The Alliance for Industrial Efficiency

CONTACT: Jennifer Kefer, 202-365-2194, <u>jennifer@dgardiner.com</u> December 21, 2012

Alliance for Industrial Efficiency Highlights Efficiency Opportunity in Final Industrial Boiler Rule <u>New EPA Rule</u> may increase deployment of Combined Heat and Power

Today, EPA issued final changes to Clean Air Act standards for major and area source boilers and commercial/ industrial solid waste incinerators. In response, Jennifer Kefer, Senior Program Manager for the Alliance for Industrial Efficiency, issued the following statement:

"The <u>Alliance for Industrial Efficiency</u> commends EPA for including key energy efficiency provisions in its rule regulating major industrial boilers, which was finalized today. By adopting energy-efficient technologies, industrial boiler owners can reduce their fuel use and the associated emissions not only of the hazardous air pollutants at the heart of the Boiler MACT, but of conventional pollutants as well. The rule will lower emissions, save American manufacturers money on their energy bills, enhance their competitiveness, and increase electric reliability in industrial states. We look forward to working with EPA and the Department of Energy to encourage this transition.

"EPA has made energy efficiency a core element of the compliance strategy for industrial boiler owners. The rule requires industrial boilers to adopt work-practice standards and perform energy assessments. Those subject to emission limits (less than 1% of the boilers in the United States) are given the option of applying an output-based emissions standard. These measures encourage America's refineries, chemical plants, and other industrial facilities to examine their systems and identify ways to reduce energy use and associated emissions.

"The Alliance for Industrial Efficiency encourages boiler owners and utility regulators to seize the opportunity to create new clean power by viewing combined heat and power (CHP) and waste heat recovery (WHR) as part of the compliance plans at these effected facilities. For its part, the Department of Energy will make sure that these technologies are on the table, by providing site-specific technical and cost information to all large, coal- and oil-burning facilities through its <u>technical assistance program</u>. By our analysis, if all of these boilers installed natural gas-fueled CHP or WHR systems, they could generate in excess of 25 Gigawatts of clean, efficient power – the equivalent of 50 conventional power plants.

"Conventional power generation is inefficient. Roughly two-thirds of energy inputs are simply emitted into the air – costing businesses money and increasing pollution. CHP and WHR capture this lost heat and reuse it to produce more power or to heat or cool buildings. By using a single source to generate both heat and power, a CHP facility can be twice as efficient as traditional power generation, while WHR can produce emission-free power from heat otherwise vented into the air. The Alliance will work with regulated boiler owners to encourage them to consider CHP and WHR as part of their compliance options under the new rule."

About the Alliance for Industrial Efficiency

The Alliance for Industrial Efficiency is a diverse coalition that includes representatives from the business, environmental, labor and contractor communities. We are committed to enhancing manufacturing competitiveness and saving energy and money through industrial energy efficiency, particularly in the form of clean and efficient combined heat and power (CHP) and waste heat recovery (WHR). For more visit: <u>http://ww.dgardiner.com/alliance.htm</u>