Testimony of

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My name is Bob Bessette. I am president of the Council of Industrial Boiler Owners (CIBO). Thank you for this opportunity to provide testimony on these extremely important rules - probably the most important and far reaching rules the Environmental Protection Agency has ever issued impacting the national industrial, commercial and institutional energy sectors of the country.

CIBO is a national trade association of industrial boiler owners, architect-engineers, related equipment manufacturers, and universities representing 20 major industrial sectors. CIBO was formed in 1978 to promote the exchange of information between industry and government relating to energy and environmental policies, laws, and regulations affecting industrial, commercial and institutional boilers. CIBO works to promote a sustainable energy supply and improved environment. CIBO membership represents industries as diverse as chemical, paper, cogeneration, steel, automotive, refining, brewing, combustion engineering, and food products. CIBO members also include operators of boiler facilities at over a dozen major universities. We have worked with the EPA on these rules since the initial formation of the Industrial Combustion Coordinated Rulemaking FACA, in 1995, to develop scientifically and environmentally sound, technologically and economically achievable cost effective rules.

As you are well aware, the US is trying to recover from the "great recession" and many, many people have been displaced from employment in the sectors of the economy that will be directly impacted by these rules. There is no doubt that sustained employment increases must be based on private sector job gains. As proposed, EPA's combination of four rulemakings is diametrically opposed to supporting US industrial competitiveness and domestic job growth. Without considerable changes, it appears these rules will seriously undermine US employment growth and economic recovery.

The breadth of impact of these rules can be seen by the number of facilities listed in the EPA Boiler/Process Heater MACT Survey database- over 2400 facilities across more than 50 NAICS Codes, including not only manufacturing facilities, but also sectors such as educational services (colleges and universities), hospitals, nursing and residential care facilities, and national security- military bases. EPA indicates the Boiler/Process Heater MACT Rule will cover 13,555 units at 1608 facilities nationwide and the Area Source Rule will cover 183,000 units at 91,000 facilities nationwide. The CISWI Rule and the Solid Waste Definition rule will directly impact many of these sources and many other facilities and combustion units.

As proposed, the rules impose emissions limits with no known means or assurance of achieving them. This will result in incredible uncertainty in the regulated community and reluctance to invest in the US. We would like to remind EPA that "MACT" includes the word "Achievable." New source limits so low as to preclude installation of new sources are not in line with Congress's intention in drafting the NESHAP provisions of the CAA. Facility owners must be able to obtain combustion equipment and emissions controls to utilize the available and most economical fuels with vendor guarantees that emission limits can be met during normal expected operating conditions. Proposed existing, and especially new source emission limits preclude that ability. CIBO challenges EPA to identify existing units that have demonstrated the ability to achieve all of the proposed existing, or new source emission limits simultaneously, with the ability to be replicated if the unit were located anywhere in the USA.

Imposing severe and unattainable emissions limitations on sources that use or may use locally available alternative fuels such as bio-based fuels, landfill gas, and process offgasses, will decrease the use of alternative fuels and put greater demands on conventional fossil fuel use to the extent continued operations are justified. These impacts are counter to stated Administration goals of improving national energy efficiency, reducing GHG emissions, increasing national security, and increasing employment.

The work practice approach, proposed by EPA for Gas 1 sources, is appropriate and CIBO strongly supports its use. However, it should be expanded to encompass most if not all sources using Gas 2 fuels and distillate fuel oils.

EPA has the CAA authority through §112(d)(4) to formulate MACT rules by utilizing a health threshold approach that will provide flexibility for sources while also ensuring the protection of public health. There is precedent for using that approach, and CIBO urges EPA to allow facilities the option to utilize that approach as a means to provide acid gas control in a cost effective manner.

The breadth and potential impacts from these four proposed rules demand fair and thorough consideration of all underlying data and information. In addition to the proposed rules themselves, the sheer volume of support documents and gigabytes of supporting data require time to review so that constructive comments can be filed in a timely manner. While we greatly appreciate the opportunity for a hearing and the comment extension to 60 days, that overall time is grossly inadequate for comment filing in this case. We will be submitting a request for additional time tied to a similar extension in the final promulgation date so that EPA has adequate time to consider comments and additional supporting data.

Thank you for this opportunity. We look forward to working with EPA to be able to produce a final rule that is scientifically sound, environmentally beneficial, and achievable without adversely impacting the economic recovery of the country.