

2012 Annual Report of the President

Council of Industrial Boiler Owners

October 11, 2012
Rancho Bernardo Inn
San Diego, California

As we gather here at the Rancho Bernardo Inn in San Diego, California for our 34th Annual Meeting, we are in the final 30 days of a national campaign for the election of the President, 33 members of the Senate and all the members of the House of Representatives. It is a serious battle of two disparately different political philosophies. Because of this Administration's energy and environmental policies, this election, brings CIBO's primary purpose for existence to the forefront – as our Mission Statement so well states. "CIBO is dedicated to ensuring that non-utility industrial, commercial and institutional energy producers can continue to provide safe, cost-effective and reliable energy to sustain a strong and globally competitive economy."

We know that it is impossible to make or do anything without energy. The energy issues today and the environmental rules that have been pushed back until after the election are at the heart of what we do. Whoever thought CIBO would be so close to and intimately involved with the major issues at the national level when we were founded in 1978 or when I took over in 1995. In those days energy was not political. Low cost, cost-effective, energy was the non-partisan objective.

Today, President Obama's Administration, with Senator Reid controlling the Senate and Senator Boxer controlling the Senate Environment and Public Works Committee has prevented bipartisan supported legislation aimed on stemming the warlike attacks by the Administration's EPA on coal and industrial energy from ever getting to, or past, the floor in the Senate and on to the President for signature. I think I can say that CIBO has been responsible for the single biggest change in energy and environmental dialogue, understanding and advocacy by providing the first real link between energy and environmental regulation and the economy and jobs. The IHS-Global Insight report on the economic impacts and jobs put at risk and how we and others have used it could very well be responsible for the bipartisan support generated and the Administration's delay of the coal and job killing EPA rules.

CIBO's highly credible analysis and quiet presentation of the real potential costs and impacts of environmental regulations and energy policy has brought CIBO's respect to the highest levels ever experienced on the national level. This happens because the foundation upon which our statements, positions and advocacy are based is on using technically sound science and engineering principles to find ways to support and promote reasonable environmental regulations and legislation that can be achieved and complied with while remaining economically competitive and viable on a global basis. This happens because of you, our staff, and our outside support.

You, our members, are the most important reason for CIBO's success. CIBO is the only place I know where the owners, suppliers and consultants work together to generate policies and information that promotes reasonable, real and achievable legislation and regulations. The owners benefit from reasonable achievable regulations, increased alternatives and potentially cost effective solutions. Our associates benefit from understanding what the owners need, the contacts

for real project development and reasonable achievable regulations that can help maintain a strong customer base within the United States. And, the country benefits with strong, expanding and sustainable industrial, commercial and institutional facilities supporting high quality jobs and federal, state and local revenue.

Our direction and objectives are set from the annual survey and meeting discussions. We do this through the policy and technical committees with four policy based committee meetings, a Fluidized Bed Combustion Conference that will be expanding to include all solid fuel boilers, an Industrial Emissions Control Technology Conference and this Annual Meeting. Our activities to generate policy and position statements and comments are consensus based across the full membership. As CIBO grows it takes more time to reach consensus across the membership. We are working on finding ways to streamline the process. Remember, participation in any committee activity is only limited by the time any member wants to spend. Participation at conferences is always on a space available member first-come-first-served basis up until the last two months before the conference. We then open it to outside non-member presentations.

It would be impossible for CIBO to do all that it does without our staff, Gail, Candy and Tiffany. As those of you who have called the office know, they are the ones who really make it happen. They are great! With increasing attendance at meetings and conferences, more members and increased level of activity, we could not have a better staff supporting all that we do. They make life easier for all of us. As I say each year, you tell us what you would like to see or do and we will do everything we can to make it happen.

You have heard, we are in a better financial shape than ever; membership is holding its own in these times when final decisions are almost impossible because of environmental regulation uncertainty; the number of our comments and litigation activity is up and expected to increase; and participation at all our meetings is great. To help us coordinate member input and provide marketing, technical and legal assistance for our membership, comments, advocacy and meetings, I believe we have the best outside support possible with: Lisa Jaeger and the Bracewell & Giuliani LLC for comment and litigation; Bob Corbin, a CIBO Honorary Member for membership and member services; Amy Marshall and URS for data and technical assistance; and, Karen Neale for Government Affairs and legislation. They continue to exceed expectations.

I see CIBO's success, credibility and ability to do all that we do to be so much more than the simple sum of the pieces. The synergies, generated from candid conversations among the best and brightest energy and environmental engineers and policy people in the country, real caring and hard work, are the basis for these achievements. As we look to the horizon to see what might be coming our way, CIBO can help us see farther, clearer and better to help plan to be ready for whatever comes at us.

I think, all-in-all, everyone would agree that this year was a very good year and that CIBO is better than it has ever been. Thank You! With your help, I see next year being even better.

Robert D. Bessette
President