PROCEEDINGS

STATE ENERGY PLANNING BOARD 2009 STATE ENERGY PLAN - DRAFT PUBLIC HEARING

Public hearing held at the State University of New York at Buffalo, Center for Tomorrow, Amherst, New York, on August 24, 2009, commencing at 10:13 a.m., before THOMAS CONGDON, Chair, State Energy Planning Board.

1 STATE ENERGY PLANNING BOARD MEMBERS: 2 THOMAS CONGDON, Chair, State Energy Planning Board; 3 Deputy Secretary for Energy, Office of the Governor. 4 GARRY BROWN, Chair, State Public Service Commission. 5 б PETER IWANOWICZ, Assistant Secretary for Environment, 7 Office of the Governor. 8 JARED SNYDER, New York State Department of Environmental 9 Conservation. 10 ROBERT CALLENDER, New York State Energy Research and 11 Development Authority. 12 13 PRESENT: SARAH OSGOOD, Executive Director, State Energy Planning Board; 14 Assistant Secretary for Renewable Energy, Office of the Governor. 15 SUZANNE M. BAKER, Outreach Coordinator, 16 State Energy Planning Board; Executive Assistant, New York State 17 Energy Research and Development Authority. LORI K. BECK, CSR, RDR, CRR, 18 Court Reporter. 19 MEMBERS OF THE PUBLIC 20 21 22 23 24 25

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1 MR. CONGDON: Good morning, everyone. My name is Tom Congdon, and I am the Chair of the New 2 3 York State Energy Planning Board. 4 I'd like to welcome you to the third public 5 statement hearing on the draft State Energy Plan. Like to thank our hosts at UB, and I'd like б 7 to thank the other members of the Planning Board 8 who are here with me today: 9 From my far left, Bob Callender from the New 10 York State Energy Research and Development 11 Authority; Garry Brown, the Chairman of the Public Service Commission. 12 13 To my right, Peter Iwanowicz, the Deputy 14 Secretary -- I'm sorry, the Assistant Secretary for 15 the Environment in Governor Paterson's office; and 16 Jared Snyder from the Department of Environmental 17 Conservation. 18 But most importantly, I'd like to thank all 19 of you. We are here to listen to you. For the past year and a half, the Planning 20 21 Board has worked with the staffs of ten agencies 22 and authorities to develop the draft State Energy 23 Plan. The Planning process commenced in April of 2008 when Governor Paterson issued Executive Order 24 25 Number 2 creating the Planning Board and charging

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1 us with developing the Plan.

2 On August 10th, the Planning Board released 3 the draft State Energy Plan on its website, 4 nysenergyplan.com, and commenced a 60-day written 5 comment period and this public hearing phase of the 6 development of the final.

7 Written comments are due on October 19th,
8 and we will release the final Plan by the end of
9 the year.

10 The Plan's objectives are to, first, ensure 11 our energy systems are reliable over a ten-year 12 planning horizon; second, to reduce greenhouse gas 13 emissions; third, to stabilize energy costs and 14 improve economic competitive -- competitiveness in 15 the State; four, reduce public health and 16 environmental risks associated with energy systems; 17 and fifth, to improve the State's energy security. The Plan modeled and considered various 18 19 approaches to achieving these objectives and 20 arrived at a number of strategies. 21 First and foremost, the Plan identified 22 energy efficiency as a priority resource to meeting our multiple public policy objectives. 23 The Plan also seeks to develop in-State 24

25 energy resources, largely renewable resources, and

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also in-State natural gas resources in an 1 2 environmentally responsible manner. 3 The Plan also projects infrastructure needs 4 both to support the clean energy technologies of 5 the future and also to ensure reliability. б Fourth, the Plan identifies opportunities to 7 capitalize on existing academic and research 8 strengths in the State and to facilitate connections between academia and industry to speed 9 10 up the rate of innovation in energy technologies. 11 We believe this will create jobs in the State, and we also identify work force needs to transition to 12 13 this clean energy economy. 14 Lastly, the Plan recognizes that none of 15 this can be fully achieved without working with 16 other levels of government and with communities to 17 achieve our goals. 18 The public -- this public hearing is a 19 testament to the desire to work with and learn from the community that is affected by energy decisions 20 21 and energy policies. This is one of nine public 22 hearing sessions we are holding around the State to hear your comments, and a full hearing schedule is 23 24 available on our website.

25 The process today is simple. Those who want

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1 to comment at this hearing have been asked to sign 2 in upon arrival today, and I have that list with 3 me.

Your name will be called one at a time to
speak. Please come to the microphone here on my
right when your name is called.

A court reporter is here to prepare a
verbatim transcript. It is very important that
only one speaker come up at a time and speak at a
time so the reporter can hear clearly.

Speakers should address their comments in the direction of the microphone and please make an effort to speak clearly and slowly.

14 It is also very important that those in 15 attendance be courteous to the speaker so his or 16 her comments can be transcribed accurately.

17 All speakers are asked to focus on issues 18 that pertain to the draft Energy Plan. Your 19 comments should be as succinct as possible so we 20 can hear from as many people as possible in the 21 time we have.

We set a five-minute deadline for that purpose, but, of course, after everyone has had a chance to address the Board, repeat speakers may be afforded another five minutes.

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1 One of my colleagues, Sarah Osgood, is 2 sitting next to the microphone with a timer, and 3 she will gently remind you if you're going over 4 your five minutes.

5 Formal presentations like PowerPoint are --6 are not allowed. Those who want to comment but do 7 not want to speak publicly or do not get a chance 8 to do so can also submit written comments via the 9 State Energy Plan website, and again, that's 10 www.nysenergyplan.com.

If you decide to submit written comments,
 please do so as soon as possible so that they can
 be carefully considered.

All public comments, whether stated at a hearing like this one or sent to the website, will be reported to the Energy Planning Board for its consideration. They all count equally, regardless how they were received.

19 Before we get started, does anyone have any 20 questions about the process?

21 Yes, sir?

22 DAVE BRADLEY: I also submitted comments 23 online where you can basically link to more 24 extensive things.

25 Are those going to be included?

Sam Hoyt - New York State Assembly

1 MR. CONGDON: Yes. If you've submitted 2 comments online, those are considered by the Board, and they're also posted online for other 3 4 stakeholders to -- to review as well. 5 DAVE BRADLEY: Okay. Because this is a 6 very, very abbreviated format. 7 MR. CONGDON: Okay. Thank you. 8 Our first public statement is by Assemblyman 9 Sam Hoyt. Thank you, Sam. 10 11 STATEMENT OF SAM HOYT, NEW YORK STATE ASSEMBLY, 12 13 144TH ASSEMBLY DISTRICT 14 15 ASSEMBLYMAN HOYT: Thank you. I want to 16 first thank the members of the committee for 17 allowing me to speak today. 18 I'm Assembly Member Sam Hoyt. I represent 19 the 144th Assembly District, which contains the 20 west side of Buffalo and the Town of Grand Island. 21 I come here today in a number of different 22 capacities: as the chair of the Assembly Local Governments Committee, which has responsibility 23 24 over parkland alienation; as an environmentalist 25 who has made a commitment to our great State's open

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spaces and protected places; and as an Assemblyman 1 2 whose constituents are committed to preserving the beauty and ecological integrity of our State parks. 3 4 The Energy Plan in many respects represents 5 a huge step forward for New York in preserving our environment and accessing sources of renewable 6 7 energy. Unfortunately, even the very best of documents can contain flaws, and I believe this 8 Plan does. 9

10 Without criticizing the good, I would like 11 to take a few minutes to draw our attention to one 12 such flaw in the hopes of convincing others to look 13 at alternative approaches and chart new directions 14 for meeting our State's energy needs.

First, let me commend the emphasis placed throughout the Plan on energy efficiency. Reducing use is, of course, an effective step that we can and must take as a State to tackle climate change. J, therefore, want to praise the thoughtful discussion of this topic in the Plan.

I also think that the Plan's components which deal with exploiting untapped renewable energy sources is the kind of dynamic shift in thinking that we need. I commend all of you and Governor Paterson for that. 9

1 Our economy is driven by the price of fuel 2 and fuel transportation, and the negative effects of the situation have recently become all too 3 4 clear. Localized renewable generation, if coupled 5 with Smart Grid technology, can provide both better energy supplies for surrounding communities and 6 7 more balanced cost with only negligible 8 environmental impact. 9 Where I do take issue with the report is in 10 its allowance for the process known as 11 hydrofracking in Marcellus shale. 12 This State may have vast, untapped reserves 13 of natural gas and other fuels trapped in that 14 formation, and there are some who see multiple 15 reasons for tapping into it. 16 One is that Marcellus presents an 17 opportunity for the State to make a profit. Another revolves around regional energy 18 19 independence. 20 Let me address the regional energy 21 independence idea first. 22 It is false that tapping Marcellus means energy independence for upstate. Just like any 23 other community, the market will drive where the 24 25 gas is sold, and no map-based border will prevent

its going to the highest bidder, regardless of
 location.

3 In what would be a sad corollary to the 4 Niagara Power Project, the region impacted by the 5 ills of the gas production might not ever realize 6 the benefits.

7 The ends of energy independence are not 8 realized, much less justified, by the means of 9 tapping Marcellus.

10 The other reason for drilling -- the 11 potential profit to New York -- must be balanced 12 against the high cost to the quality of our water, 13 air, and health. That cost stems from the process 14 known as hydrofracking.

A cursory description of it may sound harmless: the use of water to create fissures in the shale to tap the gas and the oil.

18 But the waste, the chemicals employed, 19 disposal methods, transportation requirements, and lack of research in areas such as radioactivity all 20 21 point to a process that is poorly understood and 22 has the potential for grave environmental damage. 23 Current methods for disposing of the wastewater are inadequate. Steps to prevent 24 25 leakage are not always employed, and toxins

released from the 300-million-year-old shale are 1 2 unknown, all of which ensures that the public's health and safety would be jeopardized for a 3 4 relatively small and unknown gain. 5 I encourage the Commission and the Governor's office and all of you to think twice б 7 before employing and allowing for the whole hydrofracking technology and technique to be used 8 and included in the master Plan. 9 10 One final comment: 11 Many of you know that prior to me serving in 12 the State Assembly, my father was a State 13 Assemblyman as well. 14 He chaired the Energy Committee, and one of 15 his last acts as a legislator -- in fact, he passed 16 away while serving in the Assembly, literally on 17 the floor of the Assembly, while meeting with staff on this topic -- was preventing the State of New 18 19 York from entering into a contract with the 20 Province of Quebec to buy large amounts of 21 hydropower from Hydro-Quebec. 22 It would have resulted in massive flooding of thousands and thousands and thousands of native 23 24 lands in Canada. The Cree and other tribes were

25 strongly opposed to it.

1 It's my understanding that we are 2 reconsidering such a proposal today. 3 The battle and the arguments made back when 4 my father served still apply today. We ought to 5 require and insist on by statute that a full environmental impact statement be required even if б 7 we're purchasing this power from another state or 8 another country. 9 And so as we go forward, I hope we keep that 10 in mind as well. 11 Thank you all very much. MR. CONGDON: Thank you, Assemblyman. 12 13 Our next speaker is Douglas Champ. 14 15 STATEMENT OF DOUGLAS CHAMP 16 MR. CHAMP: First of all, I've been in the 17 energy business for over 30 years, and I'm a 18 19 retired utility manager, thermal energy systems. 20 AUDIENCE MEMBERS: Can't hear you. Can't 21 hear you. 22 Is the PA on? Doesn't sound like it's on. 23 MR. CHAMP: Can you hear me now? 24 AUDIENCE MEMBERS: No. No. 25 MR. CHAMP: How about this? Can you hear

1 me? Okay?

2 AUDIENCE MEMBERS: Yes.

3 MR. CONGDON: Great.

MR. CHAMP: I'll repeat that again.
My name is Douglas Champ. I've been in the
energy business for well over 30 years. I'm a
retired utility manager, primarily thermal energy
systems.

9 And in your Plan I want to propose a concept 10 which our friends from NYSERDA are well aware of. 11 It's community energy systems, which integrate 12 thermal energy in a community using all types of 13 energy sources.

14 The prime example is the one I managed in 15 Jamestown, New York, which provides hot water 16 heating and, in fact, cooling to a whole variety of 17 buildings.

18 This concept is not new. It's been around 19 since -- Birdsill Holly actually initiated it in 20 Lockport, New York, in the 1800s, and we have 21 systems existing in New York like Con Edison and a 22 variety of other ones and other campuses and -- and 23 big industrial complexes.

24 But the importance of this system is that it 25 can integrate all types of energy sources. It

Douglas Champ

creates efficiency. The tie-ins and renewables are
 all in place. Everything can be done.

3 So in looking at how communities can be 4 heating and cooling, I think you ought to look at 5 community energy systems as a viable process that 6 will combine all of these sources in one location, 7 plus creating economic stabilization by building 8 this utility as a complement to other sources.

9 So my thought in this is that this could be 10 an accurate way for you to actually do all of these 11 things together in a viable way within our 12 communities.

Buffalo, New York, has a system. It hasn't really grown very much since the time it was put in. I think that can continue in other areas of the State.

