



NHSM Supplemental Listing Office of Information and Regulatory Affairs August 21, 2015

Overview

- CDRA and rail tie processor (MAER) join with AF&PA-AWC
- Supplemental NHSM listings very important
 - Rather use renewable, carbon neutral biomass than fossil fuels
 - Tens of millions of dollars at stake; several dozen mills use Paper Recycling Residuals (PRR), RR ties, and C&D Wood
- Business certainty needed for MACT compliance
 - Investment and fuel management decisions being made now in advance of January 31, 2016 deadline
 - Examples could use more PRR with improved material handling OR avoid buying gas boiler to replace PRR if it becomes a waste





Creosote Railroad Ties

- Meets all legitimacy criteria contaminant comparison with solid and liquid fuels, high fuel value, and handled as fuel
- Designed to Burn able to burn with appropriate feed mechanism
 - MACT limits and clean fuel start-up changing use and permitting of fuel oil
 historic use of oil should suffice
 - Hybrid suspension grate (HSG) boilers add to list of boilers capable of burning rail ties
 - No restriction on percentage of fuel use
- Dual treated borate and creosote treated rail ties growing market
 - Borate alone was OK in 2011 rule, creosote alone OK now
 - No chemical interactions expected
- Other stakeholders seeking listing of other treated rail ties copper naphthenate





Importance of Railroad Tie Listing

- Pulp & Paper 11 mills (17 boilers) combust
 - Other sectors use as well power generation
- > 700,000 tons combusted annually
 - >15 million ties replaced/retired annually
 - ~15 companies processing RR Ties into fuel
- ~\$100 million/year to replace the fuel value plus
 ~\$70 million/year for land filling
- 1.6 million tons CO2_e from fossil fuel substitution





Processed C&D Wood

- Meets all legitimacy criteria contaminant comparison, value, and handling
- Some mills rely very heavily on C&D up to 40%
 - High BTU fuel consistent quality
- Support reasonable performance-based management practices suggested by CDRA
 - Operator training appropriate
 - Processors use varied techniques to reduced unwanted materials
 - Positive and negative sorting
 - Not require 100% contaminant removable
 - XRF analyzer as an option not requirement





Paper Recycling Residuals

- Meets all legitimacy criteria contaminant comparison, value, and handling
- Define PRR Broadly
 - Residuals from repulping of cardboard, newsprint, printing and writing papers, and other pre- and post-consumer fibers
- Place no restrictions on BTU value
 - Boilers designed to economically recover energy over/under air
 - Comparable to wet biomass 3700 BTU/lb (ave.); need some wet fuels
- Don't restrict to <u>on</u>site use allow <u>off</u>site use as well
 - Use in bioenergy facility
 - Listing could encourage use and reduce landfilling





Summary of Issues

- Very important that draft final is moving forward
 - Business certainty and fuel planning
- Minimal limitations when listing three residuals
 - Displaces fossil fuels and avoids landfilling
- Rail ties DTB consider past and current use of oil;
 add HSG to boiler list, include borate-creosote ties
- C&D reasonable management practices, no testing
- PRR define broadly, no BTU constraints, allow offsite use



