National Gypsum Company
Corporate Headquarters
2001 Rexford Road
Charlotte, NC 28211

November 10, 2009

Mr. Cass R. Sunstein
Administrator
Office of Information and Regulatory Affairs
Office of Management and Budget
1650 Pennsylvania Ave, NW
Washington, DC 20503

Dear Mr. Sunstein:

National Gypsum is one of the companies which would be severely impacted by a change in the regulatory designation for flue gas desulfurization (FGD) or byproduct gypsum under RCRA. We believe designating byproduct gypsum as a hazardous waste would essentially kill the market for all gypsum board made from this raw material. Today, we use byproduct exclusively at three of our newest high-speed plants and at other plants in various percentages.

Eliminating byproduct gypsum would be a serious blow at all of these facilities, but particularly at our newest plant located near Charlotte, NC. The availability of byproduct gypsum is the only reason we were able to build this plant in the center of our largest market, the Southeast. If byproduct were eliminated as a raw material for this plant, our option would be to bring heavy gypsum rock from Halifax, Nova Scotia, by freighter, then via a 200-mile rail trip from Wilmington, NC. That would be economically unfeasible, would leave a $125 million investment idle and would eliminate the green manufacturing jobs of approximately 200 people who are directly or indirectly employed by this plant.

By using byproduct gypsum at this plant, Duke Energy avoids placing the product in a landfill. Byproduct gypsum is in no way a hazardous material. The process utilities use to manufacture byproduct gypsum is entirely separate from coal combustion byproducts and the two should not be confused. At capacity, our plant will use approximately 75 tons of byproduct an hour. This material is tested before it leaves the power plant and throughout our production process. It is purer than the natural gypsum rock we use at other locations. Without our plant, Duke Energy would be required to landfill over 500,000 tons of byproduct annually. This would create a landfill crisis in North Carolina, adding approximately 10 percent to current annual levels.

This plant provides a 100% recycled content product. There is growing demand for this type of product for LEED certified buildings and, in general, for green construction. This plant is also environmentally efficient. Energy optimization systems reduce natural gas use. Process wastewater is recycled, resulting in zero discharge. All combustion sources are equipped with low NOx burners to reduce emissions. State-of-the-art baghouses remove 99.9% of particulate.

Byproduct gypsum reportedly makes up 35% of the entire wallboard marketing the United States. If all of our byproduct plants and all of our competitors' byproduct plants were removed from the wallboard manufacturing capacity, there soon would be a shortage of wallboard in our country, prices would climb, and the incentive for wallboard imports would increase, creating a situation similar to the one which brought defective Chinese wallboard into the country during the housing bubble.

I urge the EPA to consider the fact that byproduct gypsum has been deemed a non-hazardous product by EPA for the past 15 years. Europe and Japan have safely used this product for the past 30 years. Nothing has changed. It still is a safe, green product that can be used to produce an essential building material.

Thank you for your consideration and, if you have questions, please contact my office.

Sincerely,

Thomas C. Nelson
Chairman, President & CEO

cc. Mr. Matthew Hale
Director
Office of Resource Conservation & Recovery
United States Environmental Protection Agency

Mr. Michael Gardner
Executive Director/CEO
Gypsum Association