17 So my thought in this is really for you to 18 look at community energies and district systems as 19 being a viable way in the future to integrate 20 geothermal, biomass, wind power, solar power, and a 21 form of storage that can connect to these systems 22 and do everything that we feel are necessary to 23 move this State forward.

In addition to that, you're looking at sequestration of CO2, but I see no utilization of

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Douglas Champ

CO2 in terms of a viable byproduct which we are then 1 2 going to take and to bury it underground. Now, in Canada, whole industries are 3 4 connected to CO2 generation in greenhouses. 5 A whole new industry could be part of this process in New York State as part of the fuel б 7 delivery system where you have CO2 as part of the 8 fossil fuel greenhouse gas allocation. 9 So I would look at you to take a look how CO2 10 could be utilized versus sequestering it. 11 That poses a lot of problems, and it poses a lot of costs. I know that the amount of CO2 in the 12 13 generation process is extreme in some cases, but 14 nevertheless, it should be utilized in a more 15 effective way. 16 That will end my brief presentation, but I 17 look forward to this Plan being implemented. Many times plans are not implemented. They are thought 18 about, they are looked at, but we never have the 19 20 end result, and everything goes down the scale. 21 So I appreciate your efforts in pulling this 22 together. 23 And one last word: 24 I'm also the chairman of Chautauqua County's

25 Energy Conference in the fall, the 23rd and 24th,

Douglas Champ

with -- one of your Board members will be here, 1 2 Steve Hammond, giving a presentation. I invite all of you, and I'm also going to 3 4 invite Mr. Tom Congdon to come and present that Energy Plan, if he has the time. 5 MR. CONGDON: I think we have just one б 7 follow-up. MR. BROWN: Just one. Is this on? Hello. 8 9 You were -- on the community energy systems, 10 did you have any specific recommendations? 11 Are there barriers out there or lack of incentives to make this happen? 12 13 MR. CHAMP: Yes, there have been in the 14 The startup application's difficult. past. 15 The feasibility studies are there. I know 16 NYSERDA and I have worked for many, many years at 17 trying to get and promote this. 18 I think the Jamestown system is a prototype. It's known all over the world. I have been 19 20 involved with international conferences on that. 21 I've given speeches and talks all over the country 22 when I was -- when I actually ran the system. 23 And the barriers are typical barriers in 24 cities: cost, economics, the construction 25 application.

Douglas Champ

But now is the time to reexamine this. Now is the time to integrate community energy within a viable way, because we have wind power over here, we have solar power over there, we have a variety of fractionations going on that aren't integrated together.

7 And with storage now, you can do these 8 things in an effective way, and some of the 9 facilities in the State of New York actually could 10 be generators for the development of these 11 community energy systems.

12 So I think if we can finance a way for these 13 to be done along with partnerships, private and 14 public, I think you create a whole new opportunity 15 in the State of New York to create these systems on 16 site, whether they're in a community of a large 17 basis or they're larger complexes like industrial 18 parks or they're complexes like State University 19 systems.

They're doing it now, but they're doing it internally, and I think you have a good opportunity to promote this, and I'd be happy to help that process.

24 MR. BROWN: Thank you.

25 MR. IWANOWICZ: The date, again, of your
1 meeting? 2 You said the 23rd, 24th. September? October? 3 4 MR. CHAMP: 23rd and 24th of October. 5 It's a very unique conference. Last year we had about a thousand people. It's on all types of 6 7 topics, and I think this Board would be appreciative of the effort that this county's 8 9 trying to make to follow your opportunities and 10 your Plan. 11 MR. CONGDON: Great. Thank you very much. Our next speaker is Joe Brown from the 12 13 Boilermakers. 14 STATEMENT OF JOE BROWN, BOILERMAKERS LOCAL 7 15 16 MR. BROWN: Good morning. I don't know if --17 18 good morning. I'm Joe Brown, Business Manager, Boilermakers Local 7. We're the primary craft that 19 builds power plants throughout the State. 20 21 Thank you for holding your hearings at SUNY 22 Buffalo. 23 The preliminary Plan, even in draft 24 formation, is a welcome development. This is an 25 important step towards supporting the growth of

communities such as Jamestown, Lackawanna, and
 Wheatfield, as well as supporting a brighter future
 for local labor, small business, and for all New
 Yorkers.

5 First and foremost, I salute all of you for 6 making the Jamestown BPU carbon sequestration 7 project a priority under the proposed Plan. The 8 project will create 400 construction jobs over 36 9 months, nearly 1500 ancillary jobs, and, once 10 operational, about 30 permanent positions.

11 The facility would utilize resources such as 12 coal, petroleum coke, and wood coal for fuel while 13 capturing 95 percent of the carbon dioxide emitted 14 from production, a win for the environment.

This Plan will be able to file for financial
assistance through the federal stimulus money
available for energy infrastructure upgrades.

Secondly, I recognize the Plan for supporting the reauthorization of the power plant siting law. We now have the opportunity to address both New York's energy shortfall and bring much-needed jobs and economic development to Western New York.

The time has come for our lawmakers to heed your call and pass a new law that would expedite

1 the siting process to build a new generation of 2 clean, efficient power plants. This will create 3 hundreds, if not thousands of well-paid union jobs 4 and will help fortify our State's aging energy 5 infrastructure.

Thirdly, I would offer my support for a б 7 number of other initiatives that have been laid out 8 and are sprinkled throughout the draft Plan, such as increased focus on conservation and efficiency, 9 10 renewable energy research and development, 11 utilizing right-of-way to grant new transmission 12 corridors for maintaining our base load of supplied 13 hydropower.

14 All of these proposals will not only fortify 15 our energy future as a region and a State but will 16 create new jobs and put our families back to work. 17 I commend the Board for supporting the creation of the new reactor at Nine Mile Point in 18 19 Oswego and for keeping existing upstate nuclear 20 facilities such as our own Ginna station online and 21 active.

However, even though the facility's more than 300 miles away, you're focusing -- excuse me -- your focus on closing Indian Point will have a negative effect on all New Yorkers, not just

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1 downstate.

Indian Point supplies nearly ten percent of the State's power, nearly one in every ten homes within New York State. It produces over 2,000 megawatts of clean, reliable, safe power and does it without producing harmful greenhouse gasses.

7 The Nuclear Regulatory Commission just last 8 week attested to the facility's safety by publicly 9 acknowledging that the facility has met the 10 stringent safety requirements issued by the federal 11 government.

As a boilermaker who has worked at Indian Point, I know the value of organized labor to the facility, and I would ask why anyone would close a plant that produces ten percent of the State's power in a clean manner while employing thousands of union workers.

In closing, I commend you for your hard
work, dedication, and focus on securing our future.
Our State will be a better place thanks to each of
you.

22 Thank you for your time.

23 MR. CONGDON: Thank you, Joe.

Our next speaker is Hadley Horrigan from theBuffalo Niagara Partnership.

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1 2 STATEMENT OF HADLEY HORRIGAN, BUFFALO NIAGARA PARTNERSHIP 3 4 5 MS. HORRIGAN: I'm Hadley Horrigan, Vice-President of Public Affairs at the б 7 Partnership, and I'm here today on behalf of about 8 2500 members who are regional employers of more than 200,000 people. 9 10 Thank you for your thoughtful work on the 11 draft Energy Plan and for the opportunity to provide comment today. 12 13 Let me begin by providing the context from 14 which the partnership's perspective comes. 15 About 40,000 local jobs currently depend on the expansion and replacement power contracts that 16 17 NYPA has with companies in our region. Replacement and expansion power is absolutely vital to the 18 19 economy of Buffalo-Niagara. 20 Our sister organization, the Buffalo Niagara 21 Enterprise, working in concert with local and State 22 economic development partners, has developed a robust attraction effort that takes advantage of 23 24 the unique advantages we have in the form of 25 Niagara Power Project hydropower.

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1 In particular, and consistent with the goals 2 of the draft Energy Plan, the Buffalo Niagara 3 Enterprise has made great strides working with 4 solar panel and wind turbine manufacturers who have 5 expressed interest in our region because of our 6 proximity to both customers and supply chain in 7 addition to this hydropower.

8 Currently, the BNE has nine active projects. 9 These are good projects with real interest in our 10 region. They come from renewable energy 11 industries, other advanced manufacturing sectors, 12 and also include things like brownfield cleanup and 13 really strong private sector job investments.

Together these projects represent potential
private sector investments of up to \$4.7 billion
here and 5500 new jobs.

To land these projects, we as a region currently have about 40 megawatts of replacement and expansion power available, while these projects would likely require allocations closer to about 20 megawatts.

22 So the bottom line is we really need more 23 low-cost power, and we stand ready to help the 24 State with its strategy to meet these energy needs. 25 And there's two specific proposals the

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partnership strongly endorses to get our region
 closer to meeting these energy needs.

First, we believe hydropower currently supplied for rural and domestic uses within the franchise territories of three upstate utilities should be redeployed for upstate-wide economic development over a period of three years.

8 The residential savings I receive at my home are about \$2 per bill, and it's a bit higher for 9 10 some of my co-workers who are in different 11 franchise territories, but I think, you know, I and 12 my co-workers would agree that a \$40,000-a-year job 13 for one of our neighbors would outweigh this 14 benefit, as well as the buying power that job 15 creates in the community.

16 So that said, we do believe a mechanism 17 should be established to assist non-corporate 18 farmers and those low-income households as defined 19 by HEAP that currently do benefit from the 20 hydropower.

Second, we worked closely with Assemblyman Dennis Gabryszak and Senator Bill Stachowski this year on bills they introduced that would allow our region to get more out of our regional asset, that is, replacement and expansion power, which I

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1 mentioned a moment ago.

2 When that power's not being utilized -- so 3 when a plant is not drawing on its full allocation, 4 or when a company has received a block of power but 5 is not yet up and running, or when power remains 6 unallocated -- the NYPA sells that power on the 7 open market and retains those proceeds.

8 And the Gabryszak and Stachowski bills would instead create a Western New York economic 9 10 development fund that would keep those proceeds 11 derived from the regional hydropower assets within 30 miles of the Niagara Power Project, and that 12 13 local fund would be used for projects such as site 14 preparation and infrastructure improvements, brownfield cleanups, adaptive reuse of existing 15 16 structures, and to entice private sector 17 investments in Buffalo-Niagara.

18 And now on to a couple specific points of 19 your Plan.

It's important that all State agencies that have a hand in economic development uniformly develop criteria that would provide carrots for energy efficiency measures.

And moreover, your Plan's objectives need some form of accountability, and so for targets

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such as energy efficiency, would you consider
 meeting efficiency targets, renewable targets, and
 other infrastructure-related objectives under a
 regulated environment via the upstate utilities,
 because this presents an opportunity for
 appropriate and measurable incentives.

7 Manufacturing companies in the renewable 8 energy industry like to do business with -- in 9 states that are actively working to support 10 renewable energy generation, and so your Plan helps 11 us and other communities attract such companies to 12 our region.

13 But I also want to urge some caution, and 14 that is, that the State's employers need affordable 15 power, so we encourage a blended approach, so renewing Article X, encouraging the construction of 16 17 new electric generating capacity, electric and natural gas transmission and distribution 18 19 facilities, and with a focus on building generation facilities where demand is greatest, particularly 20 21 Downstate New York.

22 While I'm on the topic of affordable power, 23 I have to note that the recent increase in 18A 24 assessments is a clear example of inappropriate 25 increases in regressive taxation that impacts the

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1 competitiveness of business.

Please take the message back to Albany that the \$600 million burden on New Yorkers needs to be rolled back immediately. Good energy policy should rely on real costs to the degree possible, and elimination of artificial price components must begin as quickly as possible.

8 Was that the buzzer?

9 MR. CONGDON: That's okay. If you want to 10 wrap up.

11 MS. HORRIGAN: On the development of Marcellus shale, it's a critical matter of 12 13 importance for Upstate New York, so I'll urge you 14 to expedite a rational DEC permit process for hydrofracture drilling. Any overregulation would 15 only serve to hurt possible increases in domestic 16 17 supply, and I have to note that New York is already at a competitive disadvantage with Pennsylvania. 18

19 I think reliability and your efforts to 20 promote effective infrastructure investments could 21 serve as a competitive advantage for New York 22 State.

And finally, your collaborative approach to developing future energy policy is something we certainly appreciate, and both the partnership and

1 Unshackle Upstate would stand ready to support your 2 efforts. MR. CONGDON: Great. Thank you. 3 4 Our next speaker is Stephen Lynch. 5 MR. LYNCH: I'm going to be providing written comments. б MR. CONGDON: Okay. Okay. Thank you. 7 8 Written comments, please. 9 Our next speaker, then, is Dave Bradley from 10 Buffalo Wind Action Group. 11 12 STATEMENT OF DAVE BRADLEY, BUFFALO WIND ACTION 13 GROUP 14 MR. BRADLEY: Thank you very much for 15 16 allowing me to speak. 17 I'm glad to see that New York State is actually trying to command for a better energy 18 19 future. It's a welcome change; however, we still 20 have a long way to go. 21 In particular, we have really blown it with 22 regards to peak oil, peak gas, and also with your 23 renewable energy plans. 24 You have nice plans for them, but you just 25 have no viable ways of achieving those goals, and

we would really like to see viable ways to
 achieving these goals.

