#### NOT YET SCHEDULED FOR ORAL ARGUMENT

### IN THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

FABRICLEAN SUPPLY; TECHNICAL CHEMICAL COMPANY; OLIN CORPORATION; AMERICAN CHEMISTRY COUNCIL; GEORGIA CHEMISTRY COUNCIL; OHIO CHEMISTRY TECHNOLOGY COUNCIL; CENTER FOR ENVIRONMENTAL HEALTH,

Petitioners,

Case No. 25-60006

v.

U.S. ENVIRONMENTAL PROTECTION AGENCY and LEE ZELDIN, Administrator of the U.S. Environmental Protection Agency,

Respondents.

#### OPPOSED MOTION TO HOLD CASE IN ABEYANCE

Respondents United States Environmental Protection Agency ("EPA") and Administrator Lee Zeldin respectfully move the Court for an order continuing to hold this case in abeyance while EPA conducts a rulemaking to reassess the challenged rule, with status reports due every 90 days and promptly upon completion of further rulemaking. Counsel for Respondents requested Petitioners' positions to include in this motion. Counsel for Petitioner Center for Environmental Health advised that it intends to oppose Respondents' motion. Counsel for Petitioners American Chemistry Council and Georgia Chemistry

Council advised that they do not oppose Respondents' motion. Counsel for Petitioners FabriClean Supply, Technical Chemical Company, and Olin Corporation advised that they would not be able to provide their position on the date of this filing. Counsel for Petitioner Ohio Chemistry Technology Council did not respond to Respondents' request for position as of the time of this filing.

- 1. In December 2024, EPA published a new regulation under the Toxic Substances Control Act entitled, "Perchloroethylene (PCE); Regulation Under the Toxic Substances Control Act (TSCA)." 89 Fed. Reg. 103560 (Dec. 18, 2024) ("the PCE Rule").
- 2. Petitioners filed petitions for review of the PCE Rule in this Court and the Sixth, Eight, Ninth, and Eleventh Circuit. The United States Judicial Panel on Multidistrict Litigation subsequently ordered that the various petitions for review be consolidated in this Court pursuant to 28 U.S.C. § 2112(a)(3).
- 3. On February 12, 2025, Respondents moved this Court to hold this case in abeyance for 60 days to allow new leadership to review the PCE Rule. ECF No. 41.
- 4. On March 12, 2025, the Court granted Respondents' motion and stayed this matter for 60 days. ECF No. 54.

<sup>&</sup>lt;sup>1</sup> Prior to the Court's order, a briefing schedule was set, ECF No. 51, but was subsequently vacated pursuant to the Court's order granting a stay, ECF No. 55.

5. EPA leadership has reviewed the PCE Rule and EPA now intends to reconsider the PCE Rule through notice-and-comment rulemaking, and expects that this process, including any regulatory changes, will take between 12-18 months. *See* Declaration of Nancy B. Beck ¶¶ 8-9.

- 6. This Court has "broad discretion to stay proceedings as an incident to its power to control its own docket." *Clinton v. Jones*, 520 U.S. 681, 706 (1997); *see also Landis v. N. Am. Co.*, 299 U.S. 248, 254 (1936). An abeyance is prudent "if the public welfare or convenience will thereby be promoted." *Landis*, 299 U.S. at 256.
- 7. Courts have long recognized that agencies may generally reassess and, if appropriate, revise their past decisions. *See, e.g., Motor Vehicle Mfrs. Ass'n v. State Farm Mut. Auto. Ins.*, 463 U.S. 29, 42 (1983) ("[R]egulatory agencies do not establish rules of conduct to last forever [and] an agency must be given ample latitude to adapt their rules and policies to . . . changing circumstances.") (citations omitted); *ConocoPhillips Co. v. EPA*, 612 F.3d 822, 832 (5th Cir. 2010) ("Embedded in an agency's power to make a decision is its power to reconsider that decision."); *Nat'l Ass'n of Home Builders v. EPA*, 682 F.3d 1032, 1038, 1043 (D.C. Cir. 2012) (explaining that an agency's "reevaluation of which policy would be better in light of the facts" is "well within" its discretion and that a change in administration is a "perfectly reasonable basis for an executive agency's

Case: 25-60006 Document: 56-1 Page: 4 Date Filed: 05/12/2025

reappraisal of the costs and benefits of its programs and regulations") (citation omitted).

