



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

# Boiler Blast News



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## Energy / Sustainability

The Missing “Es” in Energy, Environment and the Economy are “Energy,” now sustainability, and “Economy,” now social responsibility. Anything that could be related directly to cost has been eliminated from the discussion of climate change in support of Global Sustainability and Net Zero GHG & environmental emission goals and objectives. For those of us who have to make the energy to facilitate the activities of our institutions and companies and businesses that depend on profitability to survive and have to relate actions to costs, there are many question still to be answered – like how do you do it? With Natural Gas prices continuing in the range of \$2.00/MMBtu or less, and the reduction in production and activity because of COVID-19, total energy consumption is down and total energy bills are down even with higher electrical energy costs to the point where energy cost is not a consideration in the pursuit of NET Zero by some date in the future. Once a promise is made by a business it will be carried out at whatever the cost due to social pressure and business survival. Right now, there is still enough “low hanging fruit” projects and activities within companies and institutions that even controls upgrade projects with less than a year payback are not being authorized. Although, as we heard over the last couple weeks within the Virtual Joint BOMP/IECT Conference “Achieving Balance: Optimizing

Energy While Meeting Environmental Challenges,” there are some very good projects being carried out that will put companies way ahead of the game when proof of performance will be demanded by the public and stakeholders at large. We will hear more about this in the environmental section below.

As we have mentioned in the past, CIBO has been working with the Combined Heat and Power Alliance on a Sustainability Conference for September addressing many of our issues of concern. They are proceeding with a virtual CHPA National Summit on Combined Heat and Power in the future low carbon world. Here is a link to the conference website < <https://web.cvent.com/event/3eef7932-ed4a-4896-8c72-28e2535d1284/summary> >. As we begin to see a need to go beyond the low hanging fruit and address our thermal energy needs, this information will be important for our industrial and institutional energy users and producers.

## Environment

Before we talk about the environmental highlights from the BOMP/IECT Virtual Meeting and three items you should pay particular attention to, we want to highlight what is happening on the greater environmental issues front. Besides the fact

that everything this Administration is doing is going to the courts for resolution, as we discussed in the last issue, we are seeing a shift in the environmental news publication headlines to one addressing global sustainability goals and objectives. The following are all from INSIDE EPA's Environment Next – latest action and thinking about environmental policymaking: <https://insideepa.com/environment-next-news/sustainability-study-warns-businesses-disruptive-esg-forces> “Local and Business Actions are Targeting Global Sustainability Goals,” “top Microsoft Official Urges Global Ecosystem Protection,” “Wood and Paper Sector Touts ‘Circular Economy’ Sustainability Goals,” “Banking group Issues First Tracking Tool for GHG Loans, Investment,” and a profile of the Global Environmental Management Initiative that brings together senior corporate sustainability leaders to develop tools and information to advance sustainability and the current challenges companies face with sustainability metrics. As we scan the issues the predominance of environmental issues relate to litigation or sustainability not to the technical nature of compliance or regulatory development. For those of us who live in this world every day, these issues may not have come down to us yet (see above) but will eventually. As we saw over the last couple weeks, there are issues that need attention.

From the report of the conference summary, Kevin Culligan of the US EPA OAQPS gave an update on the many regulatory issues under the air program. For NSR, EPA is working on some of the issues that have been identified to help making the program more usable. The comment period is closed. The new guidance on PALs is at OMB for government review. Guidance on Actual Construction was posted and comments were received. That document will go to OMB next. The Fugitive Emissions Rule reconsideration is underway. The results are expected next spring. Ethanol rulemaking is also underway. Biogenic CO2 rule making is over at OMB. The key issue is to clarify what biogenic CO2 counts as CO2 neutral.

With the proposal on the ACE rule, some rule changes were expected to NSR. Hourly emissions could be considered and used for NSR applicability. NSR rulemaking was severed from the ACE rule in 2019. The administration is still interested in pursuing action on NSR.

On NAAQS, the two most recent actions proposed to retain the current standards for PM and ozone. The impact of the New York State decision is being reviewed relative to the Cross State Rule. On Regional Haze, state plans are due in about a year for the second planning period. Guidance was issued last year.

With respect to PFAS, EPA is working to better characterize and understand the environmental impacts of PFAS emitted to air. Currently, PFAS has been a water issue. However, some states are proposing to burn some PFAS wastes derived from water, which will then create an air issue. On Boiler MACT, one issue that has come up concerns HCl from biomass burning. EPA is looking into this.

In regard to the ACE rule, some states are looking at collecting permit submittals and putting them into a package to submit to EPA. Other states are taking a wait and see attitude to see what others are doing. A few states are suggesting a “voluntary” ACE permit where some actions are taken that may not be needed to meet the rule. It is expected that a few states will be submitting something soon. A copy of his presentation as distributed to the participants is available from CIBO.

