

## CIBO Annual Business Meeting & Conference

Ponte Vedra Beach, FL

Oct. 18 – 20, 2017

### I. CIBO Annual Business Meeting – **Ann McIver**, CIBO Chair, Citizens Thermal

Ann called the meeting to order and opened the Annual Meeting. The theme for this year's meeting is "Leveraging Today's Opportunities to Meet Tomorrow's Challenges. Although the new Administration has promised to reduce the number of regulations, most of the environmental regulations are driven by law from the Clean Air Act and will remain in effect. During this period, we need to get prepared for the "next round" of regulatory activity, in order to continue to provide a vibrant economy and maintain our industrial base. Membership is a key aspect of continued success for CIBO. Each member has a role to play in attracting and retaining members. A new membership category has been formulated for members to review. Ann introduced the Board members and the heads of the various committees. The committee meetings provide an effective forum for all members. The two technical conferences continue to provide current technical information to our members.

### II. President's Message – **Robert (Bob) Bessette**, CIBO President

Bob noted that Ann has the capability to adapt to changing circumstances. There are a lot of changes going on in our industries and our organizations. The intersection of energy, environment, economics, and social issues impacts all of us on a daily basis. CIBO is strong and continues to represent our interests. CIBO's vision and mission continue to provide the driving force for CIBO to serve our members. It takes energy to make or due anything. Environmental and economic concerns influence our problem solving. Today, any solutions to these issues must be socially and sustainably acceptable. We have been fortunate to have built a solid financial base to weather the changes that are before us. We have initiated a new platform with Higher Logic to provide more outreach to our membership. The new administration is behind in getting people nominated and confirmed to a number of positions in the government, which has slowed down the interactions with industry. Our reputation with agencies continues to be highly valued, to the point, where these agencies come to us for information and advice.

III. Membership Report – **Robert (Bob) Corbin**, CIBO Consultant and **Mark Bitto**, ABB, Inc.

Bob pointed out that membership is a full time job and is everyone's job. Membership is the lifeblood of the organization. CIBO is dedicated to ensuring that non-utility industrial, commercial and institutional energy producers can continue to provide their products and services to the nation. Membership stands at 87, include 43 owners and 44 services/suppliers.

Membership tends to follow the economy along with regulatory trends. Fuel switching to natural gas has been a key driver. Alternate fuels are important for many plants. Energy efficiency is a major focus going forward. Water use is likely to be the next big environmental issue. CIBO continues to be a steady voice of reason for energy and environmental technology.

As part of our efforts to retain members, we have continued the Focus Group Forum Meetings to bring some of these new technical areas to the members. A new membership category has been formulated by the committee. This would be for individual consultant members. This category was prepared in response to several questions from individuals about how they might be able to join CIBO.

We had 28 responses to the annual survey (32%). This is a healthy level of response, given that surveys typically get a 20 – 25% response rate. The various issues from the survey were highlighted. Owner feedback showed currency (staying current on a variety of topics), networking, and advocacy were the main benefits of CIBO membership. Members would like to see more case studies at the conferences. There was also a suggestion that perhaps some members that have not been as active be invited to make a presentation at one of the conferences or meetings. More focus on natural gas issues were requested.

A “train the trainer” session was held at the September meeting for Higher Logic in response to feedback from the survey. Broader focus on equipment besides the boiler was requested. The market environment continues to be one of cost cutting and retrenchment. There have also been a number of mergers and acquisitions that have reduced the potential membership base. Fuel switching adds continuing stress on associate members that provided back end controls.

Sustainability issues were noted by many members in a number of ways including safety, training, qualified workers, and GHG control. On the energy side, combined heat and power has generated more interest. Several members felt that they did not need the types of services that CIBO provides because they have switched to natural gas, not realizing that the environmental community has not gone away.

