

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

BoilerBlast News[®]

WELCOME NEW CIBO MEMBERS

**ABB Inc,
Karges-
Faulconbridge,
and
Primary Energy**

Upcoming 2013 CIBO Meetings & Conferences

**EE/Technical
Committee Meetings
Arlington, VA
Dec 3-4**

We Proudly Profile

**[ESI Inc of
Tennessee](#)**

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Annual Meeting Highlights

CIBO's 35th Annual Meeting was filled with great information, activities, plenty of discussion and valuable takeaways for all. As we enter 2014, our understandings from the presentations and discussions will be invaluable in helping move our issues forward. All things considered, CIBO is doing very well, and we will be looking to do even more next year. **Scott M. Darling**, Alcoa, Inc. and **John (Jay) Hofmann**, Trinity Consultants, Inc. were re-elected to the Board of Directors. The Board elected **John C. deRuyter**, E.I. DuPont de Nemours & Co. as Chairman; **Mark E. Calmes**, Archer Daniels Midland Company, Vice Chairmen; **Carl R. Bozzuto**, ALSTOM Power, Inc. Secretary/Treasurer; and **Robert (Bob) Bessette**, President. **John (Jay) Hofmann**, Trinity Consultants, Inc. was awarded the 18th Annual **Bill Marx** Thorn-In-The-Side Award. Check out the meeting minutes and presentations posted on the "Members Only" website. Next year's 36th Annual Meeting will be held October 15-17, 2013 at Hotel Santa Fe in Santa Fe, New Mexico.

Energy

Energy, we all agree, impacts everything we make or do. Yet it is at the same time it is the most assumed/trusted/taken-for-granted. Someone once said the "E" on the gas gage of an automobile was for "Enough," because there is either more than enough or less than enough. Once you get used to the price and find a way to survive, then there is only more than enough and anything else is more important than Energy. At the Chamber of Commerce's quarterly economic briefing, an automotive manufacturer's chief economist said we are now used to \$3.00 Gasoline. Five years ago it was less than \$1.90. And, when it went to \$2.99/Gal. this week, energy was put back on the back burner and not even mentioned at the economic briefing. With the expected further decreases between now and the end of the year, the need for the legislature to pass an energy bill decreases. This could be further supported because the Administration's driver for any energy legislation is not lower cost energy but CO2 reductions that can be more easily justified with higher cost energy. Of course to help complicate the issue, there is a greater impact of higher energy costs on those people in the population who can least afford to pay for it. As we can see from every corner of the Executive Branch: DOE, EPA-air, EPA-water, EPA-waste, Interior, Commerce, Education and the rest, that does not seem to be much of a concern. The Obamacare debacle could surely distract the Congress and Senate from any meaningful energy legislation and allow the Administration and courts to do exactly what the Administration has been trying to do.

During the December Committee Meetings, we will be discussing these issues and how we will be focusing and increasing our energy advocacy activities. We are continuing to work with MIT's E2e Group to try to find a way to assess the subjective side of the energy efficiency decision making process – if it saves money why has it not been done? This is not an easy question to answer when it is technically, economically and different for each project, plant and corporation. It is one of the questions that most companies do not want to consider because of the potential consequences of what the answer might be. **Jason Philpott**, Eastman Chemical Co's, presentation at the Annual Meeting provided an excellent example of the positive and negative consequences to all the stakeholders in the energy/environmental decision making process. Check it out on CIBO's Members' Only Website.

Environment

When we leave the December Committee Meetings, there will be only be 108 days before Area Source boilers have to be in compliance on March 21, 2014. If you take out 5 days for the Christmas Holidays and 15 weekends, that is only that is only 88 days if you assume you have to work all day on Saturday. If Saturday is off, there are only 73 work days left. There will not be too much more than that before a company has to have its Major Source Boiler MACT compliance plan ready to go to the State EPA and be able to ask for a one year extension if needed. After June 30th there will only be 19 months before January 31, 2016, the Major Source compliance date. That is probably the amount of time it would take assuming 90 day permitting time and no delays on equipment, construction and startup. There are already signs of longer lead times being seen by some of CIBO's associate members from their suppliers. Because there is no "one" right answer to BMACT compliance and the cost of compliance may be prohibitive, the alternatives considered include: add the needed controls to continue as is; convert to Natural Gas; do something between the two; use new technology and process optimization; become an Area Source living under those rules; or do nothing shutting down the units at some point in the future. Early information seems to point toward conversion to Natural Gas or becoming an Area Source as an initial compliance path. We will try to get some sense of what is happening with the members during the December Committee Meetings. As we have said in the past, no one believes the litigation currently underway regarding the suite of Boiler MACT Rules will delay or postpone the need to comply with the rule, as written, by the compliance dates given above. The litigation and regulatory updates presented at the Annual Meeting were excellent without going into the technical detail covered at the Quarterly Meetings. They are on CIBO's Members' Only Website.



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We also had some very good presentations at the Annual Meeting regarding financial decision making associated with energy and environmental projects. The Focus Group session in December will expand on this and focus on risk quantification and mitigation.

