

ASH GROVE CEMENT COMPANY



11011 CODY
OVERLAND PARK, KS 66210
PHONE 913 / 451-8900 FAX 913 / 451-1686

CURTIS D. LESSLIE, PE
VICE PRESIDENT, ENVIRONMENTAL AFFAIRS

WRITER'S DIRECT LINE - 913/319-6065

**TO: House Committee on Energy and Environment
Senate Environment & Natural Resources Committee**

FROM: Ash Grove Cement Company

DATE: March 1, 2017

RE: Opposition to HB 2135, HB 2468, SB 577, SB 748 & LC 1242

Chairs Helm & Dembrow and members of the House Committee on Energy and Environment & Oregon Senate Environment and Natural Resources Committee, the Ash Grove Cement Company respectfully submits testimony in opposition to HB 2135, HB 2468, SB 577, SB 748 & LC 1241. These bills would have the unintended consequence of increasing carbon emissions. The effects of these bills in relation to our plant alone could be to increase CO₂ emissions by roughly 380,000 tons per year.

Last year, the former chair of the Senate Environment & Natural Resources committee, Chris Edwards, took time to visit with company representatives in advance of introducing this legislation. During that conversation, Ash Grove laid out a clear description of how Oregon's sole cement manufacturing plant is energy intensive and trade exposed under the carbon reduction policy in this legislation.

Ash Grove Cement is a 135-year old company, and its 112 employees operate Oregon's only cement manufacturing plant. The plant complies with all applicable state and federal regulations governing safety, environment and labor. Our plant is among the most energy efficient cement plants in America. Approximately 80 of the employees are members of the following unions: International Association of Machinists and Aerospace Workers, District Lodge No. 24, Willamette Lodge No. 63, AFL-CIO; International Brotherhood of Electrical Workers Local 112, AFL-CIO; Teamsters Food Processors, Chauffeurs, Warehousemen and Helpers Local No. 670; Laborers Local No. 12; and International Union of Operating Engineers Local No. 701 and our employees share our concern with the carbon policy under consideration.

Cement manufacturing requires that crushed limestone and other raw materials be heated to temperatures up to 3000°F to obtain the desired cement compounds. The necessary

cement compounds do not form at temperatures below 3000°F. Making cement essentially consists of taking a molecule of CaCO₃ (limestone) and heating it until it converts to CaO (lime). In other words, making cement requires the liberation of CO₂ from limestone. The CO₂ released from the heated limestone cannot be controlled or reduced, no matter where it is produced or the efficiency of the process used to produce it.

Thank you for the opportunity to submit written testimony.

Sincerely,

A handwritten signature in blue ink, appearing to read "Curtis D. Lesslie".

Curtis D. Lesslie, P.E.

Vice President, Environmental Affairs

Ash Grove Cement Company

Global Industrial Sector Comparison CO₂/Value Added (2014)

Country	Manufacturing - Value Added (\$Billions)	Manufacturing Industries and Construction (Million tonnes of CO ₂)	Million Tonnes of CO ₂ /Manufacturing Value Added
Australia	93.5	42.9	0.46
Mexico	217.2	58.0	0.27
Canada	189.3 (2012)	66.8	0.35
Korea	388.0	77.5	0.20
Japan	850.9	228.0	0.27
Russia	242.5	180.8	0.75
India	301.8	533.4	1.77
EU	2,561.1	406.0	0.16
U.S.	2,068.1	448.0	0.22
China	2,857.0 (2013)	2,890.0	1.01

Source: International Energy Agency (IEA), The World Bank, <http://data.worldbank.org/indicator/NV.IND.MANF.CD>