3 Mostly that relates to the fact that renewable energy has to be profitable to be able to 4 5 be developed. You have no mechanism in here for making renewable energy profitable except by 6 7 further quotas, subsidies, and in a State that's bleeding tax dollars because of peak oil induced 8 recessions, you're never going to get there, 9 10 because you don't have the money to do this.

So you need to change to a system that doesn't require massive subsidies.

13 So anyway, peak oil. And there's basically, 14 you might say, two horses of the Apocalypse coming 15 your way. One of them is peak oil, peak gas, and 16 the other one is global warming.

17 Global warming is caused by CO2 pollution,18 basically the burning of fossil fuels.

19 Peak oil and peak gas are basically a result 20 of huge increases in fossil fuel consumption and 21 production and the fact that we have a finite 22 supply of these things, and your treatment of that 23 basically is really inadequate, to say the least. 24 This affects future prices something fierce, 25 because as supply and demand become balanced, the

price needed to basically crowd out future users
 becomes astronomically increasing, and we saw just
 a touch of that in 2007, 2008.

4 And anyway, that caused a huge recession, 5 slash, depression, which is a dreadful thing, but that's what happens when you have oil price spikes. 6 7 That's going to happen again in around 2010 or 2011 as the current supply destruction caused by 8 oil depletion and the current supply destruction 9 10 caused by lack of investment when oil prices crash 11 coincides with increased demand or at least a stable demand. 12

Anyway, it's very short-sighted. New York has no coal, no oil, and really modest natural gas aside from the Marcellus, which we'll get to in a second, and basically, the only way around that is to either get more efficient or substitute renewable electricity.

We have very large, significant renewable electricity supplies, but you have to realize the amount of renewable electricity available is a function of the price that you pay for that.

At the current collapsed electricity price of two and a half cents a kilowatt hour, the only renewable energy supplies you'd have are the

1 existing hydropower plants.

If you go to 10 or 15 cents a kilowatt hour, you'd have more than enough renewable electricity -- largely from wind, also some tidal, run or river, and biomass -- to supply all of New York State and to replace all of our polluting sources, which in that category are coal, oil, natural gas, and nuclear sources.

9 But anyway, until you actually get around to
10 the price -- to the place where renewable energy
11 can be profitable, it's never going to happen.

12 And in 2009, for example, we have a certain 13 quota for renewable energy which is embodied in the 14 It's supposed to be 136 megawatts delivered. RPS. 15 It will never happen, because even with the one-and-a-half-cent kilowatt hour bonus from the 16 17 RPS, it's never going to be enough to make up for the low price and the collapse in the price of 18 19 electricity.

The collapse in the price of electricity is kind of a function of the NYISO gambling system. And I'll call it a gambling system. You never know what your price of electricity is going to be with NYISO with the locational-based marginal pricing. And when the recession came about, it

basically crashed demand by about five percent.
 That caused electricity prices to drop anywhere
 from 50 percent in Western New York to 70 percent
 in the New York City area.

5 And that's because electricity is a 6 price-inelastic material. Slight increases or 7 changes in demand mean huge increases in price, and 8 what you need for renewable energy development is 9 stable prices so that with stable prices you can 10 have a stable cash flow. With a stable cash flow, 11 you can actually go get financing.

12 Right now the situation that we have in the 13 State is just ludicrous, because you're asking 14 people to go to bankers and borrow hundreds of 15 millions of dollars, and when you tell the bankers, 16 you know, what the cash flow is going to be, you 17 have no idea.

18 I mean, that's just ludicrous, especially in 19 a post, you know, collapsed -- credit-collapsed 20 world.

21 So New York has approximately \$130 billion 22 worth of investments needed to replace all of our 23 polluting electricity sources, and you'll never get 24 there unless you have reliable prices.

25 And a way to do that is how they did that in

Brian Smith, Citizens Campaign for the Environ34nt

1 Ontario with a Green Energy Act or what they use in 2 Germany called the feed-in law tariff, and unless you actually do that, all the renewable energy 3 4 plans are nice plans, but they're just driving nowhere fast. 5 б MR. CONGDON: Thank you. 7 AUDIENCE MEMBER: Marcellus shale. 8 MR. BRADLEY: What about it? It's important. Too expensive. 9 10 MR. CONGDON: Our next speaker is Brian 11 Smith. 12 13 STATEMENT OF BRIAN SMITH, CITIZENS CAMPAIGN FOR THE 14 ENVIRONMENT 15 16 MR. SMITH: Good morning, and thank you for 17 the opportunity to provide comment today. 18 Again, my name is Brian Smith, and I'm the 19 Western New York program director for Citizens 20 Campaign for the Environment, or CCE. We're here 21 today on behalf of our 80,000 members. 22 We applaud the Energy Planning Board for moving forward with this process, releasing the 23 24 draft report, and involving public comments and 25 feedback.

Brian Smith, Citizens Campaign for the Environ35nt

We're going to provide some priority
 principles today, but we'll be giving more
 extensive written comments before the end of the
 comment period.

5 CCE and our 80,000 members support an energy 6 plan that stabilizes energy costs, creates new 7 jobs, and increases our energy independence by 8 investing in energy efficiency and renewable 9 energy, not new coal or expensive nuclear energy. 10 Many thousands of citizens signed petitions, 11 more than 5,000 members of the public wrote individual comments in support of these principles 12 during the comment period on the scope of the Plan. 13 14 We're very pleased that the draft Plan puts 15 such a strong emphasis on energy efficiency and renewable energy development. The best kilowatt of 16 17 energy is a kilowatt of energy that we never use. 18 Energy efficiency and conservation are the 19 first and most important strategies to reducing costs and saving ratepayers money, reducing 20 21 pollution, and benefitting the environment as well 22 as benefitting national security. We strongly support the Governor's '15 by 15' plan and the many 23 24 recommendations in the draft Plan for efficiency 25 beyond 2015.

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While energy efficiency is critical, 1 2 increased renewable energy production is also necessary to meeting demand. We support the 3 4 Governor's '45 by 15' goal -- and that's supported in the Plan -- and many of the recommendations that 5 6 push renewable energy beyond the 2015 timeline. 7 New York State has great renewable energy potential that must be realized to fight climate 8 change, increase energy independence, and benefit 9 10 local economies and create great jobs. The draft 11 Plan indicates that it is technically and 12 practically feasible to generate more than 75 percent of New York's electricity from hydro, 13 14 solar, wind, and biomass by the year 2018. 15 In particular, New York State is a wind-rich state with tremendous potential to generate clean, 16 17 renewable wind energy. We support policies and actions that will develop -- help wind reach its 18

19 potential, both on land and off shore in the ocean
20 and the Great Lakes.

And while all energy sources have an impact on our environment, wind produces no harmful air or water pollution, and potential adverse impacts could be largely mitigated with careful planning. We believe that all wind projects must stand up to
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rigorous environmental review prior to construction
 and advocate for continued post-construction
 studies to increase our understanding of the
 impacts of wind development and how further to
 mitigate these impacts in the future.

6 We do have some significant concerns with
7 some of the recommendations in the Plan as well.
8 First, the draft Plan does support drilling in the
9 Marcellus shale formation for natural gas.

Drilling in Marcellus shale will require a Drilling in Marcellus shale will require a process known as hydrofracturing, a process which poses serious potential adverse impacts to ground and surface waters and uses millions of gallons of water per well.

Extracting natural gas and other natural resources should be done very carefully as to not adversely impact quality and quantity of drinking water and surface water.

CCE supports rigorous environmental review,
 public involvement, and full disclosure of the
 risks to our environment and public health.

In addition, the State Energy Plan should explicitly state that sensitive and unique areas should not be drilled. In particular, the amazing Allegany State Park sits atop the Marcellus shale

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formation and is currently threatened by proposals
 to drill there.

3 Drilling in this sensitive ecosystem would 4 be devastating to the health of the ecosystem. 5 Trucks, spills, noise, road building, tree removal, 6 all these things associated with drilling would 7 adversely impact wildlife, water quality, public --8 and public enjoyment of the park.

9 Allegany State Park and other natural10 treasures in the State should not be exploited for11 drilling.

12 The draft Plan supports new nukes in New 13 York State.

No nuclear power plant has been built and become operational in our country in decades. It is no wonder why, as high risk, high cost, and legacy waste come along with nuclear energy production.

19 The legacy of toxic waste that persists from 20 the use of nuclear energy threatens to contaminate 21 our drinking water and land for future generations. 22 Today, Western New York residents are struggling 23 for a full cleanup of West Valley, a nuclear 24 reprocessing site, contaminated a half century ago. 25 Radioactive waste from the site is migrating

Brian Smith, Citizens Campaign for the Environ39nt

1 towards our precious Great Lakes.

In addition, waste does not make our nation more energy independent as the vast amounts of -the vast majority of uranium currently used for nuclear energy is imported from other countries, such as Russia.

7 Also want to mention very quickly that the 8 Plan supports an unnecessary coal plant. The 9 improvement of the technology of carbon capturing 10 and storage and the promise of this, which 11 ultimately may be beneficial down the road, should 12 not be used to justify an unnecessary coal plant in 13 Jamestown.

Lastly, CCE strongly urges the Board to develop a strong plan for implementation in the final report which is lacking in the draft report. While a report with great information, recommendations, and goals is important, without a clear plan for implementation, it lacks effectiveness.

21 Thank you very much.

22 MR. CONGDON: Just a word about the 23 implementation. A few other folks have commented 24 on the need for a good implementation plan. 25 We do not want this Energy Plan to just sit

1 on a shelf, and it is our intention to have a 2 detailed implementation plan with milestones and -and -- and accountability. 3 4 So we do want this to be an actionable Plan, 5 so I appreciate the comment. The next speaker, David Flynn from Phillips б 7 Lytle. 8 STATEMENT OF DAVID FLYNN, PHILLIPS LYTLE LLP 9 10 11 MR. FLYNN: Good morning. My name is David Flynn, and I'm a partner at Phillips Lytle, a local 12 13 law firm, a regional law firm. 14 I've met several of you in different 15 capacities, and I applaud you for coming here this 16 morning to hear some comments from all of us. 17 One of the key cornerstones of the Plan, as I read it, is efficiency, and I'm all for increased 18 efficiency. 19 20 But I'm very concerned that there may be an 21 undue reliance on efficiency going forward, and 22 that comes at great peril, I think, to our State. 23 I'm hopeful, as everyone, I believe, in this 24 room would be, that we can increase efficiency as 25 we go forward in terms of how we use energy --

whether it be electricity or gas or any other form
 of energy -- going forward, but we can't, I think,
 bank on that at this point in time.

4 We are at a point where capacity is starting 5 to bump its head. We have an old, if not among the oldest fleets of generating capacity in the United 6 7 States, and to sit back and hope and pray at the end of the day that efficiency will make up for 8 significant gaps in the capacity of generation and 9 10 in replacing older, outdated, and highly polluting 11 generating capacity, again, I think, comes at great risk. 12

I think we should have a meaningful commitment, a very significant commitment to efficiency, but we can't -- and we do at great risk -- plan around efficiency and bank on efficiency as meeting a key component of our energy needs going forward.

19 Renewable energy. I am involved in a number 20 of renewable energy projects essentially across the 21 State, and I think renewable energy holds great 22 promise for our State.

I don't see it replacing significant base
load generating capacity in the State, but I do see
it filling a very important niche and need in our

1 energy demand and requirements going forward.

I would encourage you to look closely at closed-loop biomass. Biomass, as most are familiar with, looks at various feed materials as fuels, and the federal government and the DOE programs create a special incentive for closed-loop biomass.

7 In New York we are blessed with space and 8 opportunity to encourage closed-loop biomass, and 9 we, in fact, in this State have generated a number 10 of genetically superior and modified willow species 11 and other types of material, plant material, which 12 can form, I think, a very important niche in our 13 energy supply infrastructure.

And if we can encourage financially the development of closed-loop biomass in New York as the federal government is doing, I think we can see some great promise from that.

I note that the Plan looks and focuses
extensively on the use of natural gas going forward
to replace some of our older, more polluting base
load generating capacity. I applaud that.

I think what we need to do in addition to some of the other opportunities that are being explored for increasing domestic supply of natural gas within the State is to focus on gasification

within New York as a meaningful component of
 natural gas supply.

I am working and others in this room have been involved with some significant proposed gasification facilities which would produce very significant quantities of pipeline-quality natural gas, which would strongly support repowering and expansion of the use of natural gas as a fuel for generating capacity.

10 What's holding that back right now is a 11 cogent plan on the part of the State to manage CO2. 12 Having looked at the Governor's proposed 13 legislation for CO2 and kind of earmarking the 14 Jamestown BPU project as a potential test may make 15 some sense, but I encourage everyone involved in this process to come forward now with a meaningful 16 17 CO2 regulatory program that will essentially open 18 the gates for a number of very significant 19 programs.

The folks that I'm dealing with are not against CO2 sequestration. They understand that that's the way, at least in the near to mid-term, and to manage CO2, but our ability to move forward is very limited because of the inability of the State to come forward with a cogent plan.

