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Cooper, Kathy

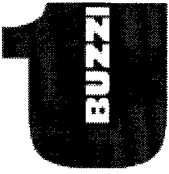
**From:** Williams, Keith [Keith.Williams@Buzziunicemusa.com]  
**Sent:** Monday, April 08, 2013 11:57 AM  
**To:** EP, RegComments  
**Cc:** Zimmel, Richard; Nugent, Daniel; Swercheck, Adam  
**Subject:** Proposed Air Quality Title V Fee Amendment (dated February 2, 2013  
**Attachments:** 2013-04-08 Comments to PaDEP Re Proposed Title V Fee Amendment (2)KEWSigned.pdf

**Importance:** High

To Whom It May Concern,  
Please find attached Cover Letter and Comments and kindly include with all other submittals.  
The increased fees direction being proposed is very disturbing to me as former LVBAQP Chairman from 2003 to 2011 and not at all in the Spirit of Stakeholder & Partnership Interests.  
Most Respectfully,

*Keith E. Williams*

Keith E. Williams  
Manager Environmental CMSI-CSWI-COR-PE  
Hercules Cement Co., L.P. dba  
Buzzi Unicem USA - Stockertown Plant



**Buzzi Unicem USA**



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**Buzzi Unicem USA**

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Buzzi Unicem USA, 501 Hercules Drive, PO Box 69, Stockertown, PA 18083

Delivered via E-Mail: RegComments@pa.gov

April 8, 2013

Environmental Quality Board  
P.O. Box 8477  
Harrisburg, PA 17105-8477

Subject: Proposed Air Quality Title Fee Amendment (dated February 2, 2013)

To Whom It May Concern,

Hercules Cement Company, L.P. dba Buzzi Unicem USA (Buzzi Unicem) is submitting the enclosed comments on plans recently announced by the Department to increase the Air Quality Title V Fee.

Buzzi Unicem operates a cement manufacturing plant located in Stockertown, PA. The facility operates under a Title V permit. Later this year, the company expects to pay approximately \$148,500 in Title V fees based on 2012 air emissions levels. Under the proposed fee structure, Buzzi Unicem would be expected to pay \$219,500; a 48% increase.

Thank you for the opportunity to provide the enclosed comments on this matter. If you have any questions on our comments, please contact Adam Swercheck, Corporate Environmental Manager, at (610) 882-5025.

Sincerely,  
**Keith E.  
Williams**

Digitally signed by Keith E. Williams  
DN: cn=Keith E. Williams, c=US, o=dba  
Buzzi Unicem US - Stockertown Plant,  
ou=Hercules Cement Co., L.P.,  
email=Keith.  
Williams@buzziunicemusa.com  
Date: 2013.04.08 11:28:47 -0400

Keith E. Williams  
Environmental Manager

Enc.

cc: R. Zimmel  
D. Nugent

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Hercules Cement Company, L.P. dba Buzzi Unicem USA  
Comments on Proposed Air Quality Title V Fee Amendment

Buzzi Unicem requests the following comments be considered with respect to the proposed Air Quality Title V fee amendment:

1. Buzzi Unicem agrees with the Department's decision to not establish a fee structure for carbon dioxide and other greenhouse gases. Buzzi Unicem believes application of the existing Title V fee structure to greenhouse gases is not appropriate given the large amount of greenhouse gases relative to other pollutants.
2. Buzzi Unicem opposes the proposed 48% increase in Title V fees and challenges the Environmental Quality Board to find ways to offset all, or a portion of, the proposed increase through reductions within the administered permitting program. Some of the reasons cited for a decrease in revenue include installation of control technologies reducing air emissions and the retirement or curtailment of major emission sources. If there are less sources and lower emissions, then the Department should need less people and less overhead costs to implement the program. However, it does not appear from the justification provided in the proposed rule that the Environmental Quality Board gave serious consideration to a reduction in manpower and overhead costs to offset a portion of the increase being passed onto industry.

In today's economic climate, a 48% increase in emissions fees is contrary to the promotion of continued operation of business in the Commonwealth. In particular, such a large increase imposes a significant financial impact to our operations and adversely affects our ability to continue cost-effective operations necessary to maintain a presence in the Commonwealth. Buzzi Unicem urges the Environmental Quality Board to find other ways to cover the costs associated with administering the operating permit program, such as personnel and initiative reductions. While such reductions may be difficult, many of the industries facing today's difficult economic times routinely face the same decisions and may need to address more of the same reductions (e.g. personnel layoffs) since a greater portion of operating budget would be directed toward air emissions fees should the proposed amendment be finalized.

