



Statement

House Committee on Energy and Commerce Subcommittee on Environment and the Economy

EPA's 2014 Final Rule: Disposal of Coal Combustion Residuals from Electric Utilities January 22, 2015

Introduction

The American Forest & Paper Association (AF&PA) is pleased to submit this written statement to the House Energy and Commerce Committee concerning the regulation of coal combustion residuals (CCRs) under the Resource Conservation and Recovery Act (RCRA).

The American Forest & Paper Association is the national trade association of the forest products industry, representing pulp, paper, packaging and wood products manufacturers, and forest landowners. Our companies make products essential for everyday life from renewable and recyclable resources that sustain the environment. The forest products industry accounts for approximately 5 percent of the total U.S. manufacturing GDP. Industry companies produce about \$175 billion in products annually and employ nearly 900,000 men and women, exceeding employment levels in the automotive, chemicals and plastics industries. The industry meets a payroll of approximately \$50 billion annually and is among the top 10 manufacturing sector employers in 47 states.

According to the Energy Information Administration, the pulp and paper industry uses approximately one percent of the coal burned in the United States to generate electricity and steam. As a result, we are greatly interested in the management of CCRs.

Non-Hazardous Waste Management

AF&PA strongly supported the decisions EPA made in both 1993 and 2000 that CCRs should be regulated under Subtitle D – the nonhazardous waste provisions – of RCRA, and AF&PA submitted comments to EPA supporting the same approach to CCR management during the public comment period on the current rule signed by Administrator McCarthy on December 19, 2014. The pulp and paper industry was pleased to see that EPA retained that management approach in the rule.

Focus on the Electric Utility Sector

EPA also explicitly acknowledged in its new regulations that CCR from the manufacturing sector should not be included in its new rulemaking. EPA recognized

that 95 percent of all coal used in the U.S. – and thus the generation of coal combustion residuals -- is by the electric utilities. By regulating only the residuals from the electric utilities, EPA was addressing the overwhelming bulk of CCRs. AF&PA strongly supports that decision.

Aside from the relatively small percentage of CCRs generated by the pulp and paper industry, our management of coal ash differs from that of the electric utilities. For example:

- Pulp and paper mill CCR management units differ from those in the electric utility sector. No mill employs any surface impoundment for permanent storage of ash in wet form – which is the cause of many of the challenges faced by management of electric utility CCRs.
- Pulp and paper mill CCR management units are significantly smaller than those in the utility sector. The largest units at pulp and paper mills are less than one tenth the size of those at electric utilities.
- Most pulp and paper mills burn a wide variety of fuels in addition to coal. As a result, those mills co-manage coal ash with residuals generated from other fuels, particularly biomass.

It is, therefore, appropriate for any legislation developed regarding coal combustion residuals to focus similarly on the electric utility sector.

Reuse of CCRs

A number of AF&PA members manufacture the paper that covers wall board used in construction of homes and other buildings. We have been very supportive of the reuse of CCRs as part of the inner layer of these products. One of our concerns with EPA's initial proposed regulation of CCRs was that if they were considered hazardous waste, the reuse of CCRs in gypsum board would be significantly reduced – if not eliminated – because of the perceived risk of placing a “hazardous” material in a product used in homes and offices. Based on its analysis of data and other information in the record, EPA ultimately recognized this problem and has generally addressed it with the current regulation of CCRs as non-hazardous materials.

AF&PA believes that reuse and recycling of CCRs should continue to be an important part of management of these materials. Any legislation that may be developed should continue to encourage the reuse and recycling of CCRs as their optimal use.

Conclusion

AF&PA continues to support appropriate regulation of the management of CCRs. Any regulation or legislation should recognize that these materials do not warrant regulation as hazardous wastes; focus on the largest generators, and should encourage reuse and recycling.

For more information, please contact Elizabeth Bartheld, Vice President of Government Affairs, 202-463-2599