1 Another opportunity I see is in solar. 2 Unfortunately, Western New York has one blessing, and that is a large number of landfills which have 3 4 been closed over the years. These strike me as 5 opportunities for innovative solar applications. б Of course, as you might expect, energy 7 developers and finance -- financial partners are 8 loath to get involved with landfills because of potential liability concerns. If the State were to 9 10 take a position that a solar energy developer 11 involved in a landfill solar project had no liability or no concern for historic environmental 12 13 contamination, I am confident that that would open 14 up a very significant opportunity for a number of 15 landfill applications. 16 Economic development. Economic development. 17 No one has spoken about this yet today, but I think

18 economic development that can flow from an emerging 19 green economy in this region is very substantial.

I was a participant at a BNE seminar, the Buffalo Niagara Enterprise, which essentially brought a number of manufacturers and service providers together to see who could -- who could fit into the wind energy industry as a component manufacturer.

1 We had close to 300 people attend that --2 attend that presentation, all looking at 3 opportunities where they could morph into a green 4 economy, and I think we can see other opportunities 5 of that.

б One suggestion I would make is effectively 7 using the State's brownfield program to encourage 8 renewable energy. I was involved with the Steel Winds project in Lackawanna, and one of the key 9 10 components in making that project go was the fact 11 that it was a brownfield and that the State's 12 brownfield cleanup program came into play not just 13 from a liability limitation perspective but also 14 from a financial incentive perspective.

15 And if we take our brownfield program and 16 encourage within it the use of brownfield sites for 17 renewable energy, I think we will make a 18 significant inroad.

19 Thank you.

20 MR. CONGDON: Great. Thank you very much.

21 Oh, one follow-up.

22 MR. BROWN: Just one comment on your first23 point on undue reliance on efficiency.

I think we very much agree that we can't just kind of blindly hope that efficiency gets us

1 where we want to go, and I think it's -- kind of an 2 underappreciated part of the Plan is the insistence 3 on proper evaluation, measurement, and verification 4 of efficiency programs so that there's as much 5 engineering involved in that as there is in the 6 power plant so that we really can rely on that in 7 the future.

8 So your points are well taken.

9 MR. FLYNN: I -- I appreciate that. I'm 10 just -- my concern is that the lead time for many 11 of these projects is in the five- to 10- to 15-year 12 horizon for new generation capacity, and by the 13 time we find out that efficiency may not be making 14 the inroads that we hope it will be making, I think 15 we may find ourselves in very much of a pinch.

16 Thank you.

17 MR. CONGDON: Okay. Thank you.

18 The Board is going to take a five-minute19 break, and we will reconvene right in five minutes.20 Thank you very much.

21 (A recess was then taken.)

22 MR. CONGDON: Our next speaker is James23 Scerra.

And if any of you providing statements today have a written copy of your statement, if you could

James Scerra, Power for Economic Prosperity Gr47p 1 provide it to our court reporter, that would assist 2 her in making sure that she transcribes your 3 comments accurately. 4 Thank you. 5 STATEMENT OF JAMES SCERRA, POWER FOR ECONOMIC б PROSPERITY GROUP 7 8 9 MR. SCERRA: Good morning --10 MR. CONGDON: Good morning. 11 MR. SCERRA: -- and thank you for the opportunity to address you today. 12 13 My name is James Scerra. I'm from FMC 14 Corporation here in Tonawanda, New York, and I'm also the co-chairman of the Power for Economic 15 16 Prosperity or PEP Group. PEP is a coalition of 19 manufacturing 17 18 companies that receive low-cost hydropower from the 19 Power Authority's Lewiston project. 20 I'm here today because this power is vitally 21 important to our business operations. It is fair 22 to say that many of the PEP member companies came 23 to this area because of hydropower and remain here 24 today because of hydropower.

25 PEP applauds the State Planning Board for

James Scerra, Power for Economic Prosperity Gr48p

making the retention of manufacturing in New York a 1 2 policy objective and recognizing the importance of the New York Power Authority economic development 3 4 programs in achieving this objective. 5 The draft Plan provides that the State remains focussed on maintaining and expanding its б 7 industrial base, and it states that the manufacturing base in the State is highly valued 8 for the manufacturers' level of investment in plant 9 10 and equipment, a supply of good-paying jobs, and 11 the ability to sell products in national and 12international markets. 13 PEP urges the Planning Board to ensure that 14 the importance of retaining manufacturing is a 15 policy objective in the final Plan. 16 The final Plan also should recognize, as the 17 draft Plan does, the importance of the Power Authority economic development programs to 18 manufacturers in this State. As the draft Plan 19 states, more than 75 percent of the NYPA program 20 21 participants are in the energy-intensive 22 manufacturing-based sector, and approximately

23 90 percent of the manufacturing companies

24 participating in NYPA programs are hydropower

25 customers.

1 The draft Plan recommends that the State 2 continue to support the retention of New York's commercial and industrial base through the use of 3 4 the State's low-cost power programs. PEP urges the 5 Planning Board to include this as a policy objective in the final Plan. 6 7 With the global economic downturn and the 8 State's financial crisis, it is critically important to the State and to the region that the 9 10 Western New York manufacturers that receive NYPA 11 hydropower stay in New York. They are the industrial backbone of Western New York. As the 12 13 draft Plan recognizes, it is essential that the 14 State's energy policy encourage the retention of 15 the manufacturing base. 16 Thank you. 17 MR. CONGDON: Thank you very much. 18 Our next speaker is Darin Hughes. 19 20 STATEMENT OF DARIN HUGHES, HUGHESCO OF BUFFALO, 21 INC. 22 23 MR. HUGHES: How you all doing today? I'm 24 Darin Hughes from Hughesco, Incorporated. 25 We are a very green company. We work

1 through NYSERDA's Home Performance with Energy Star 2 programs doing energy audits on homes. We've 3 performed over 12,000 educational processes to 4 teach people how to go super energy efficient and 5 green in their home, and we've renovated over 4,000 6 homes in the Western New York area to date.

7 We also have a green-friendly store where we 8 do appliances, lighting fixtures, all different 9 kinds of lighting, all kinds of gadgetry to go 10 super energy efficient along with solar --11 solar kids' toys that teach kids how to plant and 12 go green by growing food again.

Back in World War II, people used to have Victory Gardens. That would be a victory to me. People would grow their own food, just eliminate the shipping, shut them out to go green and reduce their cost to live in a home.

18 Our experience has proven to us by using 19 energy efficient products as a comprehensive idea 20 of doing products as lighting, appliances, along 21 with, for instance, insulation is -- is looking at 22 a comprehensive package.

At an average cost of 8- to \$12,000 a home,
we can reduce our energy consumption in the average
home, depending on the size and the age of the

home. For the average home, from 8- to \$12,000 you 1 2 could reduce the energy consumption by 50 percent. That's proven through the Home Performance with 3 4 Energy Star program, my company, who was the 5 company going after everything all at one time. Educating the customer, teaching them how to б 7 live in their homes smarter, okay, can reduce the cost. It's probably the most effective way to 8 reduce load in the peak load times and reduce load 9 10 that we can think of today. In our company, we 11 really try to educate the customer on shutting 12 their house down during the day to reduce peak load 13 time, because that's the best thing we can do. 14 I really believe this program's a huge 15 success for companies that really address it as a belief overall, and I believe that there could be a 16 17 lot of other incentives with a lot of feedback from 18 a lot of customers. 19 People wonder why they can't get incentivized for saving more energy just on the 20 21 educational portion. You know, why doesn't the 22 State incentivize us to use less power, in other words, a reduction in cost beyond -- after doing 23 24 load reduction work?

25 So everybody understands this, that average

cost per month in a \$30,000 mortgage would be \$40 a
 month to reduce your cost by \$150 a month. So this
 works for, you know, HUD and affordable housing.
 This works for load reduction and utility -- just
 waste. This works for comfort and health and
 safety.

7 Health and safety is addressed very heavily 8 in this program. Just to do a product rebate 9 compared to doing a fully comprehensive energy 10 assessment with health and safety testing before 11 and after changing homes over completely, the whole 12 idea of really educating the customer and taking 13 everything into effect works very well as a whole.

What we're finding today is -- and this should be a good education -- people don't buy, though, for only the energy savings. More people buy for comfort, because we're Americans. We're looking out for ourselves.

But we find more people buying for comfort and get things paid for, and it's very funny, but it still accomplishes all of our goals, okay? And so the message is -- is in education. That's one thing we've done very heavily in Western New York is we've educated the marketplace on how to be super energy efficient and how to live

Darin Hughes, Hughesco of Buffalo, Inc. 53

1 smarter in the home.

2 NYSERDA's given us an award for our
3 educational style of -- of doing this Home
4 Performance idea, and it's all about education,
5 awareness.

б People don't really know how to be green. I 7 was sitting here and I got an e-mail how to be 8 green for some green thing from a stereo company. 9 I mean, come on. It's -- everybody's 10 talking green. Al Gore robbed it a few years ago 11 and did a movie, and there's a lot of people in this room that have been in the green for a long 12 13 time.

Anyway, it's overexploited. I think the message needs more than the word "green" in it. It needs an education, and I think that's where we've failed miserably.

I also believe, when we talk about creating more power -- I think we have plenty of power. I think it's all in load reduction and transferring our savings over while we're growing and we're doing other things.

23 We need to make -- we need to stop making 24 more power. We need to reduce our consumption and 25 reduce peak load times. That's the answer.

1 And then we replace old, unhealthy, or 2 unenvironmentally friendly powers with renewables. 3 Solar is taking off like crazy. Heard some people talk about solar and wind, but you guys 4 incentivize -- New York State incentivize with the 5 federal government in solar at a huge level. I 6 7 mean, it's about a 20th of the cost overall for 8 residential or commercial to go solar, which is 9 huge.

10 The next thing to implement, which we hope 11 to see, is realtime metering so people can pay at 12 time of use for power. So homes shut down their 13 power during the day when it's most expensive, buy 14 back in the evening at night at the cost that it 15 should be.

I think this will incentivize electric cars and everything else, which helps with the environment and the cost to live, because we can buy that power late at night for a fraction of the cost that we buy it now on an average-use cost. These are -- these are really simple ways I

22 see to really reduce loads, make things more 23 affordable for people, and to promote renewable 24 energies. Reduce the load in half first, and 25 then -- then we have renewable energies. Replace
unhealthy products or unhealthy energies and then
 move forward from there.
 You know, I just believe it's a very simple
 process. I think all's it needs is a good kick. I

5 think a lot of things are in place, and I think the 6 rest is all awareness.

7 So.

8 MR. CONGDON: Terrific. Thank you very9 much.

MR. BROWN: Your excitement is an indigenous
 energy resource in itself.

MR. CALLENDER: Thank you for being a Home Performance participant.

14 MR. CONGDON: Thank you very much.

And as you're reading your statements and you hear that little beep, that does mean five minutes has gone past, and so if you could wrap up when you hear that beep, we'd appreciate it. The next speaker is Mike Parks from VP Supply Corp.

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22 STATEMENT OF MIKE PARKS, VP SUPPLY CORPORATION
23
24 MR. PARKS: My name's Mike Parks, VP Supply

25 Corporation. We are a wholesale company that is

supplying contractors with training and supplies
 for renewable energy.

3 I'm proud to be able to work in the State of 4 New York that offers such good rebates for the 5 State, and now that the federal's stepped up, it's 6 really boomed up a lot.

7 I do understand some of the concerns the 8 utility has with the net metering. They're saying, 9 you know, if you bought something on e-Bay and it 10 didn't fit, you sent it back, you still paid to 11 ship it, so they're out the shipping loss on the 12 net metering.

I think one of the ways that the utility company could capitalize on that is come up with a net metering loss tax. They could tax everybody on what -- they know what their amount of power is going to be produced by their net metering, what they're going to lose by that, so you can take that loss and turn it back into a tax.

I think NYSERDA ends up with what, \$194 million, and they only charge two one-hundredths of a penny per kilowatt, so, I mean, it doesn't take a big tax to cover that net metering loss.

And the same thing with people who are concerned. They go, "Well, the utilities should

1 have to pay for power."

I don't agree with that, right? You
shouldn't -- the utility company shouldn't be
responsible to provide something they didn't ask
for you to make.

So I'm more with the utility company. I
think they're headed in the right direction. I
just think there's some tweaking we can do.

9 NYSERDA does an excellent job with the 10 program. They are very understaffed. I think 11 increasing that system benefit charge so that they could hire more people to help implement the 12 13 programs that they do have out there would be good. 14 I'm very against reducing the cost of 15 energy. If you give somebody free heat, you rent 16 an apartment, you go up there in the wintertime, 17 they'll be wearing shorts, the windows will be

19 Gas is \$5 a gallon, all of a sudden you20 start seeing SUVs parked. People start thinking,

open, and the heat will be cranked on.

18

21 "Oh, yeah, maybe I will drive something a little
22 more economical."

23 So by lowering the cost of energy isn't 24 going to solve the problem. You need the cost of 25 energy high.

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1	What we should do is take the excess cost of
2	the energy and put it into a program back to people
3	that can't afford to do energy reduction and help
4	them get their homes sealed up, help reduce energy.
5	So instead of lowering the cost and making
6	it more affordable, we need to force people into
7	using less energy, taking the leftover funding and
8	putting it back into a program like NYSERDA to help
9	implement these programs for people that can't
10	afford it.
11	And that's all I'll take up of your time.
12	MR. CONGDON: Thank you very much.
13	Our next speaker is Craig Prince from Mason
14	Trenching Company.
15	Craig?
16	
17	STATEMENT OF CRAIG PRINCE, MASON TRENCHING COMPANY
18	
19	MR. PRINCE: I'm Craig Prince. I'm a
20	contractor in Upstate New York.
21	We installed our first wind turbine about 30
22	years ago. We've just gotten back into it again
23	now that New York State has really made a lot of
24	incentives and things have turned around a lot.
25	First off, I want to express my happiness

with the State's Energy Plan. As far as
 renewables, I think we're one of the leaders in the
 country.