Mark Bitto pointed out that there are several key questions to be answered including what makes CIBO viable in the future; which people do we need to contact; and, what is our role with IPPs, industrial outsourcing, and the focus beyond the boiler. Priorities include broader marketing of CIBO technical expertise, outreach to those that still own solid fueled boilers, more focus on natural gas, coverage beyond the boiler, member retention, and expanded participation in the Higher Logic Community, and new member recruitment.

One approach is to identify key O&M personnel at our member companies as well as prospective companies. These personnel will be important for using the Higher Logic application. Solid fueled units should be natural candidates for CIBO membership. More activity on the natural gas front looks to add potential members. In going beyond the boiler, we need to identify particular markets and analyze such markets carefully to determine if there is a real potential to move forward on membership. The committee is requesting each members to provide one referral for a potential new member.

IV. Treasurer's Report – **John (Jay) Hofmann**, Trinity Consultants, Inc.

Jay noted that we are in the midst of a second year of shortfall, mainly due to loss of members. Dues provide 75% of our income. Without member dues, we cannot survive financially. Dues have not been raised since 2011. Invoices for 2018 will go out shortly. Meetings and conferences provide most of the rest of the income. Meetings are budgeted to break even. Conferences tend to provide a surplus for those events. This allows us to maintain our dues level. Venue costs continue to escalate. Members are the main attendees at these events, highlighting the importance of membership. We will be challenged to break even this year with the member losses, in spite of closely watching our expenses. Jay would like to see more non member attendance at the conferences. These people represent the potential for new members as well as cash.

V. Nominating Committee – **Scott Darling**, Alcoa Corp

Scott reported that there are two Board members that have been nominated for renewal of their 3 year terms. Amber LeClair and Steve Gossett were nominated. It was moved, seconded, and unanimously voted to confirm them for their respective terms.

**CIBO'S 39<sup>TH</sup> Annual Meeting Conference – Leveraging Today's Opportunities to Meet Tomorrow's Challenges**

VI. National Industrial Energy Environment – **Ann McIver**, CIBO Chair, Citizens Thermal

Ann introduced **Ed Whitfield** of Farragut Partners who was a member of the House of Representatives from 1995 – 2016. There are a multitude of very complex issues facing

our country. Adding to the cacophony is a constant bombardment of information from the media causing information overload. It is difficult to separate out what is really important.

Energy is one of the critical issues. The prior administration had 2 priorities: Universal Healthcare (Obamacare) and Climate Change. The difference between the “most important issue facing mankind”. They used executive orders and regulations to push their agenda. Although the former President stated that the solution was “all of the above”, he really didn’t want coal. There are a number of environmental groups around the world that wish to do away with all fossil fuels, including coal and natural gas. This situation makes it very difficult for Congress to come to an agreement on much of anything.

While the Republicans have a majority in both Houses of Congress, they do not have 60 votes in the Senate. Without 60 votes, the Senate is at the mercy of the filibuster, which can obfuscate a true vote on any piece of legislation. Issues as important as energy should be brought to the full Congress and be subject to appropriate debate.

**Donald (Don) Vandervaart**, formerly of North Carolina Environmental Secretary, reported on an environmental and energy “to do” list. Don pointed out that the endangerment finding needs to be revisited. It is well known that climate models are not that accurate. Of all of the CO<sub>2</sub> in the atmosphere, less than half is anthropogenic. Of that portion, less than half is susceptible to control. Thus, the incremental amount of CO<sub>2</sub> is what needs to be evaluated for its impact on climate change.

Next the EPA needs to go back to being a scientific body rather than a policy body. Energy prices need to be reduced. This benefits the lower and middle classes, which is critical to the health of the country. WOTUS needs to be revised properly. Water treatment plants need to be upgraded. Again, this is critical for national health. Section 404 needs to be transferred to the states (and away from EPA and Army Corps).

