Energy

Someplace in every conversation about energy, we tell people it is impossible to make or do anything without energy. Food is energy. Without the energy piece, the Btu’s/calories, it doesn’t matter how much clean air there is, how much clean water there is how many vitamins or minerals there are in food, as long as there is water, air and food, because it takes energy to clean the water and generate the food we eat and clean the air as best we can in the process. As you look around the world today and throughout history, most of, if not all, the problems have come about because of the need for energy/food. Over the last months, we are seeing greater awareness of the nexus of water and energy, energy and water, agriculture and energy and energy and agriculture as we have been involved with since the first days of CIBO with energy and air and air and energy. Senator Murkowski has been a leader on these issues drafting white papers addressing the issues in a way to foster a balance in policy to the real benefit of the American people and her State, Alaska. We are trying to get one of her staff to come over to the June Committee Meetings to talk about what is going on. As you probably have heard, there will be no vote on the bi-partisan supported Shaheen/Portman Energy Efficiency Bill or the Keystone Pipeline. Senate Majority Leader Reid pulled the bill when the Republican minority wanted to add five bipartisan supported germane amendments to the efficiency bill that would in all probability pass, thus forcing the President having to sign or veto bills that the environmental community within the White House does not support. We will hear more about these happenings in June at the Technical Focus Group, Energy & Environmental Committee Meetings.

There was a great report talking about the economic benefits of coal <http://www.ncpa.org/pub/ba573> by Gene Trisko, a coal and industry friend, that takes a different approach from the standard “Kill Coal – Coal-is-Bad” approach and looks at the positive benefits and economic impacts. Sometimes we forget to talk about the good that something has to offer and focus only the negative economic and social impacts as we promote only the “potentially” positive impacts of the alternatives. As more information continues to come out assessing the cost and social and economic impacts (positive and negative) of energy technologies and the related energy policies of this Administration, there will be a better chance for a balanced and reasonable outcome. We must remember, every time energy is considered, that any policy or action that raises the cost of energy, for whatever reason, disproportionately impacts the poor, less fortunate and retired people on fixed incomes.

Environment

From the last newsletter, EPA has reaffirmed that they will complete the Coal Ash rule by December 19th of this year. We have no doubt they will do it.

It is interesting how the Effluent Limitations Guidelines will probably go past the May 22, 2014 final rule date. [What is today?] And, how the Waters of the United States expands EPA authority to cover just about any water droplet falling someplace on U.S. land; and, how the Vision Area 4 (Water Quality) of the Response to Climate Change by the National Water Program links water quality to precipitation and temperature. It looks like everything is playing out for something big to come out after the elections. 316(b), the final cooling water intake rule came out on May 19th. The applicability threshold is now 2 MGD (around 1,400 gal. or 186 cu. ft. per minute – about the size of one of those “Cube” toaster look-alike cars) in lieu of 50 MGD while limiting the ability of the facilities to work collaboratively with state and local officials. Is this another White House environmentalist power grab and stab at states’ rights? It fits with the Kill Coal and combustion mentality raising the cost of using coal and conventional – ENERGY – fuels and indirectly supporting the wind and solar renewable technologies. Not much has moved on EPA part regarding Boiler MACT. We talked about Start-up/Shutdown at the recent Fluidized Bed Combustion XXVII and Stoker Fired Operations and Performance Conference with both the owners and the suppliers. It was interesting that the suppliers were more conservative in their designation of time and capacity to determine the point of normal operation. That information will be passed on by the EPA when the notes are finalized. There is no word on when the re-reconsideration will be finalized. The current focus of the White House directing EPA is on the GHG 111(d) NSPS for existing sources due June 2nd. Based on the costs estimated by IHS Energy for the Chamber of Commerce indicated the rule could cost $50 BILLION and 224,000 jobs PER YEAR through 2030. As this administration went after us and our HIS study on boiler MACT back in 2010, they are probably a little busy at this moment in time and Boiler MACT may get to take a back seat for a while. However, the litigation will be starting up again and compliance plan implementation of the existing limits should be well underway at most facilities. We will hear more about that when we get together on June 10 and 11 for the Technical Focus Group, Energy & Environmental Committee Meetings.
Fluidized Bed Combustion XXVII & Stoker Fired Boiler Operations and Performance Conference
May 19-21, 2014 at the Hershey Lodge, Hershey, Pennsylvania

