

Representing the Interests of America's Industrial Energy Users Since 1978



BoilerBlast News[®]

Energy

One of the goals/objectives of the Obama Administration has been to delink fossil energy from Gross Domestic Product (GDP). So far it looks like they have been pretty good at it. The only thing we hear in the news is usually about good renewable energy, energy efficiency, and how these will create new jobs requiring new and different education/knowledge. We never hear about the increasing cost of energy associated with the new technologies, but hear the negatives associated with and fossil energy product, dirty coal, high priced oil, the potential damages from drilling for Marcellus Shale Gas, and the food and timber for fuel with pre-fossil biofuels. All the current activity regarding energy legislation, funding and DOE tends to revolve around buildings and commercial activities, lighting technology, smart grid, and doubling the Auto Mileage Standards to name a few. When they talk about energy efficiency, they do their absolute best to stay way away from any consideration of Combined Heat and Power, probably the single best technology for maximizing efficiency, albeit, through the use of fossil fuel combustion. What we will probably see is legislation on efficiency for everything but industrial energy. However, nothing may happen. There is current controversy over a natural gas subsidy bill that will provide subsidies to Natural Gas companies for developing the infrastructure to use natural gas as a transport fuel to increase demand and increase the cost to industry who use it for both fuel and feedstock. One thing for sure, as the cost of energy increases, the prospect for energy efficiency applications improves. The old adage comes to mind, "Follow the Money." It is interesting to watch the dynamic of how the players and rent seekers are moving to raise the cost of fossil energy to levels where renewables are now justifiable and fossil energy is eventually delinked from the GDP.

Environment

There is much more happening on the environmental side than the energy side and much of the detail is in the Committee Minutes from last week's meetings that should be up on the members' only side of the website by the end of the week or early next week. As of today all of our Administrative Reconsideration requests and Petitions to the Courts on the Boiler and Area source MACT, CISWI and NHSM (Fuel Definition) rules are submitted. We expect we will be filing a request to the courts to Intervene on behalf of EPA on the Boiler and Area source MACT and CISWI to support EPA on the Work Practice Standards, use of surrogates, limited use subcategory and other issues that bring flexibility and reasonableness to the regulation. These must be in by Monday, June 20th. Considering the detail in the Committee Meeting minutes on topics such as cooling water intake Phase III and RCRA ash regulations, there are only two pieces that need to be covered here. First general question is, considering the Stay of the rule by EPA, and the court activity, when will I have to be in compliance? While we will probably know more in August at the Industrial Emissions Control Technology Conference, we are continuing to say maybe we will have one additional year for compliance and companies will have to begin making compliance direction decisions by no later than the end of this year, first quarter of 2012, however, litigation might impact this timing too. Any new rule modification published under reconsideration will become the basis for ongoing litigation and will be the rule to which we must comply. We expect actual plant closing or equipment purchase decisions will not be made until after the final reconsideration is published. The second item relates to the cost of the final rule. We have completed the cost evaluations of the final rule with URS and a copy of Amy Marshall's presentation is up on the website with the Committee meeting minutes. While there has been an improvement in the overall cost projections from \$22.6 Billion in Capital Investment required for compliance with the proposed rule to \$14.4 Billion for final rule compliance, based on using what we learned from IHS Global Insights regarding the proposed rule, this still equates to putting an additional 224,000 jobs at risk. You will be hearing more about this after the Fourth of July Holiday. The database and all supporting materials should be up on the Members' only website on Friday.

Technical

Last month's Fluidized Bed Combustion (FBC) XXIV Conference in Hershey, PA was very successful and well attended. Surveys by attendees indicated that the information presented was timely and pertinent. The tour of Evergreen Community Power's new CFB unit was a highlight. The Focus Group Session on PM and Hg Measurement & Monitoring at the June Quarterly Meetings was very timely, informative, and well attended. Topics presented and discussed were: PM and Hg CEMS by Brian Conway of Sick Maihak, Inc., A Perspective on Mercury and PM Monitoring and Measurement by Vince Brisini of Leonardo Technologies, Inc., and PM CEMS Experiences at Warrick Power Plant by Scott Darling of Alcoa, Inc. and Dan Todd of Air Quality Services, LLC.

CIBO 2011 Meetings

Industrial Emissions Control Technology Conference IX and Regulatory Workshop
Portland, Maine
August 1-4, 2011

Technical Focus Group/Environmental & Energy Committee Meetings
Arlington, VA
Sep 13-14, 2011

33rd Annual Meeting
Lago Mar Hotel
Ft. Lauderdale, FL
Oct 12-14, 2011

June 2011

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Government Affairs

CIBO continues to provide education and updates for Congressional staff regarding Boiler MACT and the whole suite of our issues. We explain the importance of legislation and regulation being reasonable, and the potential impacts on our facilities if it is not. At the end of our March and June Quarterly Meetings, a large number of CIBO members participated in our Capitol Hill visits to the staffs of 16 senators-- half of them newly elected. Many believe it will take significant pressure and guidance from both the Senate and Congress to get EPA to take the time it needs to write a reasonable and achievable BMACT rule under the reconsideration process and to defend it in court later on.

Industrial Emissions Control Technology IX Conference - August 1-3, 2011

Regulatory Compliance Workshop - August 4, 2011

Holiday Inn by the Bay, Portland, Maine

This conference will focus on Industrial, Commercial and Institutional boilers and energy generation systems in light of the recently promulgated Boiler MACT, Area Source, Commercial Industrial Solid Waste Incineration (CISWI), and Waste/Fuel Definition Rules. The conference will focus on dissecting these rules to better understand their timeliness, control and compliance options. Topics include Boiler and Area Source MACTs, State SIPs, PM, SO₂, NO_x, GHGs, CATR, Fuel Flexibility, Energy Efficiency, and New Technology Operations & Performance. Also included are Owners', Manufacturers' & Suppliers' and NGO & Regulators' only forums to help generate valuable discussion between the groups resulting in a truly beneficial conference for everyone. In addition, a Regulatory Compliance Workshop with Regulators, Technology Developers, and Owners & Operators will help bring it all together. Check out the detailed program and on-line registration on the CIBO website under 2011 Calendar. The Hotel cut-off date is June 29th. Because of the demand for hotel space the first week in August, you should make your reservations early. More than half of our room block was already gone last week and the probability of space available at our very good rates is very low after the cut-off date.

From the President's Desk – Bob Bessette

As this goes out, I am probably one week or less from a vacation that will get me back to the environment of sun, surf, sand and sky at the beach to fish, fly kites, relax and enjoy 8 of our 11 grandchildren. It is always good to be somewhere where you can appreciate what we work for. And, it is refreshing to know that my children and their spouses, who support themselves and their families, all have jobs. I guess that helps make a vacation, a vacation. If you need me between June 24th and July 11th, the office can track me down. I may occasionally check the Phone 703-231-5496 for Email and voice messages. I hope you all have a great vacation this year as well.