On Hazardous and Solid Waste risk based compliance needs to be expanded, along with the “brownfields” program. The Clean Air Act was originally an R&D law. It became an oversight bill in 1970. It contained health and welfare goals. Prior to 1970, there were clean air areas and dirty air areas. These were known. The NAAQS were originally set at levels close to the dirty air areas. The original standards did provide some impetus for reductions. The concern was that industries would leave the dirty air states to avoid the costs of compliance.

In order to prevent this flight, the New Source Performance Standards were initiated. This put EPA into the position of being an economic development police force. Thus the NSPS is not an environmental program. Regional Haze was instituted to prevent flight from metropolitan areas. The PSD provisions tightened up the restrictions in the clean

areas. PSD needs to be revisited. The PSD program should be eliminated as it is just a means for litigation.

On the energy side, the “duck curve” is prevalent in North Carolina. That state’s interpretation of the PURPA law has allowed a lot of solar in the state. Utilities are forced to buy power from PURPA units. This has gotten to the point where nuclear plants are being impacted. Further, when the unit in question is a solar plant, a combined cycle plant has to be purchased to handle the intermittent generation problem. In North Carolina, the existing nuclear plants are the cheapest generation in the system. Thus, additional costs would be incurred as the nuclear plant is shut down in favor of more expensive solar power. This fact drives up costs to both the taxpayer and the rate payer.

The intermittent nature of renewables causes fossil plants to reduce load, which causes them to run less efficiently. When running less efficiently, their emissions/Mwhr increase. Thus, in many cases, perfectly good and paid for coal plants are being shut down with the range of challenges including renewables, MATS, CSAPR CPP, NAAQS, and coal ash. Energy subsidies need to be rebalanced to include coal and nuclear. Electricity storage research needs to be funded. Risk based compliance options need to be expanded.

**Ben Edgar** of Black & Veatch Corporation reported on the evolving utility relationship. The utility industry is undergoing changes brought about by the evolution of microgrids, renewables, and CHP. The biggest change is that customers now care about the product being sold. The utilities are now being forced to think about rate payers as customers in the modern sense of the word. Utilities recognize that what is best for the customer is also best for their business. The problem comes in knowing what is best. Utilities get a lot of pressure from a lot of different groups. Some of these groups have little “skin in the game” but make a lot of noise.

Balancing priorities becomes an issue. Often in these situations, it is difficult to satisfy everyone. Communications becomes a key resource. These people are busy and it might be necessary to speak to them more than once. Be specific about what is needed. It is important to understand that things are changing. Sometimes the utility can and will help. Sometimes, they just can’t. Communications provides the bridge to understanding where the particular utility stands.

VII. The Corporate Sustainability Environment – **Ann McIver**, CIBO Chair, Citizens Thermal

**Ben Schlesinger**, of Ben Schlesinger Associates, reported on the natural gas revolution. With the increased production of natural gas, there are new markets being pursued

including power markets, gas vehicles, and exports. Shale gas is now more than 60% of US production. Current production in the Marcellus is over 25 Bcf/day. Qatar is the largest exporter of LNG and is producing at 17 Bcf/day.

With the increased production, there is a need for more utilization. Petrochemical plants are being built. LNG production facilities have been approved for over 9 Bcf/day. Power generation is being driven by new combined cycle plants. With gas in the \$3 - \$3.50/MMBTU and the higher efficiency of the combined cycle plants (54% vs. 36% for coal), the operating fuel cost for gas plants can be less than the coal plants. The combined cycle plants swing load more readily than the coal plants.

Some large vehicles are being fueled with natural gas, but the passenger car market has not materialized. However, as more gas is being used in power generation, the electric vehicle market could become the means for gas to replace oil as fuel for passenger cars. Advanced technology and intensive manufacturing will slash production costs. This has been happening in shale gas. Solar PV has also experienced cost reductions and may eventually compete against gas for power production. Batteries are also coming down in costs.