The conference is expanded to stoker and all solid fuel fired boilers because of similar operational and performance concerns. All indications and remarks from the participants show this as being one of our best ever. With the implementation of Boiler MACT and MATS now involving the operations people at the facilities, there was very good discussion regarding the reality of the current situation - what can and cannot be done? The candid discussions during the Sorbant's Panel and the Operations and Performance Panel along with the plant tour of the Westwood Generating Station were highlights of the meeting. Next year the conference will expand the focus again to include all solid fuel and those operations and performance issues associated with any boiler. The conference summary and presentations should be available in a couple weeks. Check with CIBO staff if you were not a participant and would like one. Cost for a USB flash drive with presentations is $50 for CIBO Members and $100 for non-members.

Technical Focus Group, Energy & Environmental Committee Meetings –June 10-11, 2014
Arlington, VA

Focus Group Topic is “Performance and Certification Testing for BMACT and MATS.” Key topics of Committees to be addressed include:
Energy Assessments Case Studies for BMACT Compliance; Forces that will Drive Electric Power and Natural Gas Prices; BMACT Major Source, Area Source, CISWI & NHSM Reviews and Compliance Concerns; Litigation and Reconsideration for BMACT Suite of Rules; 316b and Effluent Guidelines; Proposed Rulemaking to Define Waters of the US; and Coal Ash, GHG, Litigation, and NAAQS Updates.

Industrial Emissions Control Technology XII & Natural Gas Workshop – August 4-7, 2014
Portland, Maine

Environmental compliance is not an option! Area Source Boilers should have been in compliance on March 21, this year. Major Source boilers have until January 31, 2016 (17 months from this year’s conference). A one year extension, for valid reasons, to January 31, 2017 will be supported by US EPA and should be obtainable from most states. At this point, there is no indication that the compliance dates or limits in the rules will change prior to the current compliance date. It is also believed any changes that might come as a result of the ongoing litigation would result in a remand for EPA to fix the rule while industry complies with it as is. As such, this year’s IECT Conference and Natural Gas Workshop will focus on Environmental Compliance - Who is doing what; how are they doing it; what are the results of alternative technology demonstrations; who is converting to Natural Gas and how; and what are the possible implications of the litigation and other rules coming down the pipeline? As we move from planning to implementation, networking (with peers, suppliers, engineers and regulators), case studies, real time compliance experience, and the transition from planning to implementation will be the prominent markers for this year’s program. Registrations have been coming in. If you have not reserved a room you might want to do so soon. As of this writing, and after adding ten spots for exhibitors to last year’s space, we only have one table left. Check out the agenda and registration on the CIBO Website at <http://www.cibo.org>.

From the President’s Desk – Bob Bessette

If there is anything that CIBO is good at, it is bringing together the collective understanding of the rules and regulations, the technology and operations and the energy sources and their applications to figure out how our members can produce the energy needed for their companies to make the products and provide the services that makes America the best in the world. At this time as we shift from compliance planning due diligence and strategic compliance decision making to plan commitment and implementation, this is where true benefits of CIBO are found. We saw this at the March Technical Focus Group, Energy & Environmental Committee Meetings and at the recent Fluidized Bed Combustion XXVII and Stoker Fired Operations and Performance Conference and how the rest of this year’s activities look to be shaping up. The next two years will be critical for the industrial, institutional and small independent power produce and the suppliers of the equipment and services to those industries.

The impact of the Polar Vortex this January is still being felt. This is the time to stay or get actively involved. If you would like to talk, give me a call.