4 My interest is in renewable energy, such as5 wind, solar, and small hydro.

б I'd like to see the removal or at least 7 increasing the limits of net metering for both 8 residential and commercial projects. To limit clean power that will be -- that will be produced, 9 10 no matter how small, seems counterproductive for our overall goals, and I think that, you know, 11 they're only going -- the customer is only going to 12 be using so much power, and if he was to produce 13 14 twice that much power than he was going to produce 15 and getting it back to the utility is a benefit for 16 everybody.

Solar and PVs are also sales tax exempt.I'd like to see water and wind also sales taxexempt.

20 And finally, I'd like to see the SBS charge 21 slightly increased to help further fund NYSERDA and 22 incentives.

23 Thank you.

24 MR. CONGDON: Thank you very much.

25 Our next speaker is Art Klein.

Art Klein, Sierra Club - ADK 60

1 Art. 2 STATEMENT OF ART KLEIN, SIERRA CLUB - ADK 3 4 5 MR. KLEIN: Thank you. I appreciate the State of New York undertaking this task here. б 7 I've been involved with the public interest review since 1973, and I'm fascinated with New York 8 State. I'm just hoping that this also doesn't 9 10 follow a lot of other plans in getting on the shelf 11 down in Albany there, and I'm sure you're aware of 12 that. I think you're obviously sensitive to it, 13 and I'm sure that this is going to bring some 14 implementation. I'm a member of the Sierra Club and the 15 16 Adirondack Mountain Club conservation committees, 17 and we'll be submitting documentation relative to this or -- I don't have written preparation today; 18 19 however, I've been working on a specter of what happens with bad energy programs on West Valley 20 21 down below Springville there. 22 And we have millions of tons of radioactive waste buried in the bank above the 23 creek down there, and it still is hovered under --24 25 over our public interest in Western New York and

threatens our waterway, Lake Erie, very seriously, 1 2 and we're very concerned about that.

3 The public hearing period is about to close 4 in September, and they're going to make a --5 supposedly going to make a decision. However, for 30 years nobody's been able to make a decision on 6 7 this vast problem, and I hope we're going to.

8 And the second thing I want to emphasize today is that all the water we have in the world is 9 10 the water we've always had, and we keep infecting 11 it with results of our industrial base with other 12 things, and now I'm very concerned.

13 I just saw a report the other day from 14 Pavilion, Wyoming, the State of Wyoming, whereby 15 the EPA has identified that hydrofracking is 16 affecting the groundwater and the surface water in 17 the State and affecting their agricultural 18 problems.

I -- now we have -- we're faced in New 19 York -- we have three draft plans going 20 21 simultaneously: an Energy Plan, Allegany State Park 22 draft plan, and the DEC Marcellus shale draft plan, 23 all three under way.

24 I hope we're going to keep our eye on the 25 ball on all three of these -- in all three of these

Ellen Gibson 62

1	draft plans and make sure there isn't some gaps in
2	understanding or gaps in grasping the extent of the
3	problem and making sure it's part of a plan. I
4	mean, with energy we have to have a plan.
5	And you're on your way to a very good Plan,
б	I think. I just hope that we have all the
7	elements we're sensitive to all the elements and
8	we have satisfactory implementation to solve the
9	problems.
10	Thank you.
11	MR. CONGDON: Thank you very much.
12	Ellen Gibson is our next speaker.
13	
14	STATEMENT OF ELLEN GIBSON
15	
16	MS. GIBSON: Thank you.
17	I am speaking as a citizen, but, like Art
18	and many others in this room, I'm a member of
19	numerous environmental organizations who are
20	extremely concerned about the fate of our beloved
21	Allegany State Park.
22	For those of you on the panel who are not
23	from around here, Allegany is sort of like our
24	Adirondacks. We recreate and our children recreate

Ellen Gibson

1 forests, its clean water, its incredible

2 wildlife-viewing opportunities.

3 We also recreate in the Allegheny National 4 Forest just south of our border where, 5 unfortunately, we're beginning to witness unbelievable destruction from this hydrofracking б 7 process that many have already spoken about today. 8 The danger to the surface in terms of the wildlife habitat from roading, from chemical 9 10 pollution and what have you is probably very small 11 compared to what's going on underground where chemicals will be injected and enormous amounts of 12 13 water infected, you might say, with the chemicals 14 necessary to make hydrofracking work. 15 I urge the rep from DEC to not use any

16 old-fashioned, outdated, generic environmental 17 impact statements when it comes to looking at any 18 proposed applications for drilling in Allegany 19 State Park or any of our State lands.

New York has an enormous population, and at this end of the State, there's not all that much public land for us to use. Our State forests and our parks -- Letchworth, Allegany -- are very precious to us up here, and Allegany perhaps is a very sad case, being located, apparently, on top of

Ellen Gibson

this Marcellus shale that everybody's after now. 1 2 So I urge the DEC to use the utmost of strictness when it comes to EIS review of -- of any 3 4 proposed activities in Allegany State Park. 5 I am aware through my organizations that there is great concern at the highest levels of 6 7 both the Office of Parks and DEC about this issue, and I can only urge that this be continued and that 8 no undue influence from corporate interests could 9 10 possibly make any difference in this, that it is a 11 straightforward process with the public good and the special value of our parks always held at the 12 13 highest regard. 14 So I wish you well with the Energy Plan. 15 I'm glad we're having one in New York, and I'm -it's interesting that these three other -- or that 16 17 the two other plans are going forth at the same 18 time. I -- I will keep my eye on Allegany, and 19 many others in this room and around Western New 20 21 York always have our eye on Allegany. It just 22 seems like it's a magnet for trouble, whether it's logging and now this. 23 24 So good luck to you, and we'll be watching.

25 Thank you.

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1 MR. CONGDON: Thank you, Ellen. 2 MR. IWANOWICZ: Ellen, and others in the room, I just have a quick comment to make about 3 4 outdated environmental impact statements regarding Marcellus shale. 5 б As many of you might know, the DEC is 7 undertaking the creation of a new draft 8 environmental impact statement for gas drilling in New York. We expect that to be out in about a 9 10 month's time. 11 It will be out again for public comment, so we hope that you'll take a look at that draft 12 13 generic environmental impact statement and make 14 your comments at that time about the analysis the 15 department is going through right now to put it out 16 there. 17 So, again, look for that draft generic environmental impact statement in about a month. 18 19 MS. GIBSON: Thank you. 20 MR. CONGDON: Our next speaker is Jay 21 Wopperer. 22 Sorry if I mispronounced your name. MR. WOPPERER: No, you did fine. 23 24 MR. CONGDON: Okay. Thanks.

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STATEMENT OF JAY WOPPERER, ADIRONDACK MOUNTAIN 1 2 CLUB, BUFFALO AUDUBON 3 4 MR. WOPPERER: When I was in the Army, it was a lot worse. 5 Jay Wopperer of Clarence, New York. I'm б 7 familiar with various environmental organizations 8 also, Adirondack Mountain Club, Buffalo Audubon. 9 Also a lot of my comments would be what 10 Ellen had said, and I won't repeat a lot of that, 11 because she just eloquently spoke on that. 12 But I can just go and say to you that probably Allegany State Park is partly what my 13 14 character and what I am made of and a lot of us in Western New York. It's very dear to us. 15 16 And this just kind of came about in a month 17 and a half. It's been stunning when you start looking at this fracking process, and the 18 19 recommendations you make are going to be for the 20 future. I heard this one gentleman, and he could be 21 22 correct about our competition, but does this mean

Jay Wopperer, Adirondack Mountain Club

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24 Pennsylvania, and the problems of their subsurface25 water through the fracking process, if that's what

that -- if you go online and look at Bradford,

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we're looking for, I don't think people in New York 1 2 would support this kind of process of extraction. 3 The particular area that they're looking to 4 drill in, U.S. Energy Development Corporation, on your three -- I think it's five exploratory 5 wells -- would be the Black Forest Trail, Quaker б 7 Area, and the Science Lake area. 8 I've been blessed to know some of the best -- best environmentalists that have taken us 9 10 probably 30 times on that trail, and you cannot 11 imagine the prolific area that this is. 12 This is an area they're talking about 13 drilling in: 20 different kinds of ferns, 14 amphibians that I never knew we had here --15 AUDIENCE MEMBER: Can't hear you, Jay. 16 MR. WOPPERER: -- the many -- I'm sorry. 17 -- the many different amphibians and the 18 warblers that nest in this area here. 19 And actually, it's a very unique area, because you can be on New York State like this and 20 21 hop over a rock which says New York and PA and 22 you're in PA. And the sad thing is now you can look over 23 24 that rock and see a platform on the PA side that is

25 now there.

1 We're talking two-acre plots, so I 2 understand, that you need to drill and that you need to cut these trees down. 3 4 Some are old growth trees. You have a very 5 different, unique forest that you just do not see in other places. 6 So I don't think any risk is worth it for 7 something to lose a jewel like this. It's the 8 people's park. It's your park. We'd love to show 9 10 it to you sometime. 11 And there's appropriate places maybe for 12 this energy policy that we -- that you are going to 13 have to make these recommendations on, but this is 14 one spot we should preserve for everybody's 15 children for future generations, and they won't 16 have to deal with that infrastructure that would 17 have to go in for taking either oil or gas out of 18 there. 19 Thank you. MR. CONGDON: Thank you very much, Jay. 20 21 Our next speaker is Marcy Reed from National 22 Grid. 23 STATEMENT OF MARCY REED, NATIONAL GRID 24 25

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MS. REED: Good morning. I think I can still
 say good morning.

3 I'm Marcy Reed. I'm the senior
4 Vice-President of Public Affairs for National Grid,
5 and I'm really happy to be here today representing
6 the 900 or so employees we've got in Western New
7 York, so thanks for letting us be here.

8 We are so pleased to see that the draft Plan surfaces a number of issues that are important to 9 10 New York's energy and environmental future, and we 11 share the Governor's vision for a robust and 12 innovative clean energy economy that will help 13 stimulate investment, create jobs, protect public 14 health and the environment, and meet the energy 15 needs of businesses and residents that we serve 16 safely and reliably.

National Grid supports the energy resource priorities established in the draft report, notably increased energy efficiency, renewable energy, and the pursuit of greenhouse gas reductions in the energy portfolio.

Achieving the State's goals will require leadership, however, from both policy makers and utilities that provide energy to the New York customers.

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And today we wish to comment on three items.
 They are energy efficiency, clean energy, and
 infrastructure investment.

Many people have spoken about energy
efficiency today, and as we all know, it is the
most cost-effective way to both help customers
manage their costs and reduce our carbon footprint.
It's a win-win solution for everyone
involved, and I'm actually quite pleased to see so
many people speaking about it today. It's a real

11 testament.

Achieving New York's ambitious energy savings goal will require a partnership of policy makers and regulators, the State's utilities, our friends at NYSERDA, and the energy service companies.

We need an "all hands on deck" approach where NYSERDA, the utilities, and the energy service companies work together to reach these targets.

21 We need to streamline the energy efficiency 22 program approval process so that we can all bring 23 energy savings to our customers as quickly as 24 possible. Customers are quite eager to take 25 advantage of these programs.

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And we need flexibility in the
 implementation of new energy efficiency programs so
 that utilities and other providers can work
 effectively with customers to achieve our '15 by 15'
 goal.

6 Secondly, I wanted to talk about clean
7 energy. As the State Energy Plan recognizes,
8 renewable energy is another important priority for
9 New York.

10 National Grid fully supports the State's 11 efforts to promote renewable energy as another way 12 to improve New York's energy security and combat 13 climate change. It will be important for our 14 customers to support renewable energy in as 15 cost-effective a manner as possible.

16 Something to consider would be utility 17 deployment of solar and other renewable energy 18 resources as well as entrepreneurial and other 19 private sources.

20 Second, investing in transmission to deliver 21 these renewable energy sources from remote 22 locations to customer load centers is absolutely 23 critical for ensuring that customers can take 24 advantage of the benefit of New York's renewable 25 energy development.

1 Transmission is, after all, the backbone 2 that moves this clean energy from one point to 3 another. New York's State Energy Plan should give 4 due consideration to the issues around financing, 5 permitting, and building transmission projects to 6 deliver wind, solar, and other -- other aspects of 7 renewable energy.

8 And investing in Smart Grid is also key to tapping the opportunities for clean energy in New 9 10 York. You may know that recently we applied to the 11 United States DOE for funding for a New York Smart program that will target approximately 82,000 12 13 customers in the State. It will help us enable our 14 customers to manage their energy costs better and 15 learn how to integrate renewable sources and 16 electric vehicles and the like into the energy 17 grid.

As the Plan notes, clean energy development in New York presents an economic development opportunity and the potential for new jobs, and National Grid stands ready to work with the State and local communities to help make this a reality. And my third point is:

As the draft Plan recognizes, achieving NewYork's energy and environmental goals will require
considerable investment in the State's energy
 infrastructure. A few folks have mentioned that
 today as well.

