



# Boiler Blast News



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

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**Energy** - The age of transparency is here. A story in Inside EPA's Environment Next, "Duke Energy draws scrutiny over carbon neutrality goal" is a harbinger of what is on the horizon. Duke is using natural gas to be able to back up the solar and wind when the sun doesn't shine or the wind doesn't blow. The environmental activist groups are evaluating what companies are doing or not doing. They are saying, because Duke is not committing to shut down its Midwest coal capacity they are labeling it "Public Energy Enemy No.1" – not a good moniker if a company was trying to sell products into a competitive market. In the world of social media, with instant communications and demand for social responsibility, there will be a value placed on efficiency, conservation and energy reductions to support sustainability projections and activities. Talk will no longer be able to satiate the public demands. It will take projects and publication of the positive results. Awards and

accolades will have value. Getting those is where CIBO can help.

CIBO's document "Industrial and Institutional Energy,"

<https://www.cibo.org/wp-content/uploads/2019/09/CIBO-Energy4.pdf> identifies the need to include the use of Thermal Energy (heating and cooling) in the sustainability discussions. It is the BTU's, the cost and availability of those that must be considered. The conversion of electricity at 10 cents per KW to BTUs is about \$29.00 Per Million Btu's. That would be \$2.90 per Million Btu for each 1 cent per KW. There are times when Natural Gas can be purchased for less than this.

As we enter the age of electrification the seamless integration of the electric technologies, transportation and the grid with industrial and institutional energy operations and utilization will be the challenge. Policies that directly or indirectly increase the cost of electricity could pose serious economic problems for those

companies and at risk populations that do not have the ability to adopt, or cannot afford, increasingly sophisticated controls and technologies to mitigate the increasing costs.

We see more indications that electrification and the integration of renewable energy within the national grid is moving forward. In a FERC News Release on September 19<sup>th</sup> "FERC Proposes to Modernize PURPA Regulations" it talks about the changes in the renewable resources, competitive power markets, abundant Natural Gas and tremendous technology advances leading to a need for the Commission to modernize its interpretation of PURPA. Comments will be due 60 days after publication in the Federal Register. This year's Annual Meeting will be addressing these issues. There is still space available.

**Environment** - As we saw with Duke Energy above, the

environmental organizations are not going away and are getting much more active. With the environment and Climate Change being one of the major legs of the 2020 Democratic campaign platform and a prominent point of differentiation between the multitude of potential nominees, the ENGO community is emboldened to challenge anything and everything that may or does come out of Trump's EPA. As such, it has been difficult for the Administration to accomplish what it has and more so what it would like to do knowing anything it does will be challenged in the courts and on social media. Two issues of importance for our members MM2A (formally Once-In-Always-In (OIAI)) and Project Emissions Accounting (PEA). We are working in a coalition with the major Primary Trades to generate comments. MM2A comments will be submitted after the close of a new Reopening of the Comment period this week; and, the PEA comments are due Tuesday October 8<sup>th</sup>. Both sets of comments support EPA (with constructive recommendations) and make extensive use of industry examples showing the environmental benefit for these rule changes. If you have not seen these and would like a copy to review, let us know. On Boiler MACT, we are getting closer to having the litigation complete with the finalization of the reconsiderations and remands. It is now only one step away from going to OMB for final review prior to proposal. You will hear more about this at the Annual Meeting. While we know the limits will change for some of the categories, they are not something that cannot be accomplished. CIBO sent out a MACT emission costing tool last year and those limits are still expected, give or take a little. If you are burning or are thinking about burning biomass you might want to pull that out again and take a look at it for your units.

Water and Ash are still active and we will get the latest update from Lisa Jaeger, Bracewell LLP, at the Annual Meeting.

The Annual Meeting agenda is on the web site. <https://www.cibo.org/annual-meeting/> We will be looking at how what is happening will be of concern to us and our members today and in the next years. The December Committee Meetings will get into the details of the issues and what we will have to do to adjust, mitigate and/or support EPA in their efforts. The December Meetings should be great.

**Technical** - We will be having a technical issues discussion session on Friday Morning October 18<sup>th</sup> at the Annual Meeting. This is always a good session to understand the important technical issues facing our members. If you are not going to be there, you can send Candy Marriott [cmarrriott@cibo.org](mailto:cmarrriott@cibo.org) your thoughts and suggestions to be brought up during the session. The information gathered here provides much of the basis for the content of the Maintenance, Operations and Performance Conference in Hershey, PA next year and technical forum sessions as part of the D.C. Committee Meetings. One of the Technical Committee Highlights was the Implementing Sustainability Conference at the beginning of this month.

## Implementing Sustainability Management and Best Practices Conference.

In September some of the country's best corporate, academic, government and consulting energy engineers and

experts got together to discuss the art of implementing and justifying sustainability projects and calculating their benefits. From a presentation on energy efficiency (what is it) to the application of electric boilers (in today's world they can be justified) to renewable energy to sophisticated controls and then closing with a great case study of the Michigan State University sustainability activity, the program was great. We learned it is possible to find ways to implement the goals and objectives of our companies and institutions and that to do this we may have to go outside the past conceptions of what the power plant and industrial and institutional energy is. We also learned by working together we can get the most for our companies the quickest and easiest way.

## 41<sup>st</sup> Annual Meeting

October 16-18, 2019      Stowe, Vermont

In three weeks from now we will be in Stowe, Vermont talking about the reasons behind everything mentioned and what we can do about it. It is hard to imagine a future different than the past. That will always be the case. If we could see more clearly the trends and drivers that are promoting the change, that could help tremendously. The theme for this Annual Meeting is "20/20 vision for a Sustainable Energy Future." The environment we live in is so complex and integrated it is hard to see beyond the entrance to the labyrinth. With possibilities of the Impeachment of the President and the 2020 elections and a wild swing in climate change and environmental regulations possible, it is even more difficult. This Annual Meeting should be one of the most interesting and important ever.

## **From the President's Desk – Bob Bessette**

Last week I was down in RTP with EPA giving a short class to some of their new people and contractors who will be working with industrial and institutional boilers. We talked about how they work and the limitations of the materials and combustion dynamics and potential for emissions. It was good. However, I think the most important take away from the meeting was a discussion that centered on a question asked a long time ago by a Senate staffer, why do you need steam anyway? When you look at the “Industrial and Institutional Energy” paper, and think about the need for thermal energy, for anything, and you turn the page over and look at the cost and efficiency of generating thermal energy from boilers and steam versus from electricity the answer is there. In today's world of electricity, very seldom do we think of energy other than in the form of electricity or maybe gasoline – but that is not the same. In any case, I believe implementing sustainability, in the fullest sense and understanding of the term, will be the future of CIBO. Looking for it and seeing it clearly will be the challenge.