Over half the generation in California comes from natural gas. With the increase in solar PV, the evening peak ramp will require 13 Gw to be turned on quickly. Underground gas storage was being used to help with this ramp, but now batteries are being used to help with this problem. With the reduction in battery costs, CNG vehicles will be impacted. As the electric vehicle sees increased application, there will be more emphasis on reducing battery costs. Thus, gas supplies stay long for likely two decades. Older, less efficient coal plants will continue to be replaced, but the larger and more efficient coal plants will likely stay in operation. Pipelines will have to be built. The solar/battery combination could be a threat to natural gas.

**Dustin Meyer** of EVA reported on developments in renewable energy. There has been a massive growth of renewable energy capacity in the US. This is still a story about on shore wind capacity, with Texas and California leading the installations, as well as the mid-West. In 2016, renewables provide more new capacity than natural gas. The total installed capacity in the US is over 100 Gw (out of 1200 Gw) compared to over 700 Gw for gas and coal. Renewable portfolio standards are still driving the trend towards more renewables.

At the federal level, the production tax credit (\$23/Mwhr) and the investment tax credit (30% of installed cost) provide basic support for the renewable industry. While these are scheduled to phase out, the cost reductions experienced by the industry are arriving at a faster pace than expected. Utility scale solar and wind costs are down to \$1500/Kw. Capacity factors in favorable areas are in the range of 20% for solar and 35% for wind. Roof top solar PV is more expensive and is still highly dependent on subsidies. The US

has about 15 Gw of roof top solar PV. In California, the duck curve is a reality. In the Northeast (PJM, PJM, and NY), actual output has been modest. Capacity growth is expected to slow down as electric demand growth is modest and favorable locations are already taken.

**Art Samberg** from the US DOE reported on Combined Heat and Power activities. The North Carolina Clean Energy Technology Center has programs in renewable energy, clean power, efficiency, clean transportation, energy policy, and economic development. The Center also serves as the DOE Technical Assistance Partnerships for CHP. Energy is the fundamental underpinning of sustainability.

Sustainable organizations think about energy in terms of efficiency, economy, and environmental aspects. Resiliency is critical as without resilient energy, other elements could become irrelevant. Resiliency involves the ability to prepare for and adapt to rapidly changing conditions. In the last 15 years, 87% of power outages were caused by natural disasters. Combined heat and power provides an opportunity to be more resilient.

Energy resiliency can be expensive. However, power outages can be very expensive. Hybrid micro grids combine high efficiency generation with batteries to provide power and thermal energy. CHP systems are generally more efficient together than either the generation side or the thermal energy side alone. A number of fuels can be used for these plants. There are about 81 Gw of installed capacity for CHP. Never the less, CHP is not necessarily economical for all facilities. The CHP technical assistance program provides assistance to those facilities that are considering CHP.

#### VIII. Regulatory Issues – **Ann McIver**, CIBO Chair, Citizens Thermal

**Mark Dreux** of Arent Fox provided a review of OSHA requirements and some of the over reach that was rampant in the last administration.

Employers must retain OSHA Forms 300 and 301 on incidents for 5 years. For 30 years, OSHA citation policy was that an error in record keeping was an error until corrected, in spite of the rule that no violation shall be applied after 6 months. In a court case on the matter OSHA lost. In another case, old records indicated that there might have been a violation 20 years ago. OSHA wanted to issue violations. The review court upheld OSHA, but the Fifth Circuit Court vacated that ruling on the grounds that 6 months means 6 months and the law is clear.

Some standards require recognized and generally accepted good engineering practices (RAGAGEP). There are 3 sections where this is specifically required. In 2016, OSHA published a memo stating that this standard applied to widely adopted

codes, written standards, and “appropriate” internal standards. OSHA considers “shall” requirements to be “a mandatory minimum requirement”. OSHA will presume a violation if a practice departs from a “shall” or a “should” provision, even though there should be a review of those practices to determine if they are appropriate.