New York's policy and regulatory framework
must provide for timely recovery of costs and
industry standard returns in order to attract the
investment needed to achieve the goals articulated
in the Energy Plan.

9 And before I close, I just thought I would 10 highlight a few of the local aspects of how some of 11 these issues come to light on a day-to-day basis.

Here in Western New York we are just days away from the start of a more than \$30 million project to upgrade and enhance one of our major north-south transmission lines. This is one of four or five major transmission projects in the development stages in the region.

You may also be aware that NYPA is undertaking a study of using winds on Lake Erie and Lake Ontario, and we've committed to helping the Authority with transmission.

22 We believe a comprehensive Energy Plan for 23 New York will create economic and job 24 opportunities. We need well-trained, highly 25 qualified engineers and scientists to help bring

Toby Beahan

energy systems to the market. 1 2 To further that, we recently announced a partnership with the University of Buffalo, where 3 4 we're standing today, to promote science and 5 engineering education to the City of Buffalo schools. б And there's much more, and I thank you for 7 8 your time. 9 MR. CONGDON: Thank you, Marcy. 10 Robert Ciesielski, please, from the Sierra 11 Club. Is Robert still here? 12 13 AUDIENCE MEMBER: No, he is not. 14 MR. CONGDON: Okay. Thank you. Our next speaker, then, is Toby Beahan. 15 16 17 STATEMENT OF TOBY BEAHAN 18 MR. BEAHAN: Thank you for your time this 19 20 morning. 21 My name's Toby Beahan. I'm a concerned 22 citizen, and I'm here to speak for myself, my family, and my friends, who value and love Allegany 23 24 State Park as well as our natural environment. 25 I'm here specifically to express my feelings

on using public land, especially Allegany, for
 drilling for natural gas.

3 In the Plan it suggests safe and responsible4 drilling.

5 Let's not be naive. Any drilling that we
6 use is going to cause tremendous long-term damage
7 to our natural environment.

8 The energy crisis in the U.S. and in New 9 York is caused by our dependence and our addiction 10 on fossil fuels. By tapping into possible deposits 11 in Allegany and other public State -- public lands, 12 we're only feeding that addiction to -- to fossil 13 fuels.

Let's take the time now to refocus on renewable energy and make a responsible plan for the future that's going to protect our State lands, our beautiful resources in Allegany, and not -- not degrade that environment beyond what we'll be able to use.

Just briefly, in closing, don't make an irresponsible, short-term decision that will cause long-term and irreversible consequences to a beautiful natural treasure that we have in Allegany.

25 MR. CONGDON: Thank you very much.

Lawrence Beahan. Dr. Beahan? Thank you. 1 2 STATEMENT OF LAWRENCE BEAHAN, SIERRA CLUB 3 4 5 DR. BEAHAN: Thank you very much for convening this session. б 7 My name is Larry Beahan. I am the conservation chair for the local Sierra Club, and 8 I'm the secretary of the local Adirondack Mountain 9 10 Club. 11 Both organizations appreciate the Governor and your effort in developing a -- an Energy Plan, 12 a much needed Energy Plan, that will provide 13 14 renewable, clean energy and -- but unfortunately, 15 there are a couple of parts to the Plan that are of 16 concern to us. 17 The -- the exploitation of the Marcellus shale all across this --18 19 AUDIENCE MEMBERS: Can't hear you. Just raise it up. 20 DR. BEAHAN: The exploitation of the 21 22 Marcellus shale across the State on State lands is -- is a problem for us. 23 24 The lack of adequate protection for Allegany 25 State Park is -- is another extremely important

1 problem for us.

The State forest, the reforestation areas 2 that you are considering using to tap the Marcellus 3 4 shale, these are virtual parks at this point. 5 They -- they're -- they're used for the Finger Lakes Trail that crosses the State and -- which is б 7 part of the North Country federal trail, and local people who live near them use them for hunting, 8 fishing, snowmobiling, and it's an important 9 10 natural resource, and it would be a terrible shame 11 to destroy them by putting these huge wells down 12into them.

We do appreciate the fact that the State's duty to protect parks is recognized in -- in the Plan; however, the protection offered to Allegany State Park is far from adequate.

17 It's unfortunate that half of the mineral 18 rights to Allegany State Park are owned privately. 19 Allegany State Park is a -- a hundred-square-mile 20 park. It's a huge area, and it is the largest 21 State park outside of the Adirondacks. It's a 22 hilly, well-forested park. The trees there are 23 from a hundred to 350 years old.

24 Thank you very much, Jay.

25 And -- and it is an extremely important

resource to organizations like ours that are 1 2 interested in preserving the environment and are interested in preserving recreational resources. 3 4 It is a truly frightening thing to hear that 5 a corporation like U.S. Energy is claiming the ownership of 3,000 acres of mineral rights in that 6 7 beautiful park. For -- for years we have argued that the State should buy the mineral rights that 8 are not owned under the park. Half -- half of the 9 10 park, those mineral rights are in private hands. 11 I would leave you with, again, a strong 12 urging that the State acquire these rights; that 13 they -- there are funds available in the 14 Environmental Protection Fund. 15 The -- these rights have been on the list of 16 the DEC to acquire for open space for years. Let's 17 get a hold of them now before some other company steps in and buys up the rest of them. 18 19 I -- I have in my hand here a list of 300 violations that the U.S. Energy Corporation 20 21 committed in Pennsylvania over the last two years 22 and for which they were forced to stop all operations in Pennsylvania. 23 24 Unfortunately, they've -- they've arrived at 25 some sort of deal with Pennsylvania so that they're

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1 back in business, but this -- this corporation is 2 now threatening to come into Allegany State Park and make the terrible beginning nest of industrial 3 4 roads and wells that they have made of Allegheny National Forest. 5 б So buy those rights for us. Thank you. 7 MR. CONGDON: Thank you very much. 8 The next speaker is James Hufnagel. 9 10 STATEMENT OF JAMES HUFNAGEL 11 12 MR. HUFNAGEL: Good morning, gentlemen. It's 13 an honor to address you this morning. 14 My name is James Hufnagel. I'm from Wilson, 15 New York, and I'm a frequent visitor to Allegany State Park. 16 17 And I am going to have some specific comments about oil and gas drilling in the State 18 19 park, but I'd like to first kind of put it in an 20 overview of Governor Paterson's public policy with 21 regards to Western New York. 22 For example, Governor Paterson vetoed a bill to Sunset, the CWM plant up in Niagara County, thus 23 24 consigning thousands of tons of toxic waste to 25 Western New York for the next generation.

James Hufnagel

1 Governor Paterson swept a half a billion 2 dollars out of NYPA, money that could have been spent in this area for economic development, and he 3 4 basically moved that money out of NYPA. 5 We have the Robert Moses Parkway along the Niagara Gorge, and this cuts off the City of 6 7 Niagara Falls from the Niagara Gorge, and Governor Paterson has stonewalled the very first scoping 8 hearing that we've been asking for for ten years. 9 10 And originally, the State announced that the 11 first scoping hearing was being held in November of 12 last year, then it was moved to January, then it 13 was moved to midsummer. 14 And we have letters and documents stating 15 all three dates, and now September is next week. We still haven't had a scoping hearing on the 16 17 Robert Moses Parkway. 18 How does Robert Moses Parkway relate to 19 energy? 20 Well, the Robert Moses Parkway goes straight 21 through the Niagara Power Project. That is a 22 terrorist risk to the Niagara Power Project. It would be very easy for a terrorist to load a semi 23 24 truck with dynamite, drive it into the middle of 25 the Niagara Power Project, detonate it there, and

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1 destroy or severely disrupt this power facility.

We've notified numerous people in the
 Paterson Administration about this vulnerability.
 We have not gotten an answer on it.

5 Furthermore, Niagara Falls State Park. 6 Millions and millions of dollars are diverted from 7 Niagara Falls State Park and sent to Albany, and 8 the City of Niagara Falls has one of the highest 9 poverty indexes in New York State, higher poverty 10 index than New York City.

11 So now we get to the Allegany -- Allegany 12 State Park, and as previously stated, there's three 13 plans. There's a confluence of plans right now, 14 and it -- it seems like more than mere coincidence 15 that these plans all have kind of a -- the language 16 of these plans say that it's very feasible we could 17 be drilling in Allegany State Park.

18 The oil and gas that could be claimed from 19 Allegany State Park is a tiny, tiny fraction of our 20 energy needs. It's not worth it to ruin the State 21 park.

And we all know drilling means ruining, because you have to build a road to each well. The road has to be 30 feet wide. You have to clear another 30 feet on either side of the oil access

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1 road to get to these wells.

2 The wells have spills. They've had numerous3 oil spills in the national forest just over the4 border.

5 This is not something we want to do. This 6 is not somewhere we want to go.

7 Outside a couple of hours ago now, Mr. Congdon, I believe you were addressing the 8 crowd out there. I appreciate that. Thank you. 9 10 But a couple of comments you made about 11 disrupting pipelines or pipelines could be 12 disrupted, thus -- and since New York State's 13 dependent on other areas for our natural gas. 14 And it just kind of confused me. I didn't

15 know what you meant by that.

Like, if a pipeline is disrupted in the Ukraine, is that going to affect us here in New Nork State? Or a pipeline in Pennsylvania? Is there an Al Qaeda threat to pipelines here in the U.S. that we don't know about?

I don't understand why you were raising this kind of -- you weren't very specific about it. You just said pipelines could be disrupted.

24 What was that about?

25 MR. CONGDON: Let me just clarify.

James Hufnagel

1 MR. HUFNAGEL: Please. MR. CONGDON: Our -- our -- 95 percent of 2 our gas used in New York State is imported from as 3 4 far away as the Gulf of Mexico and Central Canada. 5 Following Hurricanes Katrina and Rita, those supplies from the Gulf were disrupted, so there was 6 7 a temporary disruption of a -- of a 8 large percentage of our natural gas supply. 9 That's just as an example of one of the 10 vulnerabilities of being reliant on natural gas 11 sources that are from a long distance away. 12 So that -- that was the point. 13 MR. HUFNAGEL: What percentage of our natural 14 gas that we use here in New York could conceivably 15 come from Marcellus shale? 16 MR. CONGDON: I want to avoid a Q&A of the 17 Board, but I will just explain that in the Plan we estimate that our current production of 18 five percent of -- of State needs could be doubled 19 20 to about ten percent over the ten-year planning 21 horizon. 22 MR. HUFNAGEL: Okay. Thank you. I would urge you gentlemen to very closely 23 24 consider this letter that Dr. Beahan sent to 25 Mr. Grannis and Parks Commissioner Carol Ash with

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the three alternatives at the end, the eminent
 domain option and the other two options.

And we need to protect this park from oil
and gas drilling. This is something that is really
just going to ruin this park.

I mean, I'm sure you're familiar with the
Allegheny National Forest. If you've ever been
through those areas and seen the devastation that's
been wrought in the national forest, and now we're
staring down the throat of having this happen to
Allegany State Park.

I mean, you know, it's an overused word, but my mind it's a no-brainer. I don't even know why we're discussing this, quite frankly.

15 The State should act to protect this park, 16 and we will be making this a campaign issue in 17 2010.

18 Thank you for the opportunity to address19 you.

20 MR. CONGDON: Thank you, sir.

21 Our next speaker is Russ Crispeil.

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23 STATEMENT OF RUSS CRISPELL, UNIVERSITY AT BUFFALO
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25 MR. CRISPEIL: Actually, the name is Russ

Crispell. I'm the director of outdoor pursuits for
 the University at Buffalo right here on this
 campus, the North campus, and the city campus.

In addition to that, I'm also a licensed New
York State guide for the DEC, just so you have an
idea of who I am.

7 I teach backpacking, I teach canoeing, and I 8 teach a lot of other outdoor-pursuits activities, 9 and the reason why I'm standing up here today is I 10 really wanted to address this panel to sort of go 11 back to their childhood days of frolicking out in 12 the fields when they were young men.

Maybe some you have may have served in the Boy Scouts. Some may have been participating in other activities.

And I'm encouraging all of you -- not just 16 17 here on the panel but anyone in the audience -that if you haven't had an opportunity to actually 18 19 take those walks out into the forested areas, take a walk along the creeks, along Minister Creek up in 20 21 the Allegheny National Forest at Minister Creek, 22 and actually see what some of the history was left. 23 There's old pipelines that are still exposed, numerous pipelines still exposed from 24 25 previous oil activity that was done 50, 60, 70

1 years ago.

And it's pretty tragic. It almost looks
like an antique shop at some places there, and it's
an antique shop of what people don't want to -they didn't want to clean up after their messes.
And I guess that's one of my major concerns
that I have with regards to the Allegany State
Park.

9 That is one of our venues that we do use, as 10 well as venues of the Adirondacks and other State 11 lands, and I guess what I'd like to encourage 12 anyone sitting on this panel, that if you -- you 13 know, Tom had stated that this isn't a time to do a 14 Q&A, which I basically wanted to ask whether 15 there's -- any of you sitting on this panel have 16 any actual personal experience in outdoor 17 recreation, whether you're hikers, canoeists, 18 kayakers.

