Energy

Gasoline prices probably continue to be the general indicator of either personal or corporate growth on a national and international scale. At $50.00 per barrel of oil or between $2.30 and $2.50/gallon of regular gasoline, there seems to be balance point between public and private growth. While that affects the energy production sector, that does not necessarily hold true for the manufacturing sector that depends on both thermal and electrical energy for making the products that generate our standard of living. Anything that raises the cost of energy (including environmental regulations) directly impacts the cost of our products – which for our institutional members could be the cost of a college education. This directly impacts our standard of living and the availability of jobs from private sector growth, and in turn, the long term sustainability of our members. CIBO’s job to help our members as they define sustainability and develop and implement sustainability goals and objectives that has only just begun. As we discussed during the last Committee Meetings, sustainability can be likened to a three legged stool. When balanced, the seat is flat, perpendicular to the ground, and usable. The three legs are, Energy, Environment/Climate Change, and the Economy (social standard of living). Try imagining sitting on this stool with the Energy leg removed, or with the Environment leg twice as long as the other two. CIBO is still commenting with the Chamber and NAM any time this Administration tries to use the Social Cost of Carbon (Around $40/ton) to justify energy efficiency regulations. There has been some excellent work done recently regarding the relative negative impact of energy costs on various population sectors confirming that the poor and less fortunate are disproportionately more impacted than the rest of society. These are the people the Administration and ENGO community claim to support. The Energy Committee is working to have a plan and strategy for adoption at the Annual Meeting to address our members’ needs at a time when we are seeing unprecedented environmentalist pressure and the retirement of a generation of energy expertise and practical experience.

Environment

The Environmental Committee Meeting minutes and the presentations are up on the Website and will give you a good sense of what is going on. Not much on regulatory development and finalization since the last newsletter. However, there is a lot more on setting industry up to make their data public so the concerned citizens of this country can sue and take them down. Nothing will happen regarding Boiler MACT reconsiderations and technical corrections codifying Q&A statements until after the Court rules – maybe by the time of our August IECT Conference. EPA is working to have someone there to give us the latest update on this and everything else that is going on. Water issues continue to grow in importance as you will see below. If you use water, you may want to begin to develop a water balance for your plant. For those who have in the past used coal or continue to use it or have legacy ash disposal sites, the utility Coal Combustion Residuals rule continues to...
move with the potential for states and citizens’
groups to drive those rules toward Industrial
applicability. There may be some help from
Congress. However, with this Administration,
we expect it will fall on deaf ears and be
vetoed should it ever get to that point. CIBO
continues to work closely with the Midwest
Ozone Group (MOG) on the transport rule
and Ozone NAAQS requirements. We believe
the case can be made that there is no need for
any additional regulations for stationary
sources or maybe anything else. However,
does anyone believe the ENGO community,
who receive their funding from supporters
fighting for some environmental problem
against an identifiable enemy, would allow
this to happen unopposed? We will hear
more about this at the Industrial Emissions
Control Technology XIV Conference, August
1-3 and Modeling Workshop August 4th in
Portland and a new era of contested
permitting and environmental enforcement.
See you there.

**Technical**

**Boiler Operations, Maintenance, and Performance Conference** held
last month in Hershey, Pennsylvania was well
attended by boiler operators and engineers
responsible for making energy networked and
learned how to solve day-to-day problems
associated with running a powerhouse. The
optional plant tour was a highlight. Based on
comments from last year’s conference, some
significant changes were made this year to
include less regulatory information and more
practical operations, performance and
maintenance subject matter and discussion.
From the review of this year’s comments, we
were on target; and this format will continue
as we see operations, performance and
maintenance growing in importance at the
plant with a new corporate realization, after 15
years of environmental regulatory focus, that
operations and performance could be the
most important piece impacting corporate
sustainability. The combination of this, the
retirement of the older generation of
powerhouse personnel and their replacement
with a new generation of youngsters, and
having Natural Gas as the current fuel of
choice are the new drivers of industrial and
institutional energy production and use. The
meeting minutes were sent to attendees last
week. Technical Focus Group session on
“Strategies and Technologies to Comply with
Water Laws and Regulations Impacting
Industrial Energy” associated with the June
EE Committee Meetings was a follow-up to
the March “Water Impacts on Industrial
Energy – Clean Water Act Workshop 101”
Focus Group session and was very
informative and sparked great discussions.
Mark Gerath of Environmental Consulting
& Technology Inc. presented Clean Water
Act issues and 316(b) lessons learned. Eric
Hallman (Moderator) of Cargill Inc.
presented some interesting Case Histories, and
Ann McVey of Citizens Thermal
presented an overview of a Typical Plant
Water Balance and Associated
Challenges/Issues. Presentations and
meeting notes are on the CIBO members’
only website.