Internal standards must represent RAGAGEP. This makes evolving standards a concern because a change in the standard may occur after equipment has already been installed and is using a prior version of the standard. By definition, a safety and health standard “the adoption or use of one or more practices as required for safety and health”. OSHA wanted to push for application of an additional standard without citing the safety and health issues in question. Again, OSHA lost this argument in court. This has limited OSHA’s authority.

Earlier this year, OSHA announced a new chemical National Emphasis Program. OSHA will group potential targets for inspection into 4 categories including ammonia plants and refineries. OSHA compliance officers will conduct inspections using a dynamic list of questions. Compliance officers will also seek to review the design codes and standards employed.

Record keeping now requires employers to submit injury and illness records electronically. There are 3 categories of employers: 250 or more employees, 20 – 249 employees, and upon written notification from OSHA for individual data collection. The data was supposed to be available to the public. This was requested by the unions. The schedule for compliance was originally intended to apply by July 1, 2017. The new administration has delayed this to Dec. 1, 2017.

Blanket rules, such as mandatory reporting, or blanket post accident alcohol or drug testing may be considered discriminatory. For post accident testing, the test must determine the degree of impairment for use. This is okay for alcohol testing as there is a numerical system for such determination. Drug testing is not in that position, which is cause for concern. Delayed reporting will make it more difficult for employers to ensure that employees receive prompt medical attention. There are concerns about public availability of data, the application of false statements, and the expanded enforcement power over alleged discrimination.

OSHA is developing a Notice of Proposed Rulemaking to reconsider, revise, and rescind parts of the rule. The RMP rule has been stayed. There have been some challenges to the stay. Final briefs are due Jan. 31, 2018. EPA and OSHA indicated that the rule will be re-opened.



**Karen Orr** of the Institute for Corporate Social Responsibility (Johns Hopkins) reported on Corporate Social Responsibility. The CSR pyramid (1991) starts with economic responsibility, legal responsibility, ethical responsibility, and philanthropic responsibility. CSR is not mandated in the US. However, environmental efforts, philanthropy, ethical labor practices, and volunteering are all being questioned.

Company behavior has impacts on a wider basis than what is obvious. Working in different parts of the world puts companies at risk of exposure and reputation as social media documents and reports activities that can be considered unethical, anti environment, or exploitive. Branding and brand differentiation is one reason for public companies to practice good CSR.

Employee recruitment and retention (especially millennials). There can also be cost savings through sustainability programs, especially through recycling and energy efficiency. Good CSR practices help improve the quality of life in the communities where they do business.

IX. Government Affairs –**Robert (Bob) Bessette**. CIBO

Bob moderated a panel consisting of **Lisa Jaeger**, Bracewell LLP and **Stephen Lee**, Bloomberg BNA. Bob noted that the workings of Washington have changed with the new Administration. More and more activities have to be done behind the scenes for a variety of reasons.

Lisa pointed out that we were able to bring Stephen Lee to our meeting based on an excellent article that he wrote for Bloomberg. Stephen actually took the time to visit some of the culm and gob plants in Pennsylvania and get a good understanding of the actual situation and prepared an article that accurately described the situation. Stephen noted that decades ago (even over a century ago), coal operations went after the good quality coal and dumped the poor quality material on the ground. This resulted in a number of “waste coal piles”, particularly in PA, where the industry left large piles of waste coal & Gob.

These piles are gigantic and pose some difficult environmental problems (acid drainage, dust, fires, etc.). The development of circulating fluid bed combustion technology provided the means for reclaiming these piles and using them for fuel, while at the same time, neutralizing the acid drainage and reclaiming the land. This activity has the support of both sides of the aisle, but the story is rarely told.

Journalists tend to be skeptical of authority. That is why they go into that business. They may seem to side with the environmental community because those groups also question authority, not necessarily because they are environmentalists, but because their interests appear to be aligned.