And the reason why I say that is because when you sit in a canoe and you paddle along a stream and you see dead fish floating up from a toxic spill that came from upstream, it's not a pretty sight.

Or, at the same time, to be going down,having taken a nice long hike, knowing that you

Janet Kurasz

1 have to fill up your water bottle with the 2 stream -- I mean, I don't know if any of you have ever taken your -- you had a -- you have a -- I 3 4 don't know, is that a sea bottle or --5 BOARD MEMBER: Refillable bottle. б MR. CRISPELL: -- or a refillable container. 7 If you've ever dipped down into a stream and 8 filled up that water to drink that water because you're thirsty, at that -- at that moment is when 9 10 you realize the impact of decisions that are made 11 by people who are at this time wearing suits. 12 This is my uniform, and, you know, I'm proud to say that, you know, you have to not just talk 13 14 the talk, but you have to walk the walk. 15 And I'm asking if any of you are not backpackers or canoeists, I would be more than 16 17 willing to volunteer to take you anyplace you need 18 to go to make an informed decision. 19 Thank you. 20 MR. CONGDON: Thank you. 21 Our next speaker is Janet Kurasz. 22 23 STATEMENT OF JANET KURASZ 24 25 MS. KURASZ: Wow. Thank you.

Janet Kurasz

1 I don't know if I really even need the mic. 2 I was a cheerleader for four years. I'd like to thank you guys and thank you for 3 4 spending time this afternoon. 5 I commend everybody that has spoken about Allegany State Park, and that is why I am here. 6 7 I am going to give you some literature about Allegany State Park, and I have more than ample 8 9 family history. 10 My great-uncle came from World War I and was 11 on the Army Corps of Engineers, I do believe, as the story goes. He helped build some of the cabins 12 13 that I and my family had stayed in. 14 My other uncle that was a Marine, my 15 grandfather didn't know what to do with him. He 16 was just crazy and a bad kid. 17 He sent him to Allegany to also help build 18 the cabins. 19 My father has been taking me there, rest his soul, since I was three years old. I'm 47. 20 21 I have now established taking my son 22 since -- I'm a single mom. I've been taking my son there. He knows the Red House Area like the back 23 24 of his hand. 25 I am a hunter, New York State licensed and

Janet Kurasz

registered. I am a bow hunter, shotgun hunter. 1 2 I take my son there. I take him there with 3 the Wild Turkey Federation for Jake's Day. 4 If you guys aren't familiar with that, that 5 means that you can take your son or daughter of the age -- I do believe it is 14 -- for the day prior 6 7 to turkey season opening and go and spend the 8 weekend. 9 You can go hunting on Saturday. Sunday 10 hunting is not allowed in the park. 11 And the one -- I think his name was Larry --12 was saying about Science Lake. I have a picture 13 here of my son and a friend of him -- of his when 14 he was two years old next to a beaver tree, a tree 15 that was eaten from a beaver. 16 You guys come in and -- I know all about 17 destroying property and the whole bit. I live on a National Grid road in Boston, New York. I grew up 18

19 in Buffalo, lived in Amherst for ten years, just 20 recently went through cancer, moved out to Boston 21 Hills, bought my own property.

I live on a nationally owned road by National Grid. They're coming in to redo the power towers. I am losing two 60-foot pine trees, 37 beech trees, a number of flowering plants,

Janet Kurasz

everything like that, because of widening the road. 1 2 That's just in my yard, okay? 3 The bears. We used to go to the dumps. 4 Pile in the station wagon back in the '60s and 5 '70s, pile in the station wagon singing country 6 songs, singing Boy Scout songs. 7 I'm a committee chair for the Boy Scout 8 troop. We go camping there. The bears were nonexistent for 30 years. They're back. 9 10 This 4th of July I took my grown nephew and 11 his fiancee. We had bear that was five feet from us. I told him, "Go away." 12 13 He thought the marshmallows were more 14 interesting. I respected that fact. 15 That's his living room. You don't go in 16 there and start destroying things and start making 17 demands on the animals. 18 I've seen a wolf there. Popular to the naturalists that are in Allegany that tried to tell 19 20 me that I didn't see a wolf, I saw a wolf. 21 There's cougars. There's cougars in Boston, 22 New York, okay? There's bobcats. All these animals are going to be displaced. 23 24 There was a black bear that was killed on the 90 going in to Buffalo. Why was he there? 25
Janet Kurasz

Because everybody's building in Orchard Park, 1 2 Amherst, things like that. There's bear killed out here in Amherst. 3 4 They travel 110 miles a day maximum to go find 5 forage and food. б Leave Allegany alone. 7 My dad and I were the -- we were the first 8 two people to ever swim in the Quaker Lake, okay? I have a number amount of family history. 9 10 I really appreciate New York State trying to 11 implement the energy-efficient programs. Me as a single mom, I'm disabled, I have taken advantage of 12 13 some of the power impact programs. I have gone 14 green in my house. 15 I'm now trying to -- I just met the guy from 16 Hughesco. I'm going to try to get my home so 17 energy efficient that I don't need to depend on any other resource than God, sun, and wind, okay? 18 19 That's what I'm trying to do. 20 So instead of trying to -- like the last 21 gentleman said, that little amount of gas that you 22 could possibly get from that shale area, I -- I'm not that well educated. I took horticulture. 23 24 Larry, I think his name was. 25 I patterned my life from living in Allegany.

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Janet Kurasz

I wanted to become a New York State park ranger, 1 2 but when they told me I had to live up in a 400-foot tower in Washington for two weeks, I said 3 4 no. So I took horticulture, got married, became 5 a seamstress, but still I volunteer in Allegany. I 6 7 just volunteered in Gowanda. 8 You guys have to understand. Get out of the city. Go camping. I mean, it's phenomenal. 9 10 Now, there -- I know I'm over the time 11 limit, but Saturday, July 6th, fossil hunt, Site 12 19. 13 Old Quaker Shore Museum is open. Tour of 14 the bear caves. Edible wild plants. Tour of 15 Thunder Rocks. 16 Thunder Rocks. If you're not familiar with 17 Thunder Rocks, massive rocks the size of half this room. Story goes the Native Americans used that as 18 19 a spiritual place where I think that they, like, 20 did their peyote, that kind of thing, and got in tune with the environment. 21 22 All this is going to be lost. I have met people from England, students 23 24 from -- foreign exchange students from China, from 25 Africa, and I help them develop and inquire about

1 Allegany.

I took my first honeymoon to Allegany State
 Park I love it so much.

4 So I just wanted to -- this is just kind of 5 what I put up, and I wanted to leave you with some 6 information.

7 And there is a very nice saying in here, and 8 I do believe Allegany State Park was started by a 9 New York State Senator here in New York, 10 Mr. France, which there is a brook call France 11 Brook, and that is all natural. Like I said, lot 12 of people hunt there.

And this man states: In fact, educational, rightly considered, is recreation, and that man who deserve this and makes his recreational education has found a source of true happiness. To give to more and more persons this source of happiness is a far greater achievement than to give them recreation alone.

20 Anybody can have a town park, but go to 21 Allegany. I taught my son how to look for fossils. 22 I looked for fossils. I looked at salamanders and 23 lizards there.

The study of nature and all its forms, for which Allegany Park is well equipped, is one of the

1 very best of such educational recreations.

2 Saunders, A.A., 1937.

3 That park today is still an impeccable -4 the only thing that I have a problem with was them
5 putting in a bike path.

6 Now, I enjoy a bike path, but the bike path 7 is not 30 feet wide with 30 more feet losing, okay? 8 The parks -- the -- the lakes in the Red 9 House and the Quaker, in over a hundred years this 10 park has been there, there is not any motors that 11 are allowed in the lakes because of contamination. 12 Not at all.

So I'd like to leave some information with you. You guys can see what kind of environmental studies that have been done.

16 The -- some of the kids that are going for 17 their teaching degree, they go to Allegany, and 18 they provide this thing called the Raccoon Rangers. 19 You send your kids there, and you go do the edible 20 plants and you go look at bear prints and things 21 like that.

22 Go out. Go camping.

23 MR. CONGDON: Thank you.

24 MS. KURASZ: It's -- it's awesome.

25 MR. CONGDON: Thank you.

1 MS. KURASZ: Here's some information about 2 the park. 3 Thank you so much. 4 MR. CONGDON: Thank you. Christopher D. --5 б MR. JOYA: D. Joya. MR. CONGDON: -- Joya. 7 8 STATEMENT OF CHRISTOPHER D. JOYA 9 10 11 MR. JOYA: My name's Christopher D. Joya, 12 J-O-Y-A. I'm a UB student here. I'm going into my 13 junior year, and I'm taking biology, focused on 14 ecology, minor in environmental studies, so you 15 know what I'm going to be doing in about 10, 15 16 years. 17 After listening to many of the comments, I'm 18 pretty sure that you're already beaten down about Allegany. I'll just say just give up on Allegany. 19 20 Don't drill in there. 21 My father has taken me there so many times I 22 can't even count, and he's taken me to different places in Allegany. 23 24 It's a beautiful place, and it's -- I can't 25 see it with oil wells or smog or anything. Hell, I

saw my first shooting star there, and to see 1 2 another one there with the haze from the oil wells, that's -- no, I don't want to see that. 3 4 Going off from that, instead of going into natural gas, we're trying to go into a greener 5 future, more earth friendly, environmentally 6 7 friendly. 8 Try thinking about other solutions instead of natural gas. Try maybe solar panels on top of 9 10 every roof building in the city. 11 There's probably thousands, hundreds of 12 thousands of square feet. If you put solar panels on top of those, it pretty much runs the city by 13 14 itself. For energy efficiency, instead of -- let's 15 16 say some of these buildings you can't put solar panels on them. Paint the tops white. They 17 reflect the sunlight, produces heat, and reduces 18 the urban heat island effect. 19 20 And reroute the hydropower that's going from Niagara Falls and going to other sources. Reroute 21

22 it back home. Bring it back to Buffalo. Bring it 23 back to Western New York, and you'll probably see a 24 lot more people happier about that.

25 That's -- really that's all I wanted to say,

1

but, like, really look at other solutions. Rather 2 than going from fossil fuels through baby steps, which we should probably do, try looking at other 3 4 ideas that are not that conventional. 5 Look at it -- look at it from a slightly weirder way, and you'll probably find something 6 7 that works. 8 So that's just my suggestion. 9 MR. CONGDON: Thank you very much. 10 MR. JOYA: You're welcome. 11 MR. CONGDON: Our last speaker that we have up here, Mark Casell. 12 13 14 STATEMENT OF MARK CASELL 15 16 MR. CASELL: Hi. Thank you for your time. My name's Mark Casell, and I come here 17 representing -- just as a citizen of New York, but 18 19 I'd like to speak to the State's ability to 20 possibly change where that 450 megawatts that go 21 out to the -- that are distributed amongst the 22 utilities in New York from the hydropower plant. 23 The partnership talked about it earlier, and 24 I think there is a way that we can build on that 25 450 megawatts and at the same time promote

Mark Casell

1 conservation in the State.

2 Currently, the mechanisms for receiving the 3 cheap hydro for industries and commercial are based 4 on operational increases for employment and their 5 facility operations.

6 While working as a facility manager at a 7 local manufacturing facility, I led an initiative 8 to reduce energy, and our reward for conservation 9 was the forfeiture of a megawatt of that cheap 10 hydropower that we saved through innovative 11 efficiencies.

12 Another company that I'm familiar with 13 recently received more hydro allocation because of 14 their expansion, and so that they could use that 15 electric, they chose -- at very probably not the 16 most efficient means to boil hot water, they chose 17 an electric hot water boiler when there are many 18 other more efficient options available.

19 Neither of those indicate that the programs 20 currently in place really promote conservation. 21 Those are the expansion and replacement programs, 22 which I know the State doesn't have a lot of sway 23 in those federal programs, but one thing the State 24 does have authority over is the 450 megawatts that 25 go out to -- to the homeowners and small

Mark Casell

1 businesses.

And to reallocate that 450 megawatts,
 there's an opportunity to double its economic
 benefit and effectiveness.

5 First, use the stimulus money, the money 6 from the RGGI, Regional Greenhouse Gas Initiative, 7 and also continue to use the systems benefits 8 charts money to make available conservation 9 improvements to the area homes.

10 And as Mr. Hughes spoke to, increases in 11 insulation, weatherizing homes could save a lot of 12 money, a lot more than the possibly hundred dollars 13 that is seen saved from the hydro allocations that 14 they benefit from. They could get four or five or 15 more hundred dollars in reductions to their annual 16 heating and cooling bills.

This promotes ongoing conservation, creates
green-collar home improvement jobs, and reduces the
State's greenhouse gas emissions.

The most economic benefit, though, would be to take the 450 megawatts and reward businesses that conserve with increased savings through cheap power.