3. Buzzi Unicem urges the Environmental Quality Board to make any increase temporary in nature. One reason cited for decreased revenues is the retirement or curtailment of major emission sources. When currently curtailed sources resume operation, air emissions fees will be charged to these sources, meaning sources currently operating should be expected to contribute less to the operating permit program. Another cited reason is the decline in interest rates paid on program funds savings account balances due to the current economy. First, the economy fluctuates and the ongoing recession is expected to be temporary in nature, meaning interest rates will eventually rebound. Second, the regulated community should not be expected to make up any shortfalls with respect to the investment strategies employed by the Commonwealth. The companies incurring air emissions fees likely faced many of the same investment shortfalls during the economic recession. These companies were required to make appropriate adjustments to their investment strategies and, for a commodity like cement, were unable to increase prices for their customers to minimize adverse investment impacts. Given the reasons cited by the Environmental Quality Board, the revenue, or some portion of it, that was generated during better economic times will return once the economy improves. However, it does not appear that the future return of this revenue is being considered when making the case for increasing Title V fees.
4. In the very brief mentioning of Department staff reductions, the Environmental Quality Board states that "fewer staff to conduct inspections, respond to complaints and pursue enforcement actions would result in less oversight of industry compliance or noncompliance and in reduced protection of the environment and public health and welfare of the citizens of this Commonwealth." Buzzi Unicem questions why the same amount of Department inspection staff is necessary given all the source closures and curtailments cited by the Department as one of the reasons a fee increase is necessary. If there are fewer sources to inspect, then the number of available inspectors could be reduced. Likewise, the number of complaints should be reduced with less sources operating and the increased number of pollution control technologies resulting in lower emissions. Finally, the assumption that fewer Department staff translates to reduced protection of the environment and public health gives no consideration to sources doing the right thing and continuing to operate in a manner that complies with all applicable regulations regardless of whether or not an unannounced inspection occurs less

Hercules Cement Company, L.P. dba Buzzi Unicem USA  
Comments on Proposed Air Quality Title V Fee Amendment

frequently. Such an argument is offensive to those industries and companies that strive for full compliance each and every day.

5. The Environmental Quality Board explains that decreased program revenue would impact various initiatives currently being implemented, including those targeting small businesses, and these negative impacts would "slow the economic recovery of this Commonwealth by reducing the number of available jobs." Buzzi Unicem believes this argument is one-sided and does not consider industry's contribution to the Commonwealth's economic recovery. A 48% increase in the Air Quality Title V fee would slow the recovery of the many industrial sources that operate in the Commonwealth. Monies that would have been directed to improvement or capital projects that help extend the life of a source in the Commonwealth may need to be delayed or cancelled since that money would now need to be directed to Title V fee payment. Completion of many of these projects relies on small business contractors for assistance. If these projects are postponed or cancelled due to insufficient funds being available, the small business contractor may need to lay off workers, which would slow the economic recovery and negatively impact the number of available jobs in the Commonwealth. Likewise, a 48% increase in the Title V fee may mean a company needing to redirect funds to cover the fee rather than hire workers. Given today's emissions levels, the 48% increase in emissions fees equates to one managerial or possibly two hourly employee salaries at the Buzzi Unicem plant site. With limited funds available in the depressed economy, the Commonwealth may be forcing companies like Buzzi Unicem to designate money to pay the increased Title V fee rather than provide additional employment for citizens of the Commonwealth, a time the Commonwealth can ill afford additional unemployment.
6. Should the Environmental Quality Board decide to move forward with the proposed 48% increase and not make it temporary in nature as suggested previously, Buzzi Unicem requests that the Board consider delaying implementation by one year or implementing the increase over multiple years. Doing so would allow industries, who are currently struggling in today's economic climate with limited available funds, to make adjustments over time to address the fee increase. The proposed fee would be applied to air emissions produced this year. By proposing the increase early this year and finalizing it later this year (assuming it is finalized), sources have little to no opportunity to complete projects aimed at minimizing emissions levels. Delaying the increase for one year, or phasing in the increase over multiple years would allow facilities additional time to implement emissions reduction projects aimed at offsetting the full impact of the Title V fee increase. If facilities are retired because they cannot accommodate the full impact of the increased Title V fee, the financial impact to the Commonwealth through lost tax revenue and increased unemployment will be more detrimental than the collection of the increased fee amount.