

Dear NYSERDA and RGGI team,

Thank you for the opportunity to provide you with some suggestions on the proposed DRAFT of the Investment Plan of Trading Budget for CO₂ allowance Auction Program from NY.

We would like to share with you four insights on how Calera can help NYSERDA reach its objectives.

1- First an introduction to Calera and what we do:

Calera's carbon capture and conversion technology with beneficial re-use of CO₂ provides a sound and cost-effective alternative to Geologic Sequestration and Terrestrial Sequestration. By chemically bonding carbon dioxide into carbonate minerals, Calera's process permanently converts CO₂ into a mineral form, useable as cement or aggregate.

Calera was founded by Brent Constantz, PhD, who holds over 60 patents in the field of specialty cements and has built three successful firms in the last two decades. Backed by Khosla Ventures, Calera now has a team of over 70 scientists, engineers and experienced executives. The company is currently building a pilot facility on a 200-acre site next to a Dynergy 1,000 MW power plant, and is in the process of designing and developing demo plants targeted at several locations in the United States and internationally.

2- Calera's technology falls under the Advanced Power Technology category you have defined. Current funds allocation budgeted are: \$M4.25 (2010) - \$M14.5 (2011) - \$M32.25 (2012).

Respecting your Criteria 1 of cost effectiveness and your desire to support long-term projects, it seems like a revenue model analysis should be the driver of the partner selection planned for 2009-2010. If so, CCS technologies capable of generating revenues (e.g. sell of cement, aggregate or others) are your top priority.

3- Broadening the definition of Carbon Capture and Sequestration to include innovative solutions with "beneficial reuse of CO₂" can help support technologies that generate revenues from CO₂ mitigation. The below language is a proposal of an all-encompassing definition of carbon capture with beneficial reuse of CO₂ used in current legislations:

" The innovative concepts for beneficial CO₂ use/reuse include, but are not limited to, CO₂ mineralization to carbonates directly through conversion of CO₂ in flue gas or indirectly through capture of CO₂ from air, use of CO₂/algae for biomass production, conversion of CO₂ to fuels and chemicals, and desalination of water produced from CO₂ storage in saline formations."

4 - We propose opening the participation to the Electric Power Supply and Delivery Task Force (EPSD Task Force). Calera is dedicated to not only reduce but mitigate greenhouse gas emissions from the electric power sector, and to that effect, would be a valuable driver of the task force.

Also, please make sure to include us in your mailing list for all future hearings and events related to the Trading Program.

We look forward to hearing back from you. Thank you for taking on such challenging and innovation-driving initiative.

Best Regards,

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