



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

FEBRUARY 2021

CIBO Update

Since our last Newsletter, CIBO's top leadership is now complete with a new Executive Committee (Class [Years for Term]) and an Executive Director to take Bob Bessette's place on May 1st. This is great news for CIBO activities and our Members' needs. For those of you that may not have seen, our new Executive Committee:

Chair (Active [2]):

Frederick (Fred) Fendt, The Dow Chemical Company

Vice Chair (Active [3]):

James (Jim) Hoyt, Archer Daniels Midland Company

Treasurer (Associate [2]):

Daniel (Dan) Todd, Air Quality Services, LLC

Secretary (Associate [2]):

Amber LeClair, The Babcock and Wilcox Company

Active Owner Rep [3]:

Phil McKenzie, International Paper

University Member Rep [1]:

Paul Kempf, The University of Notre Dame

At large Rep (Associate [1]):

Leslie Witherspoon, Solar Turbines Incorporated

CIBO's new Executive Director is **Alex Stoddard**. Alex comes to CIBO from his recent position with the US Department of Commerce and prior experience as one of our member's Washington Office leaders during our Boiler MACT activities and in previous years working for a national trade association as Government Affairs Director after working as a Legislative Aide for U.S. Representative Olympia Snowe of Maine. Over these years Alex has honed the skills that will be needed to lead, guide and manage the operations of CIBO into the future – a future that will be very much different than that we have experienced in the past.

With the Bylaws modifications, each Active Owner, Associate and University Member has a dedicated Board Seat to directly participate in the guidance, leadership and operations of the council. A special section on the Members' only Website has been set up to provide our Board of Directors and their designated people with all information they may need for

understanding and overseeing CIBO's operations, activities and directions.

CIBO Committees have always been the foundation from which anything CIBO has accomplished has come. CIBO's Government Affairs Committee, Energy Committee formerly led by **Fred Fendt** of The Dow Chemical Company, Environmental Committee led by **Kristine Davies** of Trinity Consultants, Inc., Technical Committee led by **Mike Zebell** of Environmental Resources Management, Membership Committee led by **Mark Bitto** of ABB, Inc., and CIBO's Communications, Education and Outreach committee, led by **Jay Hofmann** of Trinity Consultants, Inc., are where the real activity of CIBO comes together. Each of our committees is in the process of reviewing their committee mission, direction, objectives and activities for 2021 during February with an eye to come together March 9th and 10th virtually in what would be our normal March Committee Meetings to hear about what is really happening regarding our issues as opposed to what the press and public believe is happening – the true value of CIBO. If you are on one of these committees you should be seeing a note from Candy regarding the scheduling of a committee planning meeting during February. If you do not by February 12th and would like to participate on any of the Committee planning teams, let us know at < cibo@cibo.org >.

Government Affairs

Since January 20th at 12:00 Noon, when the Biden Administration took office, everything we have been accustomed to relating to business and regulation and national energy and environmental policy has reversed course via hundreds(?) of Executive Orders signed within the first two weeks. The pressure from the ENGO community and the Green New Deal (GND) Climate Change supporters demanding radical change from the Trump Administrations policies has been tremendous. With the House remaining controlled by the Democrats (albeit, with a few losses) and the Senate in a 50/50 tie with Vice President Harris as the tie breaking vote giving control of the agenda and any vote that is exempt from the Filibuster Rule to be passed on party lines. Currently there are two Senators protecting the Filibuster. This is real politics, and once this plays out we will know how much more difficult our task will be to support our energy, environmental and sustainability needs regarding thermal energy and getting to Zero Net CO2 by 2050 or earlier without fossil fuels. At this point either the Zero or the 2050 is scientifically and technically impossible. Making the GND supporters understand this and the implications of the policies they propose is a challenge that goes beyond anything we have faced before. The Executive Orders will keep coming and keep everyone busy on all fronts. All federal departments and agencies are making a unified effort through the Presidential Executive Orders to support the GND – electrification and no fossil fuel. CIBO is in the unique position to address the technical possibilities of doing what is being asked while at the same time helping the young people understand the technical and scientific realities and unintended consequences of policies that can have negative impacts on industry and the American people as a whole.

