



## **Industrial Energy Consumers of America**

*The Voice of the Industrial Energy Consumers*

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December 14, 2020

Mr. Daniel Hooper  
Clean Air Markets Division  
Office of Atmospheric Programs (Mail Code 6204M)  
U.S. Environmental Protection Agency  
1200 Pennsylvania Avenue, NW  
Washington, DC 20460

***Re: Revised Cross-State Air Pollution Rule Update for the 2008 Ozone NAAQS, Docket ID No. EPA-HQ-OAR-2020-0272***

Dear Mr. Hooper:

Thank you for the opportunity to provide comments on this important issue which directly impacts the competitiveness of manufacturing in the U.S. In 2019, the manufacturing sector employed 12.8 million people and contributed 2.3 trillion dollars to the GDP.<sup>1</sup>

### **I. Industrial Energy Consumers of America (IECA)**

The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$1.1 trillion in annual sales, over 4,200 facilities nationwide, and with more than 1.8 million employees. It is an organization created to promote the interests of manufacturing companies through advocacy and collaboration for which the availability, use and cost of energy, power or feedstock play a significant role in their ability to compete in domestic and world markets. IECA membership represents a diverse set of industries including: chemicals, plastics, steel, iron ore, aluminum, paper, food processing, fertilizer, insulation, glass, industrial gases, pharmaceutical, building products, automotive, independent oil refining, and cement.

Energy-intensive trade-exposed (EITE) industries are cost-sensitive and compete with foreign companies who are often subsidized and are not subject to equal EPA environmental regulations. While our companies will always be supportive of compliance with federal rules, we urge the EPA to be especially sensitive on actions which impact the cost of compliance to these industries and jobs.

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<sup>1</sup> U.S. Bureau of Labor Statistics (BLS), U.S. Bureau of Economic Analysis (BEA)

## **II. EPA data confirms that air emissions continue to decline.**

Air quality has been steadily improving since implementation of the Clean Air Act and significant NO<sub>x</sub> emissions reductions have occurred in recent years. The reductions are due to regulatory, economic, and technology improvements. Because manufacturing companies face severe global competition, we strive to drive down energy consumption because it is a cost, and lower levels of energy consumption reduces air emissions. Notably for manufacturing, companies have, when possible, switched from coal to natural gas thereby reducing air emissions. But, going forward, fuel switching will be more limited because fewer pipelines are being built. Several pipelines have been blocked by the environmental community thereby preventing manufacturing companies access to pipelines and FERC rules dealing with eminent domain will make it unlikely that new pipelines will be permitted. In the short-term, air quality will continue to improve over the next several years because of additional regulatory, social, and technological factors. See here for an EPA report on air trends:

<https://gispub.epa.gov/air/trendsreport/2020/#EPAat50>.

## **III. EPA has correctly determined that additional controls on non-electric generating units (EGU) (i.e. industrial sources) are not necessary (page 68968) for the 2021-2024 ozone seasons. EPA has correctly concluded that NO<sub>x</sub> reductions from non-EGUs are neither necessary nor feasible (see comment C-3, page 68,990).**

EPA correctly concludes that emissions reductions from non-EGU sources are not necessary to address significant contributions under the 2008 ozone NAAQS. EPA requests comments on its analysis, and whether, based on updated or more complete information, there may be grounds to find non-EGU emissions reductions are necessary to address significant contribution for the 2008 ozone NAAQS. IECA believes that if EPA considered the following information that has not been considered, it would reaffirm the proposed conclusion that additional reductions from non-EGUs are not required.

First, the most appropriate mechanisms to consider whether further limits on NO<sub>x</sub> emissions from industry boilers, furnaces and other emission sources are cost-effective are the existing NSR/PSD, NSPS, and RACT programs. In other words, there is no need to apply additional programs on top of existing programs, or to circumvent existing programs, that are designed to address the issue of cost-effective emission controls. Industrial boilers are already limiting NO<sub>x</sub> emissions. Potentially applicable NO<sub>x</sub> controls for industrial boilers includes good combustion practices, LNB/ULNB, OFA, FGR, SNCR, and SCR. All facilities implement good combustion practices, and any unit subject to the 40 CFR Part 63 standards for industrial boilers is required to conduct tune-ups at some frequency. Some facilities are located in states that required tune-ups of burners at some frequency prior to implementation of Boiler MACT. Any facility located in a non-attainment area or in the ozone transport region has implemented RACT on its boilers. Any new or replacement burner for an industrial boiler will typically be a low NO<sub>x</sub> burner.

## **IV. Response to whether cost-effective emissions reductions could be achieved by replacing older, higher-emitting equipment with newer equipment or by switching from coal to natural gas (see comment C-16, page 69,005).**

In order to comply with other regulatory requirements such as Boiler MACT, Regional Haze, or the 1-hour SO<sub>2</sub> NAAQS, many industrial facilities have either replaced boilers or repowered them. If sufficient natural gas supply is available to a facility and it is feasible and cost-effective to combust natural gas rather than coal, those changes, in most instances, have already been made. If sufficient natural gas is not available, a very significant capital investment is required to upgrade infrastructure both external and internal to the industrial facility (see previous comments about limited pipeline capacity going forward.) Whenever EPA identifies fuel switching as a potentially cost-effective emission reduction opportunity, we recommend that EPA should contact FERC to inquire whether sufficient, non-interruptible natural gas supply is available at all of the locations that EPA has identified.

**V. Response to the cost of installing NO<sub>x</sub> continuous emissions monitoring system (CEMs) on industrial boilers (see comment C-16, page 69,005).**

Many industrial boilers are currently monitoring NO<sub>x</sub> emissions with CEMS. The cost of installing a NO<sub>x</sub> CEMS will depend on whether the stack is designed to accommodate a CEMS. If a stack is designed to support a NO<sub>x</sub> CEMS, the cost to install, program, and certify the NO<sub>x</sub> CEMS could be \$500,000. Ongoing operation and maintenance costs are likely around \$150,000 per year. A rigorous parametric emissions monitoring system (PEMS), if a feasible alternative, will be more expensive than a CEMS due to the development and calibration effort and the ongoing evaluation that will be required. The costs of installing and operating a NO<sub>x</sub> CEMS or a PEMS are not insignificant for industry facilities.

**VI. Response to justification for a blanket requirement for large industrial boilers within the 12 states covered by this proposal to employ controls that achieve emissions reductions greater than or equal to what can be achieved through the installation of LNB (see comments C-18 and C-19, page 69,005).**

Such a requirement could require very significant capital investment for retrofitting certain types of existing boilers and may not be feasible for certain types of boilers. Regardless of whether LNB could be retrofitted quickly, as suggested by EPA, EPA must first demonstrate that these retrofits are needed to assist with meeting downwind NAAQS compliance.

We appreciate that the EPA has taken careful consideration of all aspects of this important issue. The implications to manufacturing competitiveness, investments, and jobs are significant. As stated earlier, IECA companies desire to be in full compliance of air regulatory requirements and we welcome the opportunity to collaborate with you in keeping our air safe.

Sincerely,

*Paul N. Cicio*

Paul N. Cicio  
President and CEO