X. Energy and Environmental Policy – **Ann McIver**, CIBO Chair, Citizens Thermal

The panel consisted of **Chuck Hallier**, Cargill Inc., **Amy Marshall**, AECOM, **Rob Kaufmann**, Koch Companies Public Sector, LLC, **Joe Macak**, Mostardi Platt, **Mike Zebell**, ERM, and Lisa Jaeger (Bracewell). Rob provided a quick overview of the regulatory situation. The “reform” portion of the Trump agenda has been one of the primary accomplishment of the administration. Some 25 rules have been overturned. There are 19 rules under review. There are 8 rules that are in limbo which have been stayed pending further review. There have also been a number of executive orders and directives in a number of these areas, including a directive to streamline the permitting process. OMB is in charge of implementing the directive to cut 2 rules for every new rule promoted. EPA has issued a directive to do away with the sue and settle process.

One problem with these orders and directives is that they can be reversed by a new administration. The way to make these permanent would be through full rulemaking or legislation. While there is an EPA head, there are still almost no second tier administrators in place. This is holding up some of the activities.

The proposed budget for EPA has a lot of cuts, including cuts for states. This situation will make it more difficult to push more responsibilities to the states. Administrator Pruitt has indicated that the Superfund situation is a high priority as well as the rule of law. Relative to the NAAQS, it is likely that the SO<sub>2</sub> and NO<sub>2</sub> levels will remain as is.

For ozone, both the standard and the implementation issues are in play. The MOG study information has been submitted to EPA, which, if accepted, would reduce the number of non attainment areas from rules already on the books. The PM<sub>2.5</sub> standard is being reviewed on a health basis. Preliminary results still show significant potential health effects and will be reviewed further. The various climate initiatives are being reviewed for either modifications or rescissions.

**Amy Marshall**, reported on Boiler MACT. Most companies should be in compliance (except those in North Carolina which has a 2019 deadline). Boiler MACT requires electronic reporting and continuous compliance provisions. There are litigation issues still to be resolved. The 130 ppm CO limit has been challenged. Some changes are likely to some of the other limits where coal and another fuel are being used. The start up work practice standard has also been challenged.

The 8 year risk and technology review will come due around 2020. EPA will have to review data for 56 different MACT suites of standards (ie it will be difficult to make the deadline). The start up, shut down, and malfunction exemption is no longer available. These SSM provisions are being removed as rules get revised during the RTRs. Standards apply at all times. Continuous emissions monitoring (or equivalent)

is used to demonstrate ongoing compliance. Data acquisition systems will have to become more robust (and more complicated) to address difference modes of operation, compliance requirements, and data reporting.

Data will be made available to the public. OECA has formalized Next Generation Compliance, which expands the role of continuous monitoring (public access, data mining, data analysis, awareness, etc.). Industry submits AEI, TRI, GHG, ERT, and CEDRI information. EPA published that data plus additional materials. Anyone can now take that data and perform for their own analysis for whatever purpose.

**Lisa Jaeger** report on the litigation status. The main action in Boiler MACT is the reconsideration case. Oral argument was held on Sept. 15, 2017. The SSM SIP call case is in abeyance as EPA is taking the issue in reconsideration. EPA claimed that they had been successful in issuing 90% of the MACT rules. EPA was told by the court to better justify this position. The CSAPR case will be briefed in February. In the effluent guidelines, some parts are in abeyance. For the rest briefing is complete. On the 316(b) rule, oral arguments were held in September. The WOTUS rule has been pulled back. The Supreme Court held oral argument on which lower court should hear the law suit. On the definition of solid waste, we got a good decision, although there is still time for appeal.

On the BMACT recon issues, the likelihood is that a final rule on remanded standards will come forth by the end of next year. It may also be possible to get a decision on the SSM SIP Call in that time frame. The RTR for BMACT could be due as early as 2019. On the CPP, a new rule could be proposed by the middle of next year. The CSAPR decision could be done in the 3<sup>rd</sup> quarter of next year. The RMP issue will await a court decision before a revised rule would be issued. A new WOTUS rule could be proposed early next year. Proposed rules on effluent guidelines and coal ash will likely be issued by early next year leading to a final rule by mid year.