In questions related to Boiler MACT, the only major concern at this point is the new limit for New Solid Fuel fired Boilers that is 73 times more stringent than the old limit. The BMACT

coalition and EPA are looking at this to see what might be done to incorporate realistic fuel flexibility in areas where coastal and external contamination are a real concern. In a question to our members regarding potential concerns, there were no others suggested at this point.

In a question to the group regarding the possibility of an Ultra Fine PM Standard (< PM 1.0), there has been talk but no action within this Administration. That is not to say what might be on the agenda if a new Administration was to take control of our government. Along the same lines, there was a question regarding the possibility that Non-EGUs could be included within the next CSAPR Rule. Again there had been talk since the reductions from the EGU closers of coal plants has increased the relative contribution from Non-EGU sources that might have to be considered as evidenced by the New York State’s 176 Petition.

At last for this newsletter, we received notice that EPA has issued an opportunity notice to comment on its update of the Acid Gas Scrubbing Cost Manual it will use as it looks at cost projections for future rule making. While this is directed for Utility EGU’s, it now included Dry Sorbent Injection and the full range of technologies available for Acid Gas reductions. At this point we have not read the details of the manual. Initial indications is they are looking at numbers on the order of a 3% ROI and a 30 year life expectancy. SCR and SNCR may be included for NOx reduction and the only way to remove HCl from the products of combustion is some form of Acid Gas removal. All of this can have a direct impact on our units – natural gas included. As in the past, states have applied the same cost evaluations for Non-EGUs as they do for the EGU sector. We could see these numbers used if CSAPR was expanded to include Non-EGUs. I am sure CIBO will be developing comments on this request through our environmental and technical committees and along with a coalition of associations if one is formed. If you would like to participate let us know.

### Annual Meeting – Update

The suggested Theme for the Annual Meeting scheduled for October 14-16 is “Stepping into the New Era of US Energy Independence and Environmental Compliance, Heading toward a ZERO Carbon Economy by 2050. At this point, the meeting is being developed as an “In Person” and simultaneous “Virtual” meeting to facilitate attendance by all our members. For

those not able to travel due to COVID-19, the virtual Business Meeting portion during the morning of October 15<sup>th</sup> will be complementary for all Principal Representatives. It will determine the future of CIBO. The Largo Mar Resort & Club in Fort Lauderdale, Florida is currently planning to be open and available for the meeting. We will be making a decision regarding the “In Person” aspect of the meeting on September 9<sup>th</sup> to facilitate travel plans for those who can attend. Candy Marriott will be sending a survey to all our Principal Representatives and members to get an indication of those who can attend in person. Peter Tsigotis EPA Director of the Office of Air Quality Planning and Standards has agreed to present either in person or virtually depending on government policy at that time. This will be my last Annual Meeting and the Board and a number of the members are working diligently to have a proposal for a new operations structure and leader to replace Bob Bessette for CIBO to move into this new era. Changes to the Bylaws and Charter for CIBO are needed to provide operation flexibilities and maintain our effectiveness in the future. A tentative Agenda is attached with this Newsletter. In any event, it is critical you keep the morning of October 15<sup>th</sup> open for the CIBO Annual Business Meeting and keep an eye out for the survey regarding an In Person of Virtual Annual Meeting. We need your responses no later than September 2<sup>nd</sup>.

### Government Affairs

By now everyone should have heard that Senator Kamala Harris was selected as Joe Biden’s running mate for the 2020 elections. She has been a leading advocate for Environmental Justice (EJ) issues with a number of bills proposed in the last few months. EJ is the one avenue for consideration of COST and social responsibility into the sustainability discussion. CIBO’s document on Industrial and Institutional Energy (especially page two) highlight the cost of thermal energy the major reason for energy consumption outside transportation. That can be found at: < <https://www.cibo.org/wp-content/uploads/2019/09/CIBO-Energy4.pdf> >. Electrification cost money – especially for the at-risk and fixed income populations who may not have the ability to pay for the energy efficiency upgrades needed to offset the cost increases. As such our ability to bring this information in to the discussion could be

extremely helpful for our members and the country as well.

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

As mentioned above, the Board of Directors and small group of CIBO representatives are diligently working on finding my replacement. I have told the Board I will be retiring next Year (2021), before the Annual meeting. A job posting was put up on the American Society of Association Executives (ASAE) and many very good, qualified candidates responded. I am confident a candidate will be found. This is my last Annual Meeting. As I begin to look back over my time here, we have accomplished much. As I look to the future, it will be radically different than the past. COVID-19 has helped push that faster than anyone could have expected. It will be different. It will be better, different but better. As one of our Thorns has said in the past, "I'm a dinosaur. They don't need what I do today," this is probably true. The engineering, technical and practical side of energy and environmental application and compliance (the foundation upon which CIBO was built) has given way to a world of policy, perception and future expectations without the need to know how to get there before leaving the station. Someone will build the tracks as we go. Hey, you don't need tracks. Zero Net GHG by 2050, 2040, 2030... going, gone. Will the low bidder win?

### **What can CIBO do for you?**