On other issues: with EPA all-hands-on-deck focus on GHG activities (like Existing Unit NSPS) as their number one priority, everything else is happening but at a slower pace. However, the Environmentalists, through the courts, are trying to change the pace on their pet issues via "Sue and Settle" cases for publication of Rules on which EPA is behind. The courts did tell EPA they have to come up with a plan and time when they will publish their Coal Ash Rule. There is a bipartisan effort by some Congressmen and Senators to develop and move some language again or provide direction to EPA. As long as Senators Reid and Boxer are there in the way there is not much hope of anything moving under normal business.

Technical

Based on survey responses and members discussions, the CIBO 2014 Conferences are:

The Fluidized Bed Combustion XXVII and Stoker Fired Operations and Performance Conference will be held May 19-21 at the Hershey Lodge in Hershey Pennsylvania. As we have come to realize, the performance and operations concerns of solid fuel fired boilers are similar, and issue discussion across all units provides added benefit to all. We will be having a planning meeting/call sometime in November or early December. If you want to participate let us know so we can add you to the distribution list.

The Industrial Emissions Control Technology XII Conference and Natural Gas Conversion Workshop will be held by popular demand again at The Holiday Inn by the Bay in Portland, Maine, Aug 4-7. With Natural Gas rapidly growing as a compliance option to emissions controls for MACT, the Thursday Natural Gas Conversion Workshop should again be a highlight.

If you would like to participate in the process let us know so we can add you to the contact list. Your help, comments and suggestions are welcomed and appreciated.

Annual Membership Survey Results

The annual survey results are posted on the "Members Only" website, as well as, the Annual Survey Report given at the Annual Meeting. We would like to thank all who provided valuable feedback in the guidance of CIBO's strategy development and allocation of resources for maximum benefit to members.

Focus Group, Environmental, Energy & Technical Committee Meetings –Dec. 3-4, 2013 Arlington, VA

Focus Group Topic is "BMACT Risks and Quantification/Mitigation."

Key topics of Committees to be addressed include: Natural Gas Supply – Proven, Probable, Possible and Speculative; Natural Gas Short Term Forecast; Natural Gas Delivery; MIT E2e Study; AGACT Area Source Review; BMACT Major Source Review; Litigation and Reconsideration for BMACT Suite of Rules; Ozone Implementation Rule Issues; PM2.5 Annual Standard; and Coal Ash, GHG, Litigation, NAAQS, and Water Issues Updates.

2014 Conferences & Meetings Schedule

Next year's conferences are scheduled and venues selected.

The Fluidized Bed Combustion XXVII and Stoker Fired Operations and Performance Conference will be held May 19-21 in Hershey Pennsylvania.

The Industrial Emissions Control Technology XII Conference and Natural Gas Conversion Workshop will be held by popular demand again in Portland, Maine, Aug 4-7.

If you would like to submit a presentation, topic for consideration, or assist in the planning, send an e-mail to gail@cibo.org.

The Quarterly Committee Meetings at the Radisson, Crystal City, Virginia will be the Tuesday and Wednesday of March 4-5, June 10-11, September 9-10 and December 2-3.

The 36th Annual Meeting will be held at Hotel Santa Fe in Santa Fe, New Mexico on October 15-17.

From the President's Desk – Bob Bessette

We welcome three new members: ABB Inc, Karges-Faulconbridge and Primary Energy. Vermont State Representative Heidi Scheuermann's presentation at the Annual Meeting continues to resonate with me as everything seems to get crazier in D.C. every day. She said, as we have heard many times, all politics are local. She also said the locals do not understand technical talk. They understand the way the environmentalists talk. The best technical arguments you can make are dismissed. As we move down the path we plotted in October, these thoughts will become increasingly important as we frame our message. During the strategic planning session last March, we found we identify with public perception of energy and environment more so than any of our other stakeholders. How we get them to understand and believe us in the midst of environmental misrepresentations, half-truths and outright falsehoods will be a challenge – a challenge we are definitely up to.

Please see the next page for our Member Profile of the Month:



For over 35 years, ESI's primary business has been the sole source engineering, procurement, and construction (EPC) of steam and power facilities. We utilize our expertise and experience to provide innovative, cost-effective, and environmentally-proven solutions for client utility needs. Our highly specialized focus allows us to compete successfully against much larger firms and position ourselves as the SPECIAL FORCES® of the steam and power business.

Headquartered outside Atlanta, ESI has registered professional engineers in all major disciplines of plant design allowing us to perform 100% of the design engineering in-house. Our services include engineering, procurement, construction, commissioning, and training for the complete range of utility systems and a wide variety of fuels.

ESI has a competitive business model that begins with our purchase of technology and equipment at the point of manufacture and assembling all systems ourselves. We are technology neutral and strive to provide our clients with the best projects available by considering safety, quality, technology, schedule, risk, capital and operating costs as an integrated solution. For more information visit <http://www.esitenn.com> or Contact Jay Garrett jgarrett@esitenn.com 770.427.6200