

State of
Washington
House of
Representatives



V-

August 18, 2010

Lisa Jackson, Administrator
EPA Docket Center (EPA/DC)
Environmental Protection Agency
Mailcode: 2822T
1200 Pennsylvania Ave., NW
Washington, DC 20460
Docket ID No. EPA-HQ-OAR-2002-0058

Subject: National Emission Standards for Hazardous Air Pollutants for Major Sources:
Industrial, Commercial, and Institutional Boilers and Process Heaters

Dear Administrator Jackson,

We have strong concerns about the proposed emissions limits for biomass-powered boilers and incinerators, as no current boiler could meet these proposed standards. Such regulations would harm our vital forest products industry and hurt the prospects for expanding our nation's green energy production and the jobs it brings.

While we strongly support the goals of achieving strong protections for public health and high environmental performance, we are concerned that there will be unintended consequences with the current draft proposal. Without careful reconsideration these regulations may unnecessarily harm Washington's critical forest products industry -- and that of other states in the union -- and our burgeoning efforts to utilize waste wood from the state's forest lands for renewable energy production.

The forest products industry is critical to all areas of Washington State, representing 11% of all manufacturing jobs and playing a particularly important role in rural, timber-dependent communities.

The sector provided over 45,000 jobs in 2005, generated approximately \$16 billion in gross business revenue, and paid out over \$2 billion in wages and over \$100 million in tax receipts.¹

¹ <http://www.ruraltech.org/projects/wrl/sfr/pdf/RetentionReport.pdf>

State of
Washington
House of
Representatives



As the state has invested in the renewable energy field, we have looked to the forest products sector to take a leadership role. In particular we have focused on renewable biomass power as an arena where we have a competitive advantage and an ability to increase distributed domestic power generation and utilization of previously wasted forestry resources.

A 2005 state biomass inventory found that as a state we are “blessed with a vast and diverse, annually renewable biomass, which although in places is presently utilized for energy, fertilizer and feed, in other places is still quite underutilized and capable of being a significant factor in

bioenergy, biofuel, or bioproduct production.” The inventory found that Washington State has an annual production of over 16.9 million dry tons of underutilized biomass which could be capable of creating 15.5 billion kWh of electrical energy, or almost 50% of the state’s annual residential energy consumption.²

This focus on biomass power has resulted in significant levels of public and private investment. In 2006 the state energy freedom fund provided \$6 million to the Grays Harbor PUD to invest in a new biomass boiler used by the Grays Harbor Paper Company to generate process steam for the 100% recycled green paper plant and electrical power for the PUD³.

In 2009 the Port Townsend Paper Company received a \$2 million dollar stimulus grant to upgrade its biomass boiler. This grant is being matched by \$2 million in private funds generated by other energy saving projects in the mill. This boiler is now a part of a proposed \$55 million cogeneration project that will provide the equivalent of 35 construction jobs for one year and will create 30 new jobs. In addition, it helps sustain the 290 permanent mill jobs.

Also in 2009, the Nippon Paper Company in Port Angeles received a combination of loans and grants of \$2 million to support a planned \$71 million investment to replace an existing steam boiler with a biomass boiler retaining 234 permanent jobs and adding 10 temporary jobs.⁴

A 2009 state study on pulp and paper boilers showed great opportunities for reduced fossil fuel usage and increased renewable energy production – but old boilers will need to be upgraded⁵.

² <http://www.ecy.wa.gov/pubs/0507047.pdf>

³ <http://www.commerce.wa.gov/DesktopModules/CTEDPublications/CTEDPublicationsView.aspx?tabID=0&ItemID=6698&Mid=863&wversion=Staging>

⁴ <http://www.commerce.wa.gov/site/1345/default.aspx>

⁵ http://www.chpcenternw.org/NwChpDocs/Pulp_and_Paper_EE_Boilers_and_CHP_092009.pdf

State of
Washington
House of
Representatives



With the capital costs involved and the current state of the market, it would be unfortunate if limited capital resources went into short term investments to meet unattainable standards rather than a longer term strategy of investing in aging infrastructure that can continue to create jobs and meet core business objectives while increasing renewable energy generation and environmental performance.

In addition to financial investments, the state has pursued policy opportunities to promote long term stability and investment in the biomass industry. The state passed a law in 2010 allowing for long term contracts for biomass purchase from state timber lands. In addition to providing stability to the industry, our state DNR anticipates additional revenues from forest residuals to be a benefit to the common school trust fund. In recent years the state has provided tax incentives for hog fuel and biomass energy, authorized county governments to acquire biomass generation facilities, and ensured that our greenhouse gas policies reflect our priorities in this area.

We have heard credible concerns from the affected industries in our state that the current rules promote unattainable standards that will seriously endanger the viability of these businesses and all the progress we have made to date. We respectfully request that you revisit the MACT standards as they relate to biomass boilers and incinerators, in particular by ensuring that any performance standards are achievable by real-world boilers, taking into account variability in boiler design and fuel supply, and ensuring that these new regulations do not cause inadvertent environmental and economic harm by closing down opportunities for generation of renewable power through biomass.

Respectfully,

State of
Washington
House of
Representatives



Representative Kevin Van De Wege
24th Legislative District

Representative Lynn Kessler
24th Legislative District

Representative Sherry Appleton
23rd Legislative District

Representative Reuven Carlyle
36th Legislative District

Representative Brian Blake
19th Legislative District

Representative Dean Takko
19th Legislative District

Representative Eric Pettigrew
37th Legislative District

Representative Mark Miloscia
30th Legislative District

Representative Mike Sells
38th Legislative District

Representative Larry Seaquist
26th Legislative District

State of
Washington
House of
Representatives



Judy Clibborn

Representative Judy Clibborn
41st Legislative District

Marcie Maxwell

Representative Marcie Maxwell
41st Legislative District

John McCoy

Representative John McCoy
38th Legislative District

Jeff Morris

Representative Jeff Morris
40th Legislative District

Deb Wallace

Representative Deb Wallace
17th Legislative District

Jim Moeller

Representative Jim Moeller
49th Legislative District

Mary Helen Roberts

Representative Mary Helen Roberts
21st Legislative District

Dawn Morrell

Representative Dawn Morrell
25th Legislative District

Kelli Linville

Representative Kelli Linville
42nd Legislative District

Larry Springer

Representative Larry Springer
45th Legislative District

State of
Washington
House of
Representatives



Handwritten signature of Steve Conway in black ink.

Representative Steve Conway
29th Legislative District

Handwritten signature of Timm Ormsby in black ink.

Representative Timm Ormsby
3rd Legislative District

Handwritten signature of Tami Green in black ink.

Representative Tami Green
28th Legislative District

Handwritten signature of John Driscoll in black ink.

Representative John Driscoll
6th Legislative District

Handwritten signature of Deborah Eddy in black ink.

Representative Deborah Eddy
48th Legislative District

Handwritten signature of Steve Kirby in black ink.

Representative Steve Kirby
29th Legislative District

Handwritten signature of Christopher Hurst in black ink.

Representative Christopher Hurst
31st Legislative District

Handwritten signature of Eileen Cody in black ink.

Representative Eileen Cody
34th District

Handwritten signature of Christine Rolfes in black ink.

Representative Christine Rolfes
23rd Legislative District

Handwritten signature of Jim Jacks in black ink.

Representative Jim Jacks
49th Legislative District

State of
Washington
House of
Representatives



Jeannie Darnielle

Representative Jeannie Darnielle
27th Legislative District