Discipline in permitting will likely be a lasting legacy. Court appointments will reflect Trump nominees (with exception of the DC Circuit). Oral arguments are now scheduled for Nov. 20. EPA will identify what will be reconsidered by Nov. 15<sup>th</sup>. The WIIN Act will have an impact on these activities.

**Joe Macak** reported on citizen enforcement. Any citizen can report a perceived problem to a regulatory agency. Most are followed up by an inspection. These inspections can result in fines, plant modifications, and public recriminations. For those facilities that have ISO14001 Environmental Standards, a modification to the section on public reactions should be included.

Some companies are continuously using video surveillance on their stacks and fence lines to be used in defense of operations. Environmental awareness training for all employees is an absolute necessity. Plants are starting to use machine learning and

other forms of data analysis to help optimize performance and keep within limits. VOCs are getting more scrutiny.

Using AP42 emission factors may not represent actual emissions. Always assume that the plant is being watched. Identify issues as they occur. It is critical to know what is in the permit. In today's environment, it will be important to find out what is missing from a permit that should be in there. Continuous improvement programs will be useful.

**Mike Zebell** reported on energy plant modifications. These changes might trigger PSD/NSR, which everyone wants to avoid. In the NSR review process, 10 items have been identified. These include permit application review and appeal time limits, allowing construction activities to proceed, and wider applications of PALs (plant wide applicability limits). A PAL creates a single facility wide emissions cap on NSR triggering pollutants. This eliminates government control of the production process. It also maintains confidentiality of production methods and processes. The PAL is set by a 10 year look back using the highest 24 month annual actual emissions. SSM emissions must be accounted for. All state and federal rules still apply (ie BACT/LAER limits).

For renewables, the subsidies were re-authorized in 2015. FERC is likely to continue to promote more flexibility in the grid. For CHP, there will be increased electrification of industrial operations. Increasing use of renewables can lead to distributed energy and CHP back up support. Grid resiliency can be justification for CHP. CHP needs a thermal load. The addition of equipment will likely trigger NSR/PSD. Industrial time frames are shorter than utility time frames. Also with smaller equipment, the specific cost is higher.

**Chuck Hallier** noted that a recent meeting in the mid West was more of a focus on the renewable portfolio standards and biomass fuels. The approach is to follow the rule of law and to do what the law says. There will likely be more public participation. Cooperative federalism is being "promoted", but brings into question how the agency will "do what the law says". The new administrator has stated that they will build a "new EPA" and that the EPA will be a science based organization.

With the lack of a fully staffed EPA, we are in a transition period and there are still a lot of unknowns. With states on their own at the moment, there is the risk of having 50 sets of rules instead of just one.

XI. Strategic Thinking for the Future – **Scott Darling**, Alcoa Corp

Scott reviewed the Membership Plan with the potential directions for next year's activities. The combined heat and power issues were reviewed. One approach to

looking at these issues is to broaden the concept of combined heat and power to include renewables and batteries. The hope would be to convert the project to a “renewable” project so as to deflect some of the potential criticism of projects. Perhaps working with utilities in some cases would also help promote the concept.

Bob indicated that getting “potential to potential” would be helpful to our members. Ann requested that we get Lisa to review the court decisions on the Pollution Control Projects (PCPs) in the early 2000s. Bob noted that EPA and DOE are interested in this. John deRuyter noted that organizing a FACA (similar to what was done for the ICCR) is a heavy lift. The air nominee (Bill Wehrum) sees NSR reform as a major issue from the feedback requested by the President. DOE has requested a meeting to talk about these issues in November. The potential outcomes could be no interest on the part of the agencies, some interest in setting something up, or some interest in organizing a FACA. We will need to decide how we want to participate when asked. Microgrids are expected to play a bigger role going forward. We need to see where CIBO fits into that technology.