Further abeyance would preserve resources of the Court. EPA's 8. reassessment of the rule may obviate the need for judicial resolution of some or all the disputed issues. Good cause thus exists for the requested abeyance. See Sw. Elec. Power Co. v. EPA, 920 F.3d 999, 1013 ("[W]e granted EPA's motion to sever and hold in abeyance the Industry Petitioners' and Water Company Petitioners' challenges to the final rule"); Anchor Line Ltd. v. Fed. Mar. Comm'n, 299 F.2d 124, 125 (D.C. Cir. 1962) ("[W]hen an agency seeks to reconsider its action, it should move the court to remand or to hold the case in abeyance pending reconsideration by the agency."); cf. Ctr. for Biological Diversity v. EPA, 56 F.4th 55, 70-71 (D.C. Cir. 2022) (courts "routinely stay [their] hand when parties identify developments that are likely to render judicial resolution unnecessary").

<sup>&</sup>lt;sup>2</sup> In Southwestern Electric Power Company, EPA similarly moved for an abeyance of proceedings on challenges to certain regulations where the Administrator had "decided that it is appropriate and in the public interest to conduct a rulemaking to potentially revise" those regulations, see Sw. Elec. Power Co. v. EPA, No. 15-60821, ECF No. 201 at 6 (Aug. 14, 2017), which this Court granted, ECF No. 00514126308 (Aug. 22, 2017).

WHEREFORE, Respondents respectfully request that the Court issue an order holding this case in abeyance, with status reports due every 90 days and promptly upon completion of further rulemaking.

Date: May 12, 2025 Respectfully submitted,

ADAM R.F. GUSTAFSON Acting Assistant Attorney General

/s Alexander M. Purpuro
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**CERTIFICATE OF COMPLIANCE** 

I hereby certify this document complies with the length limit of Federal Rule

of Appellate Procedure 27(d)(2)(A), because it contains 805 words according to

the count of Microsoft Word, excluding the parts of the document exempted by

Federal Rule of Appellate Procedure 32(f).

I further certify that this document complies with the requirements of

Federal Rules of Appellate Procedure 27(d)(1)(E) and 32(a)(5)–(6), because it has

been prepared in 14-point Times New Roman, a proportionally-spaced font, and is

double-spaced, except for headings and footnotes.

Dated May 12, 2025

/s Alexander M. Purpuro
Alexander M. Purpuro

6

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Respondents.

# DECLARATION IN SUPPORT OF MOTION TO HOLD CASE IN ABEYANCE

- 1. I, Nancy B. Beck, declare under penalty of perjury that the following statements are true and correct to the best of my knowledge and belief and that they are based upon my personal knowledge, information contained in the records of the United States Environmental Protection Agency ("EPA" or "the Agency"), or information supplied to me by EPA employees under my supervision at EPA Headquarters. *See* 28 U.S.C. § 1746.
- 2. I am the Principal Deputy Assistant Administrator for the Office of Chemical Safety and Pollution Prevention ("OCSPP") within EPA. I have held this

position since February of 2025; however, I held this position previously from
December 2018 to January 2021, during which time I also served on detail as
Senior Advisor to the Administrator of the Office of Information and Regulatory
Affairs in the Office of Management and Budget from April 2020 to January 2021.
Prior to rejoining EPA this year, I worked for a law firm as their Director of
Regulatory Science. I hold a B.S. in Microbiology from Cornell University and an
M.S. and Ph. D. in Environmental Health from the University of Washington.

- 3. The Office of Pollution Prevention and Toxics ("OPPT") in OCSPP is responsible for the administrative development of the regulation entitled, "Perchloroethylene (PCE); Regulation Under the Toxic Substances Control Act (TSCA)," 89 Fed. Reg. 103560 (Dec. 18, 2024) ("PCE Rule"), as well as for the underlying PCE risk evaluation and associated determination of unreasonable risk upon which the rule is based.
- 4. On February 12, 2025, Respondents United States Environmental Protection Agency and Administrator Lee Zeldin ("EPA") filed an unopposed motion to hold this case in abeyance for 60 days to allow new Agency leadership to review the underlying rule that is the subject of the petitions for review. This Court granted that motion on March 12, 2025.
- 5. OCSPP has now completed that review and determined that the PCE Rule at issue in these consolidated petitions for review should be reconsidered

through further rulemaking. Accordingly, EPA, by and through OCSPP, believes that further abeyance of this action for Agency reconsideration of the challenged rule is appropriate.