**Industrial Emissions Control Technology XIV Conference &
Modeling Workshop** will be held by
popular demand again in Portland, Maine, ,
August 1-3 and Modeling Workshop August
4th. Environmental regulations are
increasingly more complicated and difficult for
the industrial and institutional facility to
understand and comply with. Boiler MACT
may be final. However, compliance
certification, reporting, record keeping, and
living with the regulations remain of concern.
The potential of ICI NOx regulations for states
to comply with the new Ozone NAAQS looms
high on the list of some New England States
and the environmentalist who would do just
about anything to Kill Coal and not have to
wake the sleeping public by going after the
primary contributor – cars, trucks, and other
things that could spell the loss of the State
House. While a host of new regulations on
Water and Fracking are compounding the
regulatory picture, permitting new units and
modifications is increasing in difficulty. It is
almost a given that anything that needs, or
could be shown to need, a permit will be
contested by your favorite national
environmental group. This year, we will be
focusing much of our attention toward case
study compliance presentations and looking
at the latest emission control technologies
coming on line, as well as addressing the
implications of other rules that go beyond
MACT. Issues, like the Ozone NAAQS,
RICE, Turbine MACT, PSD, modeling,
monitoring, and data collection, along with the
whole host of issues that must be complied with
to keep the energy assets of your facility
operating, will be monitored. We will be
looking at some Boiler MACT natural gas
conversion permitting case studies. It is not
as easy as one might think, and portends
storm clouds on the horizon for the future.
With all the new recorded CEM information
and data availability, the information you
provide could be used by citizens groups to
create significant problems. Converting to
Natural Gas does not solve the problem in
and of itself. The conference agenda is up on
the Website. Our environmental concerns
have gotten more complicated. Modeling is
becoming a primary tool for ENGOs to contest
permits or require any new unit or
modification to be forced into permitting,
public notice, and comment. So much so, we
are holding a separate optional Modeling
Workshop on the Thursday following the
Emissions Control Technology Conference to
discuss the details of modeling and data
acquisition for compliance and permitting.
The agenda and registration are online at

**Committee Activities, September Committee Meetings and the
October Annual Meeting**

Due to DC Hotel problems, this year’s
September Committee Meetings are canceled
and will be merged with the Annual meeting
October 19-21st in Woodstock, Vermont. The
content of the committee activities will be
incorporated within the Annual Meeting, and
committee conference calls will be arranged
in the September time frame to help frame the
content for Annual Meeting discussion. This
year’s theme for the Annual meeting will be
focused around how CIBO can help our
members and industry plan, define and
achieve their Corporate Sustainability goals
and objectives. Energy efficiency optimization
and performance in a new Natural Gas era
and a retiring powerhouse work force is an
area where CIBO can be of significant help.
You should be seeing the initial draft Annual
Meeting Initial Thought Agenda and Theme
by the end of next week.

Don’t forget, we have a Fuels Sub-
Committee Webinar this week on the new
NHSM fuels – their applicability, use and
technical concerns. You should have gotten
a note last week. If you did not and are
interested contact CIBO  Cmarriott@cibo.org.
We are also considering hosting a short focus
group (1 to 2 hour) topic as a webinar in the
September time frame to expand the
Technical Committee Activities to more plant
operating personnel.

**From the President’s Desk – Bob
Bessette**

Over the last month or so I have been able to
visit a few of our members’ facilities and see
what the real world is like. When you touch a
boiler, put your hand on the back casing of a
package boiler when looking through the view port at the burner, and you can feel the energy of the combustion. It is then I realize the true energy it takes to make industry work and what we do for the country. When you are there, there is no politics, there is no Left or Right. There is, however, a renewed sense of satisfaction in what we do as CIBO, which is dedicated to ensuring that non-utility industrial, commercial, and institutional energy producers can continue to provide safe, cost-effective, and reliable energy to sustain a strong and globally competitive economy. Thank you for letting me visit your plants and recharge my batteries.