory Considerations for Articles

- > TSCA defines "manufacture" to include import
- Historically, EPA programs imposing certain reporting, notification, and/or other obligations on manufacturers have included an exemption for imported articles
 - Chemical Data Reporting (CDR) 40 C.F.R. 711.10
 - Toxics Release Inventory (TRI) articles exemption
- Proposal to impose reporting/recordkeeping on PFAS TSCA § 8(a)
 - June 2021: Proposal to impose reporting requirements on manufacturers of PFAS chemicals in any year beginning January 1, 2011
 - Would include import of articles containing PFAS
 - Obligation would apply to extent information "is known or reasonably ascertainable by the manufacturer"
 - Final rule targeted for December 2022

Questions?

John B. Mavretich
Counsel, Venable LLP

JBMavretich@Venable.com
202.344.4119

Allison D. Foley
Partner, Venable LLP

<u>ADFoley@Venable.com</u>

202.344.4416