



Boiler Blast News



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Government Affairs - By this time, I doubt it is possible to find anyone not familiar with or impacted by mandates and requirements seeking to limit the spread of COVID-19. Much of what is happening here is directed at COVID-19. As we heard at the meetings last week there is other work going on as well. We are close to having an Energy Bill out of the Senate as negotiation regarding the ability to continue to use HFCs in large industrial and institutional applications continue. However, there are not many days remaining this year and that might not happen. With a Global Pandemic called by the World Health Organization (WHO) and a National Emergency called by our President, everything is going to take longer than expected. This will have an overriding impact on everything through the end of the month, at the very least. Everything is moving, all be it slowly, practicing social distancing, remote working when possible and electronic communications except for critical needs.

Energy - As we heard from the Senate Environment and Public Works Committee and Paul Cicio of IECA, we have what could be a reasonable Energy Bill S.2657 that could help as our companies move forward on their paths to implement sustainability goals and objectives. Natural Gas prices and supply continue to support very low prices and, once

again we hear of long-term contracts at less than \$2.00/MMBtu. With most States, if not all, by now closing all schools, restaurants and bars and places where more than 50 people can gather for at least two weeks, the demand for gasoline has dropped and with that the price to a point where it is not mentioned in most, if not any policy conversations including those associated with implementing sustainability goals and objectives.

There have been actions at the state level to drive Green House Gas (GHG) reductions with commitments to achieve ZERO Net GHG by 2050 and an attempt to do it by 2030 in the case of New Jersey. In a stakeholder meeting in New Jersey, the long-term strategy is for full electrification including boilers. CIBO's Information Paper on Industrial and Institutional Energy and the Common Fuel/Thermal Energy Relative Cost Comparison graph on the back page of that, have proven very helpful with the environmental community regarding Environmental Justice (EJ) and the potential adverse impacts on at risk communities. Here is a link to that paper <www.cibo.org>. If you would like hard copies for distribution, let us know. We are also happy to send anyone the Excel Spread Sheet that was used to develop the numbers for the spreadsheet so they can plug in their own cost numbers. It is an interesting graph when the cost of electricity is

increased from \$ 0.10/kwh to \$ 0.20/kwh and the Natural Gas numbers are decreased from the \$0.50/Therm to \$0.20/Therm. There is a growing understanding that if any climate change commitment is to be achieved, thermal energy will have to be addressed. That is where CIBO is at its best.

Environmental - For those of you who have complied with Boiler MACT and pretty much forgotten about it, Jay Hofmann's presentation at last week's committee meetings is a very good refresher now that the final reconsideration rule incorporating all the court requests from their remand is at OMB. At this point, we are supportive of what we think is in the Rule as we have distributed to our members. Of course, as the rule goes through interagency review, it is possible to change. We will not know what is there until we see it. We have suggested a short comment period to get the rule final ASAP. We know whatever becomes final will be litigated. For the ENGO community the CO 130 PPM standard is a way to get to the gas fired boilers as an initial MACT rule without the need to consider cost. It could also be a way to get the courts to remand the standard and direct EPA to begin again with a new Information Collection Request for a MACT on MACT on MACT with the possibility a new Administration. There are plenty of other issues, water, NSR, NAAQS, and reporting and record keeping just to stay in

business. Did you know, the current civil penalty for a Clean Air Act environmental violation is now over \$100,000.00 (Per Violation, Per Day) Make sure your records and reports are up to date and accurate and not missing any requirements. The presentations from the meeting are up on the CIBO Members Only website with the meeting summary.

As of March 13th, we have a decision from the Court on Start-up Shut-down in the MATS case. From the SSM Coalition, (Chesapeake Climate Action Network v. EPA, D.C. Cir. No. 15-1015). The decision simply requires EPA to reconsider how it defines the end of startup periods for utility boiler MACT standards, in light of objections raised in a Sierra Club petition for reconsideration that the Court held EPA wrongly denied. But the Court's discussion of the issues raised in that petition for reconsideration has implications for EPA use of work practices under CAA section 112(h) as an alternative to numerical emissions limitations during SSM. Importantly, from the perspective of the SSM Coalition, the opinion contains numerous statements emphasizing that work practice standards cannot be used if emissions can be measured. For example, "But nowhere in the 2013 TSD or the 2013 Proposed Rule does EPA express its belief that emissions are immeasurable from the point of electricity generation until the APCDs become operational."

While it would be nice if the ENGO community, the courts and the government in general would take a break from all non-COVID-19 regulatory activity. As people are required to stay in one place and work from their computers, we may see more being done without meetings and distractions. CIBO will continue to keep you informed by email and via the Higher Logic community based website. The web site can give a bit more detail. The December Meetings should be great.

Technical - We had a great discussion on the potential for recycling plastics via combustion and the generation of energy. As more and more emphasis is placed on the circular economy and the need to recycle plastic in lieu of disposing of them in landfills, it is possible to recycle most but not all plastic because of how waste is collected. That is where the conversion to energy could be justified. However, with the cost of natural gas at less than \$2.00/MMBtu, it is virtually impossible to pay for the handling, storage and environmental controls needed to burn plastics

and be competitive. It would need a tipping fee, tax credit or some additional value added to make waste plastic competitive with Natural Gas.

Regarding CIBO's **Boiler Operations, Maintenance and Performance Conference** in Hershey, Pennsylvania scheduled for May 11-13, we are currently working with the hotel in light of the current COVID-19 directives and closures. We are considering all possibilities including moving it to later in the year, depending on space available, or cancelation as the situation develops and travel restrictions are, or are not, lifted. In any case, we will have a decision before the middle of April. CIBO's conference is still the only place where industrial and institutional energy, "Thermal Energy and Electricity that is," are considered from the plant operations perspective. This will be the point where meeting corporate global GHG commitments will eventually land.

The Industrial Environmental Control Technology Conference and Sampling and Testing Workshop scheduled for July 27th - 30th in Portland Maine is on schedule and coming together with Kristine Davies of Trinity Consultants, Inc. as Chairperson. The conference will focus on understanding and implementing the changes this Administration has made to NSR, permitting and how sources comply. By that time, we will all be looking to get out of the house.

The September 15th and 16th meeting facilitated by Combined Heat and Power Alliance, and the October Annual Meeting should be fine and are in development as planned. We will have more about these in the coming weeks.

From the President's Desk

– Bob Bessette - I have always been under the belief that God has given us or will give us everything we need to handle difficult times. Some of you may know, being as old as I am, that I was involved with the Continuation of Government (COG) program during the cold war and for a number of years after that. We did not have the communications then that we now have. For what it is worth, we worked on potential national emergencies to keep and get the government up and running and protect and help the people. The Emergency Operations Centers work. And, it is impressive to see it working to limit the invisible virus COVID-19 to minimize the peak and number of deaths from the infections. While this is good and will help,

it will not fully help those who do not follow along with social distancing, washing their hands, maintaining situational awareness and not going to places with increased risk of COVID-19 exposure. Until we have a treatment protocol and a vaccine the risk will remain high. We will be following the situation and activities to make sure our members have the best and timely information. To do that, if one of the primary contacts for our members is out of commission for any reason, we are asking our members to give us one or two additional contacts in the event we need to get critical information to the company. Remember, you cannot make or do anything without energy. If we have an energy problem during this emergency, as the saying goes, "Houston we have a PROBLEM." We don't want to be caught in the outhouse reading the newspaper.