PVL LIMESTONE REQUEST FOR CAP-AND-TRADE REGULATION REVISION

March 7, 2018

PVL Limestone (PVL) respectfully requests revision of the California Cap-and-Trade regulation to include lime manufacturing from limestone rock in Paragraphs 95870, Table 8-1, and 95891, Table 9-1, of the regulation. Manufacturing of lime from limestone is done by the same process as producing Dolime from Dolomite. The latter activity is included in the regulation. The NAICS code, 327410, is the same for both activities.

PVL suggests that inclusion of lime manufacturing from limestone can be accomplished by revision of the Tables to change the description of Activity in the Tables from Dolime to simply Lime or addition of Lime to the Dolime cell in the Table. Alternatively, a new line could be entered in the Tables to cover Lime manufacturing from limestone.

Lime from limestone is a widely used commodity for agriculture, soil conditioning for construction and infrastructure projects, water treatment and myriad other uses. The California market exceeds 200,000 tons per year, all of which is imported from out of state. There is no lime from limestone manufacturing in California. In state production of lime is inhibited by CO2 fees that out-of-state lime manufactures escape by what is often referred to as leakage. The provision of CO2 allowances requested here would alleviate the handicap California lime manufacturers face. This handicap would be alleviated by inclusion of lime from limestone in the Cap-and-Trade regulation.

PVL has identified an available site located in California for a lime from limestone plant with appropriate zoning, access, utilities and emissions credits. This plant will employ management, skilled operators and laborers in a locally depressed economy. The company is prepared to move forward immediately with permits and construction if granted CO2 allowances like those enjoyed by Dolime producers.

Thank you for your consideration of this request.