6. This declaration is filed in support of EPA's motion for abeyance. The purpose of this declaration is to explain the considerations informing EPA's request for abeyance and EPA's rationale for requesting abeyance.

### 7. Statutory Background

- a. The Toxic Substances Control Act ("TSCA") requires EPA to review chemical substances in commerce to determine whether they "present[] an unreasonable risk of injury to health or the environment, without consideration of costs or other nonrisk factors, including an unreasonable risk to a potentially exposed or susceptible subpopulation identified as relevant to the risk evaluation by the Administrator, under the conditions of use." 15 U.S.C. § 2605(b)(4)(A).
- b. In conducting a risk evaluation, TSCA requires, among other things, that EPA "integrate and assess available information on hazards and exposures for the conditions of use of the chemical substance" to determine whether its use presents an unreasonable risk. Id. § 2605(b)(4)(F)(i). EPA conducts peer review activities on TSCA risk evaluations consistent with applicable peer review policies, procedures, and methods, see id. § 2625(h) and (o)(1)–(2), and must publish draft risk evaluations for public comment, id. § 2605(b)(4)(H). EPA

must respond to peer review analysis and public comments, including any data received, when finalizing the risk evaluation.

- c. A determination of unreasonable risk triggers the next step in the process, risk management. Id. § 2605(a), (c). During the risk management phase, EPA goes through a public rulemaking process, selecting among various risk management tools laid out in § 2605(a) to "apply one or more . . . requirements . . . to the extent necessary so that the chemical substance . . . no longer presents" the unreasonable risk of injury to health or the environment, under the conditions of use, determined in the risk evaluation. Id. § 2605(a); see also id. § 2605(b)(4)(A).
- d. In "selecting among prohibitions and other restrictions," section 2605(c) requires EPA to "factor in, to the extent practicable," several considerations, including the chemical substance's effects on health and the environment, the magnitude of exposure to the chemical substance, its benefits for various uses, and "the reasonably ascertainable economic consequences of the rule." Id. § 2605(c)(2)(A)-(B). Additionally, in deciding whether to prohibit or restrict a condition of use of a chemical substance (and in setting an appropriate transition period, id. § 2605(d)), EPA must "consider, to the extent practicable, whether technically and economically feasible alternatives that benefit health or the environment, compared to the use so proposed to be prohibited or restricted,

will be reasonably available as a substitute when the proposed prohibition or other restriction takes effect." Id. § 2605(c)(2)(C).

- e. Both the risk evaluation and subsequent risk management rulemaking must also meet statutory requirements that the actions be based on the best available science, the weight of the scientific evidence, and "information relating to a chemical substance or mixture, including hazard and exposure information, under the conditions of use, that is reasonably available to the Administrator." Id. § 2625(h), (i), (k).
- 8. During abeyance, OCSPP intends to reconsider the PCE Rule through notice-and-comment rulemaking, including but not limited to the use of the Existing Chemical Exposure Limit (ECEL) of 0.14 ppm promulgated as part of the Workplace Chemical Protection Program for PCE, and whether the PCE Rule went beyond the extent necessary to eliminate unreasonable risk. Specifically, OCSPP will assess whether, consistent with the best available science, it would be appropriate to use a different value to inform risk mitigation needs.
- 9. OCSPP intends to solicit early stakeholder input, issue a proposed rule seeking public comment on potential changes to the PCE Rule, and finalize a new rule based on public input. EPA expects this process, including any regulatory changes, to take between 12-18 months.

I declare under penalty of perjury that the foregoing is true and correct.

NANCY
BECK
Date: 2025.05.12
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Nancy B. Beck, Ph.D.
Principal Deputy Assistant Administrator
Office of Chemical Safety and Pollution Prevention
U.S. Environmental Protection Agency