



**VIA E-MAIL**

February 14, 2014

Ms. Mary Nichols  
Mr. Steven S. Cliff, Ph.D.  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

RE: NAIMA's Support of CARB's Amendment To Cap-and-Trade Regulation To Reclassify the Mineral Wool Manufacturing Sector To "High Leakage Risk"

Dear Ms. Nichols and Mr. Cliff:

The North American Insulation Manufacturers Association ("NAIMA") strongly supports the California Air Resources Board's ("CARB") decision to amend the State's Cap-and-Trade regulation to reclassify the Mineral Wool Manufacturing Sector from the "Medium Leakage Risk" category to "High Leakage Risk" category. This reclassification entitles covered entities within the Sector to receive a 100 percent "industry assistance factor (allocation of allowances)" for all three cap-and-trade program's compliance periods.

CARB's decision is supported by the simple fact of geography that domestic leakage would be far more relevant than the leakage from foreign competition. The map (enclosed) of NAIMA's members' manufacturing facilities demonstrates that there are multiple fiber glass insulation plants at or near California's borders. This map dramatically depicts the stark reality that an immediate and very real danger of Trade Exposure – domestic leakage – exists; a much closer risk than that presented by foreign competitors.

In previous submissions to CARB, NAIMA has elaborated on the extent of this leakage risk. In responding to that risk, CARB has heeded the mandate of AB 32 to minimize leakage. *See* California Health and Safety Code § 38562(B)(8).

Sincerely,

A handwritten signature in blue ink that reads "Angus E. Crane".

Angus E. Crane  
Interim President and CEO  
Executive Vice President, General Counsel

Enclosure



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# North American Plant Locations

Manufacturing fiber glass, rock and slag wool insulations  
 for residential, commercial and industrial uses

**Aislantes Minerales, S.A. de C.V.**  
 San Luis Potosi, Mexico

**Amerrock Products, LP**  
 Nolanville, TX

**CertainTeed Corp.**  
 Athens, GA  
 Chowchilla, CA  
 Kansas City, KS  
 Mountain Top, PA  
 Ottawa, Ontario  
 Redcliff, Alberta  
 Sherman, TX  
 Tilsonburg, Ontario

**Guardian Fiberglass**  
 Albion, MI  
 Inwood, WV  
 Kingman, AZ  
 Mineral Wells, MS  
 Winnsboro, SC

**Industrial Insulation Group, LLC**  
 Phenix City, AL

**Isolatek International**  
 Huntington, IN  
 Stanhope, NJ  
 San Bernardino, CA  
 Houston, TX

**Johns Manville**  
 Berlin, NJ  
 Cleburne, TX  
 Defiance, OH  
 Innisfail, Alberta  
 McPherson, KS  
 Richmond, IN  
 Waterville, OH  
 Willows, CA  
 Winder, GA

**Knauf Insulation**  
 Lanett, AL  
 Shasta Lake, CA  
 Shelbyville, IN

**Owens Corning**  
 Cadiac, Quebec  
 Delmar, NY  
 Edmonton, Alberta  
 Eloy, AZ  
 Fairburn, GA  
 Kansas City, KS  
 Lakeland, FL  
 Mexico City, Mexico  
 Mount Vernon, OH  
 Nephi, UT  
 Newark, OH  
 Salt Lake City, UT  
 Santa Clara, CA  
 Scarborough, Ontario  
 Waxahachie, TX

**Rock Wool Manufacturing Co.**  
 Leeds, AL

**Roxul Inc.**  
 Grand Forks, BC  
 Milton, Ontario

**Thermafiber, Inc.**  
 Wabash, IN

**USG Interiors, Inc.**  
 Red Wing, MN  
 Walworth, WI

