

## **Statement for CAC Public Hearing on CLCPA**

My name is Erich Ely, and I am the Plant Manager of Olin Corporation's Chlor-Alkali manufacturing facility located in Niagara Falls, New York. Olin is the world's largest producer of Chlor-Alkali products and is North America's leading bleach and acid producer, with facilities located across the globe. At our Niagara Falls facility, Olin employs 185 full time and around 25 contract employees. Over half of these positions are union, and all employees receive a competitive, robust compensation package. Energy is a critical raw material in our processes. As a large end-use consumer of electricity and natural gas in New York, Olin is subject to state decarbonization policies, and pays substantial energy-related costs. Therefore, the outcome of the Climate Action Council's ("CAC") actions is very likely to significantly impact the future of our operations in New York State.

We appreciate the opportunity to provide comments to the CAC. We understand the enormous challenges that the Climate Act presents and are thankful for the efforts of the CAC and its Working Groups and Advisory Panels. Olin supports the goals of the Act as many align with our own aggressive actions to reduce greenhouse gases through increased energy efficiency efforts, the purchase of renewable power and attributes, and modified operations that incorporate renewable technologies. Accordingly, our Niagara Falls facility receives much of its electricity via hydropower to manufacture our products, including hydrogen, which is either sold, used in other manufacturing processes or used to offset natural gas in our boilers. We have recently made significant economic investments to convert our process to a state-of-the-art, energy-efficient operation. We have established an On-Site Energy Manager to lead our energy efficiency efforts and our Niagara Falls facility contributes significantly to Olin's global sustainability efforts, resource management, and the like.

Although fully supportive of the CLCPA goals, Olin is concerned about the unknown impacts of CLCPA compliance on the overall cost and reliability of energy supplies in New York State. Regarding cost impacts, in the Final Scoping Plan, or preferably before, the CAC must examine and reveal the anticipated cost of CLCPA compliance and measure it in the context of other factors already forcing increased energy costs in the State. Our business is already battered by escalating wholesale energy prices and increasing transmission and delivery costs imposed by our local utilities.

At Olin, our commitment to safety, the environment, and our communities is top priority. To safely operate our facility, we must have secure, reliable electricity and natural gas supplies which, without proper planning, could be threatened by an overreliance on intermittent renewable electric generation and overly aggressive timetables for the reduction of natural gas usage in the State.

Finally, despite prompting in the CLCPA, the Draft Scoping Plan fails to recommend a specific definition of energy-intensive and trade-exposed industries. It does not advance specific recommendations as to how to minimize CLCPA compliance costs on such industries to prevent economic and emissions leakage. This major gap in the Plan means that New York State could be exporting thousands of jobs without having a material impact on regional or national greenhouse gas emissions.

In closing, we believe that the CAC needs to address these concerns to ensure that the electricity and natural gas that Olin and other businesses need to maintain jobs in New York State will be affordable and reliable as the CLCPA is implemented. In our case, it's more than just jobs and careers at stake. Our products enable safe drinking water for municipalities,

Olin faces stiff national and international competition and the uncertainty surrounding the future cost and reliability of energy in New York already could have a detrimental impact on our ability to maintain, let alone grow, job levels in the State. Accordingly, Olin implores the CAC to address these issues so that the Final Scoping Plan is more transparent and provides a roadmap for CLCPA compliance that is cost-effective, recognizes the heavy, and growing, burdens being imposed on energy consumers, and provides for affordable and reliable electricity and natural gas services for New York businesses.