Environmental

At the time of our previous newsletter, the EPA was actively (vigorously) working to complete anything and everything they could to get it in some form that could make it difficult for the next Administration, if it was not them, to overturn. The result was, a large amount of work that was finalized and placed in the process for being published in the Federal Register to secure the words as a starting point for change. Without the security of the words, the new Administration's words became the basis for discussion and litigation. As with any good administration and the consideration of

what can be done to pull back any words they do not like, the Congressional Review Act will be interpreted to apply most favorably back as far as possible. Someone suggested this could be sometime in April of 2021 (Remember the Senate.). We will get a rundown of all these rules and a more accurate picture of what we can expect in March. It is depressing when we begin to list the issues that could be reversed, overturned or modified in line with the GND – Ozone and PM NAAQS, BMACT, NSR, Cost Benefit, RTRs, HAP's, EJ, Enforcement... There may not be any new rule making for the next two years, however, there will be more than enough for us to address as the ENGO Community tries to take back lost ground with the Administration's help – a task that will take all of us, working together with the primary trades, to protect the interest of all.

Energy

The one thing we know for sure is that if it has anything to do with GHG emissions and sustainability it will have to be reported somewhere or somehow for public scrutiny. And, public commitments to sustainability goals and objectives will not go unquestioned or forgotten. The Missouri Motto, "Show me!" is now the motto of the GHG, GND and ENGO communities. The Energy Committee will be considering if CIBO needs a separate Sustainability Committee to address the energy management, carbon footprint calculations and sustainability requirements placed on companies doing business on a global basis. This would be beyond the continued policy drivers for the committee regarding fuel flexibility, Natural Gas, Coal, opportunity and renewable fuels applications, use and availability. Questions of GHG free fuels like, Biomass, tires, railroad ties, and land fill gas to name a few, can have critical implications for some of our facilities. The ability to provide real world information regarding the benefits from the use of fuels like waste coal and biomass will be greatly needed and the GND policy discussion moves forward. Over the next two years as the Biden Administration begins to sink its teeth into the GND desires, businesses will be attacking any low hanging GHG emission reductions. Once they are gone Thermal Energy will begin to be addressed. Energy Efficiency, Combined Heat, Power and Storage will have to be addressed. How that is addressed must consider the implications of cost and benefit. That is CIBO's strength. We will hear more about that in March.

Technical

The Technology of Energy has centered on industries' need for Thermal Energy since its beginning. The primary and least expensive way to get this has been found through the use of Steam as the medium for doing the work that was needed. For the greater part of that time the single largest motivator was for making steam form, the most inexpensive energy source, coal. As any Mechanical Engineer, Chemist or Physicist will tell you neither Steam nor Coal are an easy thing to understand, never mind use. While the lowest cost fuel for energy generation may be going away, thermal energy from steam for process demands may take more than the 30 years to replace with electricity in an affordable manner. There are still many questions as they relate to burning lower cost opportunity fuels in gas fired boilers to generate steam. There will be new questions as we integrate industrial and institutional process and energy needs with the Electric grid and storage (be it thermal or battery). There will also be the need for new equipment and processes as each facility looks for ways to identify and eliminate GHGs and all environmental emissions. What are the best practices? With the driving demand for transparent energy information at the facility level, technology information from suppliers and innovators will become all the more important for our owners and operators. We will be looking at how we will be addressing the technology transfer and networking and over what technology areas we will cover during the next few months, as the directives and drivers for the new Administration come to light. One thing for sure, the technology is in the details; and the details are where the unforeseen problems and unintended consequences tend to reside. Finding them first always saves countless hours and dollars. This is where CIBO does its best work.

From the President's Desk – Bob Bessette

As my days grow shorter there are lots of thoughts that roll through my mind. With Alex on board, with modified Bylaws that provide for the long term security of the association, doing what all the members want and with a great Executive Committee to make life easy for the Board of Directors. I am confident that the foundation for the future is secure and a new

CIBO can be as good, if not better than the old. It will be different. The new problems are much more complicated. Words about the future and what will be done do not necessarily represent what is actually being done. It is important to look at what is actually being done and not at just what is said. The ENGO community will be doing this, in the extreme, as they compare what is done to what is said in corporate annual reports and regarding commitments for GHG reductions. A long time ago, in 1993, one of our first Lawyers, Henson Moore, told me to never underestimate the Environmentalist community as they spend their lives staying ahead of us –like in chess, they are thinking four or five moves ahead. I have found over the years it is true and has become much more difficult to get or stay ahead of them. This could be like the comparison of the old guy and the young guy in next Sunday's Superbowl. While it is possible the old guy can win, it is probably a better possibility the young guy will win.

What can CIBO do for you?