

I was unaware of the January 13th RGGI Advisory Group meeting and, once alerted to it by Senator Antoine Thompson's office, was only able to catch a few minutes. However, in that time I was able to glean that NYSERDA was proposing to spend \$9 million in RGGI funds over the next three years on CCS projects. The only NYS CCS project that I am aware of is the new 50 MW coal plant proposed by the Jamestown BPU. For the last four years this project has been vigorously opposed 20 regional, statewide, and national environmental groups including EANY, Earthjustice, NRDC, Sierra Club and Physicians for Social Responsibility. On behalf of our coalition, I strongly urge NYSERDA to stop supporting this project and thus wasting valuable RGGI, SBC, or other funds on it if for no other reason than it is never going to be built.

Here are reasons why this deeply flawed and ill-conceived project is not going to be built:

- The JBPU's existing Carlson coal-fired power plant can and should be shut down without being replaced by a new power plant – thus a new coal plant is not needed
- The proposed new coal plant's output will be very expensive and significantly raise electric rates for Jamestown Board of Public Utilities ratepayers
- Cleaner alternatives are readily available and are much cheaper, e.g. energy efficiency, buying off the NYISO grid, and renewables like wind energy
- This project could never pass a fairly administered prudency test by the NYS Public Service Commission because of its high cost and the existence of much cheaper alternatives
- The proposed plant is five times larger than the 10% portion of JBPU ratepayer electric load which is not already met by low cost hydro power from the New York Power Authority (in 2008 NYPA power met 90% of the JBPU's ratepayer electric load)
- Selling the disproportionately expensive excess power from the new coal plant on the open market would likely to produce huge losses for the JBPU and put the city at financial risk (even if all CCS costs were covered by the federal government)
- Without on-going life-of-the-plant federal or state funding, the JBPU would likely abandon CCS as soon as the demonstration period was over in order to reduce operating costs and minimize expected losses
- The JBPU failed to secure enabling statewide legislation which would make CCS legal in New York
- The proposed but failed statewide legislation did not address critically important liability issues
- Test drilling failed to find geological reservoirs in which to bury CO₂
- Key project backers -- Praxair, Inc. and the University of Buffalo -- quit the JBPU project team
- The Oxycoal technology proposed for this project does not lend itself to retrofit applications (which should be a priority at this time instead of building new coal plants) and it is highly inefficient especially in small plants (the 50 MW Jamestown oxycoal coal plant would have an output of just 30 MW)
- U.S. DOE has denied funding for this project twice in 2009

I have attached the following documents which I hope will be of interest:

- "Cost of Power for Jamestown Board of Public Utilities Electricity Supply Options: Proposed Coal-Fired Power Plant Is Most Expensive Option Even with Federal Subsidies," Clean Energy for Jamestown, September 17, 2009 (Study + Press Release attached)

- “U.S. Department of Energy Says ‘No’ to Jamestown, NY’s Dirty Coal, Proposal: Environmental, Energy, and Health Groups Celebrate Decision to Deny Funding to Unnecessary Coal Plant,” Clean Energy for Jamestown, December 14, 2009 (Press release)
- “A Proposal to Meet Jamestown’s Electricity Needs at a Lower Cost while Creating a Local Green Economy,” Clean Energy for Jamestown, December 22, 2009
- “ Q&A: A Hard Look at the Oxycoal Project -- It’s Time to Call it Quits and Move On,” Clean Energy for Jamestown, January 5, 2010
- “End this Bad Idea,” Buffalo News Editorial, January 5, 2010

As you know, we are facing a climate change crisis which demands that we spend available resources in the most effective way to bring about a maximum reduction of greenhouse gas emissions. It doesn’t sense to waste RGGI or other clean energy funds on highly questionable projects that are not viable and are not going to be built. I strongly urge you to reassign and redirect this CCS funding and to support our “Proposal to Meet Jamestown’s Electricity Needs at a Lower Cost while Creating a Local Green Economy,” which is a positive forward-looking statement fully consistent with New York energy policy and NYSERDA goals that prioritize energy efficiency and renewable as the fundamental least-cost strategies for building a green economy while reducing greenhouse gas emissions.

Please let me know NYSERDA’s current position on the Jamestown project, the intended use of the proposed \$9 million CCS RGGI expenditure, and whether this budget item is being reconsidered. Incidentally, our opposition to the Jamestown project should not be interpreted as opposition to CCS. Many of the groups that are opposed to the Jamestown project (for all the reasons given above) are in favor of demonstrating and commercializing CCS technology.

If you have questions about Jamestown project and our opposition to it, please let me know. I would be glad to share and clarify our perspective, answer questions, and discuss.

Thank you.

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