

## **Lehigh Northeast Cement Addresses Questions About Proposed Use of Fuel Product from Paper Mills as Partial Substitute for Fossil Fuels**

*December 18, 2018*

It has come to our attention that some questions have been raised regarding Lehigh Northeast Cement Company's proposal to begin using an engineered fuel, known as Raggertail, in our cement kiln to replace a portion of our primary fuel consumption (i.e. coal and natural gas). We use these fuels to heat and convert limestone and other raw materials into clinker, the key component to cement.

The New York State Department of Environmental Conservation (DEC) has reviewed our application and the results of air emissions testing performed with the engineered fuel and determined that our use of this fuel will continue to allow the plant to operate in compliance with our existing air permits and in a manner that is protective of human health and the environment.

Our proposed alternative fuel is derived from non-recyclable materials diverted from the paper recycling process. It is made up of 60% plastic trimmings removed from cardboard boxes and other paper products, and 40% paper/cardboard fiber. Its use as a partial fossil fuel substitute will reduce total air emissions from our plant; divert the material from New York State landfills; and reduce our plant's energy costs, making us more competitive. As you may know, Lehigh's local plant is the longest continuously-operated cement manufacturer in the United States. We employ nearly 100 local people at our plant, which spans the city of Glens Falls and the Town of Queensbury, and at our quarry in the Town of Moreau, making cement for homes and other buildings, as well as roads and bridges.

The Lehigh plant has been a proud member of the regional community for 125 years, and we are committed to operating our plant and making our products in a responsible way that is protective of our environment. Our emission units are equipped with environmental control technologies designed to minimize our impacts on our community.

***The following are some important facts about our proposal:***

- **Lehigh has not asked for any increases in our air emission limits and none are being proposed by NYSDEC. If we are allowed to use raggertail, we will be subject to the same limits on our air emissions as we are today.** Lehigh’s Title V air permit, issued by NYSDEC, imposes strict limits on our air emissions, including those generated from the combustion of fuel (currently coal and natural gas) and raw material in our cement kiln during the manufacturing process. These limits were lowered for Lehigh and the entire cement industry by the U.S. Environmental Protection Agency in 2015, and re-evaluated and affirmed by EPA as being protective of human health and the environment in 2018. Lehigh has invested significant capital on modifications to our emissions controls to meet these new standards.

- Lehigh conducted a trial period using raggertail as a fuel source in 2017 and performed emissions testing under the direction and observation of DEC. These tests showed that **all of Lehigh’s regulated air emissions are expected to remain below our current permitted levels with the introduction of raggertail as a fuel source**, as shown in the following chart:

Emission	Limit	Test Results	Notes
Dioxins and Furans	0.4 ng/dscm (TEQ) at 7% O <sub>2</sub>	0.004 ng/dscm (TEQ) at 7% O <sub>2</sub>	99% below limit
Filterable Particulate	0.07 lb/ton clinker	0.02 lb/ton clinker	71 % below limit
Total Hydrocarbons	24 ppm <sub>vd</sub> at 7% O <sub>2</sub>	8 ppm <sub>vd</sub> at 7% O <sub>2</sub>	67% below limit
Mercury	55 lb/million ton clinker	17 lb/million ton clinker	69% below limit

- In addition to the emissions above, Lehigh tested for emissions regulated under Part 212 of Section 6 Subchapter A of New York’s codes, rules and regulations that have the potential of being emitted from our processes. **Results demonstrated no detectable levels of some pollutants in the kiln exhaust gas while those that were detected were within the limits and guidelines contained in Part 212.**

Our local plant is one of just two cement plants remaining in New York State. And while it would have been easy for our parent company to close the Glens Falls plant in 2015 due to the significant costs associated with the new federal air emissions standards, Lehigh instead chose to make significant investments to comply with the new standards and keep our plant operating.

Today, we are under tremendous cost pressures from global competitors, including a massive new government-subsidized plant in Canada that is flooding the eastern seaboard with low-cost product in an effort to undercut our pricing and steal our customers. Our nearly 100 employees are working hard to keep our costs competitive while maintaining a safe working environment and delivering high-quality products and services. The introduction of Raggertail as a partial substitute for fossil fuels will help their effort

immensely by dramatically lowering our fuel costs, which represent more than 25% of our total production costs, all while continuing to be mindful of our environmental responsibilities.

We hope you have found this information to be informative, and our proposal to utilize this alternative fuel, along with DEC's issuance of the permit, to be reasonable and responsible as we fight to remain a contributing member of our region's economy and to produce locally made products for our homes, businesses, roads and bridges.

If you have any questions at all about our proposal, please contact our community liaison, John Brodt, at (518) 792-3856, ext. 114.