If a company that has held on and weathered the challenges of operating in Western New York

1 make their operations more efficient, reward them 2 for their efforts by further reducing their business costs. 3 4 This conservation-focused approach is 5 self-propagating and a win for all parties in the area, especially the existing local small 6 7 businesses that provide the majority of regional 8 employment opportunities, and will be instrumental in both the State's economic expansion and 9 10 achieving the goals of reduced energy use and 11 greenhouse gas emissions. 12 Thank you for your time. 13 MR. CONGDON: Thank you very much. 14 We're going to take another five-minute 15 break and see if any other folks have signed up to 16 speak. 17 And if there are none after that five-minute break, we're going to conclude today's hearing. 18 19 Thank you very much. 20 (A recess was then taken.) 21 MR. CONGDON: Our first speaker is Bert 22 Spaeth from RS Energy. 23 STATEMENT OF BERT SPAETH, RS ENERGY SOLUTIONS 24 25

MR. SPAETH: Thank you for giving me the
 opportunity.

I didn't come prepared to do a presentation,
but after hearing some of the speakers earlier, I
thought of a couple of comments.

A couple weeks ago I just did a presentation
to the Northeast DGCHP, and it was on biomass,
renewable energy, and biogas projects.

9 I've also done some activities and work in 10 the Southwest -- in Texas, Arizona, New Mexico --11 with some of these opportunities in solar.

12 And just a couple of quick thoughts.

And I know you folks have got a lot of information to take back with you, but, you know, hearing all the impassioned pleas about Allegany State Park and everything, I mean, I've enjoyed that. I've skied there, had outings, whatever, but I think we're missing the point.

If we don't come up with some energy
 sources, we can do a lot with energy conservation.

For years I worked for companies like Siemens, and I've worked for utilities where we did a lot of energy conservation, and that can handle a lot of the problems, but it's not the sole solution.

The Marcellus gas, it's not only in Allegany
 State Park. It's along the whole Southern Tier of
 New York.

4 So I think if we just focus on one small 5 geographic area, we might be missing the boat. It can bring a lot of extra revenue into the State 6 7 that we certainly need, and I have been told that there's 17 years' worth of natural gas in the 8 Southern Tier, 17 years' worth to supply the entire 9 10 United States. That's how much gas is potentially 11 there.

12 So we're not focusing on a small Allegany 13 State Park. I mean, I would say leave that 14 pristine. Let's go to the private lands and -- and 15 develop it.

16 But more to the point, energy conservation 17 can do quite a bit, but we need to seriously take a 18 look at biomass.

19 New York State is 68 percent forest, and 20 then we have a lot of private lands. We have the 21 farms, and many of the farms are in financial 22 difficulties because of current milk prices and 23 everything. They could be producing a lot more 24 biomass.

25 One of the things that I talked about at

this conference up in Albany two weeks ago was the
 fact that we have all these dairy farms. We can
 make methane from that.

We can also make methane from the landfills,
as somebody mentioned, and the potential there is
quite large.

7 We have a lot of food processors in this 8 State, and again, the food wastes can all be turned 9 to methane. I think that's one viable alternative 10 that we can use.

Solar and wind is wonderful. I live in
 Wyoming County. I'm surrounded by windmills.
 Everybody asks me, "Are they noisy?"
 And I say, "No, I can't hear them."

But the problem with them is that they only run about 30 percent of the time.

17 And everybody thinks that we're going to be able to shut down all these coal plants because of 18 the windmills. Well, the reality of it is a coal 19 plant can't be shut down like this, and neither can 20 a nuclear plant, so what we have happen is that 21 22 alternatives like turbines and everything need to be ramped up quickly when the wind dies down. 23 24 So the wind provides resources, provides 25 energy, but it's not the sole solution.

1 So what we need to start developing and 2 thinking about is something like a biomass where you know you're going to get a known quantity and 3 4 you can produce a certain amount of megawatts to 5 put on a grid day after day after day. б The sun, it can vary. Western New York, 7 we're on this end of the Great Lakes. We have a 8 lot of cloudy days. We don't have sun all the time, and obviously, 20 -- you know, 12 hours a 9 10 day, if you average it, is the maximum you're going

11 to get.

12 The wind, like I said, the operational time,13 I think, is probably more like 30 percent.

14 So the renewable, the biomass is something 15 that could be more sustainable. We need to develop 16 that.

And again, I don't think we should throw
the -- or close the door on the shale oil, because
it can provide a lot of resources.

20 And I hope those comments shed some light. 21 Again, my perspective, I'm a consultant, and 22 I've worked in the -- all aspects of the energy 23 field, and those are things that I think need to be 24 developed.

25 Thank you.

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1 MR. CONGDON: Thank you very much, Bert. 2 Our last speaker for today is Mayor Paul 3 Dyster from the City of Niagara Falls. 4 Thank you so much for coming down. 5 STATEMENT OF PAUL DYSTER, MAYOR, CITY OF NIAGARA б 7 FALLS 8 9 MAYOR DYSTER: Thank you very much. 10 I'd like to start by commending not just 11 this group but by commending the Governor, the 12 administration, and, in particular, someone that 13 I've had an opportunity to work with here in 14 Western New York, Richard Kessel, New York Power 15 Authority, for taking on a very difficult set of issues at what is a politically difficult time. 16 17 People might have expected, with the 18 difficult political circumstances in Albany in 19 recent months, that the State would be incapable of 20 undertaking major new policy initiatives. 21 But clearly, with regard to the question of 22 the State's energy policy, time is of the essence, and again, I commend the administration's vision 23 24 and courage and being willing to move forward on 25 this very critical set of issues. I think that

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might end up being a very important and lasting
 legacy of this particular period in the history of
 New York State government.

4 And there is very much to be commended in 5 the -- the Plan upon which you've asked for comments. I can already see that a lot of б 7 grassroots sentiment that's been developed here in 8 the Western New York area -- in particular with regard to issues such as energy conservation, 9 10 development of renewable energy, and so on -- has 11 found its way into the Plan already.

12 So it seems as though you've got your ear to 13 the ground. You're listening to what people at the 14 grassroots level have to say. There's very strong 15 grassroots support for a forward-looking energy 16 policy here in Western New York, and you folks seem 17 to have picked up on that, so I commend you on 18 that.

19 A few specific comments from the perspective20 of the Mayor of the City of Niagara Falls.

I think it's very, very important that, as we move forward with our energy policy, we have the courage to maintain its strategic focus in terms of the use of our resources, in particular the renewable energy resources that we have available

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to us here in Western New York, hydropower from the
 Niagara Power Project currently online.

3 Other potential sources of renewables are 4 coming online in the future. Some, as a result of 5 projects that are just being undertaken today, represent an opportunity for us to achieve the 6 7 double leveraging or what in Europe they sometimes call green-to-green, that is, using our renewable 8 power resources in order to advance the manufacture 9 10 of devices that are going to allow us to create 11 additional renewable power from other increasingly diverse sources in the future. 12

One of the examples of double leveraging you have in the report already. On Page 72 there's discussion of a project we're very proud about in Niagara Falls, the Globe Specialty Metals project where we're reopening the old poly-silicon plant to produce materials for the solar power industry.

We're doing so using an allotment of clean We're doing so using an allotment of clean NYPA hydropower. We're using a former industrial site. We're reusing a lot of transportation and other infrastructure that's already on the site. We think that project is a model for how a

24 renewable energy industry could be developed here 25 in the State of New York and, in particular, in

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1 Western New York in the future.

I guess our message would be let's keep doing things like that over and over again, because each time that we do that, we achieve an exponential increase, you know, since we're not burning, you know, carbon resources from fossil fuels to build solar panels, right?

8 So we get that much further ahead on some of 9 the goals we're all trying to achieve together.

10 In terms of strategic use of resources, it's 11 not just a very wise strategic use of NYPA hydropower that's important. Empire State 12 13 Development's various economic incentives like 14 initiating the brownfield cleanup program and so on 15 all can be used to try to leverage those projects, 16 those sites that -- those initiatives that are most 17 important to the future.

18 This is not the time for division of 19 benefits by pork. We need to get on the point of 20 attack for the State as a whole in terms of 21 creation of a sustainable energy future.

22 Some of the areas that we need to 23 concentrate on -- the previous speaker made note of 24 the fact that some of our more sustainable types of 25 power for the future, like solar and wind, may be
intermittent, and therefore, I would commend you on 1 2 the efforts already and would encourage additional efforts for development of Smart Grid technology. 3 4 Also, we need a very strong investment in 5 research, development, and deployment of approved energy storage, since that's critical. б 7 The ability to store energy when energy is being produced to use it when we need it and then 8 the ability to get it there with the lowest 9 10 possible loss of efficiency along the route is 11 going to be critical in the -- in the future. 12 In terms of strategic focus, I'd like to 13 echo what sentiment I think you've heard already. 14 I came into political life out of the 15 environmental movement. One of the reasons for 16 moving to renewable energy is to try to protect 17 places like the Allegheny Forest, and I believe it's very compatible with the long-term goal of 18 19 environmental preservation to move forward in the area of renewable energy. 20 21 I was a little disappointed not to see more 22 about alternative transportation in the Plan. There's a certain brief mention of that, but I 23 think some further referencing of, for example, the 24 25 State's rail plan would be in order. More

discussion about the future of light rail and of - of public transportation generally, I think, would
 be appropriate.

Here in Western New York you hear a lot of
complaints -- and within the existing energy
situation -- that we don't receive enough of the
benefits of the hydropower that we generate here in
Western New York, and oftentimes, this is advanced
as a sort of political justice argument.

10 I think that in the context of the Plan, 11 Western New York has a very strong and strictly 12 economic argument to advance, that this region of 13 the State can be a leader in the development of a 14 renewable energy industry for the State of New York 15 in the future.

16 The availability of clean, renewable 17 hydropower, but also things like trained work 18 force, brownfield sites available for 19 redevelopment, proximity to the Canadian border and 20 to Canadian markets for devices that might be manufactured here, existing transportation and 21 22 other infrastructure and existing strategic partners among industries that have already been 23 24 through this first generation of, you know, post 25 fossil fuel form of their manufacturing processes

make this, I think, a good place for future
 investment by the State.

And I think it would be not just a great economic driver for Western New York but that Western New York can help lead economic recovery for the State of New York focusing on this renewable energy area.

8 Finally, one last comment.

9 Again, I'm commending you for something that 10 the State has already undertaken. Very apropos, 11 perhaps, at the site where we're located, there is 12 some reference in the Plan for the need to create 13 and to sustain markets, and I'm very much in 14 agreement with that.

15 My previous background was as a professor of 16 international relations. I worked on national 17 security, and in case you haven't figured it out, the people in the Middle East that sell us our oil 18 19 know that we're trying to do all these things to make ourselves energy independent, and they 20 21 manipulate prices and markets in order to drive, 22 you know, the break-even point for capital costs, you know, further and further into the future. 23 24 Every time we think we're ready to do 25 something, we develop the political will, they

increase the flow of oil a little bit, drop the 1 2 price, and try to change the economics on our end. 3 Therefore, I think it is very wise and is a 4 policy that needs to be adopted in all various 5 areas relating to alternative energy that the State has, for example, not looked principally at the 6 7 question of, you know, the -- you know, the anticipated payback date for projects like the 8 solar energy project that's going to take place 9 10 right here outside Center for Tomorrow. 11 We're going to have to create markets for

12 alternative energy. We're going to have to be able 13 to sustain some sort of a price level if we want 14 these industries to develop.

We know it has to happen. It's an investment that we have to make, and again, I would commend the New York Power Authority for their willingness to purchase a hundred megawatts of solar energy into the grid. It's an example of exactly the sort of thing that we need to be doing over and over again.

22 So a lot of positive work, I think, being 23 done already by the State of New York, and I pledge 24 the support of the City of Niagara Falls in trying 25 to maintain the forward momentum of the progressive

1 elements of this policy.

2 Again, I guess the key here is that we're dealing with a situation where oil prices are lower 3 4 this summer than they were last summer, maybe more 5 people are filling up their gas tanks and coming to 6 Niagara Falls than were -- were last summer, but 7 the fact that there's been some moderation in oil prices shouldn't deceive us as to the long-term 8 9 trend.

We're in an energy crisis, and we need to behave as though we're in a crisis. We need to focus -- there's still very considerable strategic resources we have in the State of New York in order to achieve the outcome that we want not just in our lifetime but for our kids and grandkids.

16 And I think you've got a good start in the 17 Plan in that direction.

18 So thank you very much.

19 MR. CONGDON: Thank you, Mayor.

20 That concludes today's public hearing on the 21 draft State Energy Plan. Our next hearing is 22 tomorrow in Binghamton.

And I want to thank everyone for your
participation today and -- oh, I'm sorry, did you
want to have --

Douglas Champ

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MR. CHAMP: Am I allowed --2 MR. CONGDON: Of course. 3 MR. CHAMP: -- follow-up, as long as I got 4 all these guys here? 5 STATEMENT OF DOUGLAS CHAMP б 7 8 MR. CHAMP: My name is Doug Champ, again, and just being here I just thought I'd bring up 9 10 some points that didn't really get addressed and 11 having to do with basically smart growth and development within the State of New York and its 12 13 filtering down to our communities. 14 Most of what goes on in the communities now 15 has limited knowledge regarding how energy use and 16 development can be moved on to the smart growth 17 concept in terms of planning overall economic development planning, where the investment 18 19 strategies are going to go for our cities and our 20 counties. 21 So that's something that should be looked at 22 and how you want to integrate that through the State Department. It's important that these be 23 24 part of the overall Energy Planning process, 25 because growth rarely occurs, and sometimes it's

Douglas Champ

1 too late to change things.

2 The other thing is uniform energy 3 conservation code standards. There's been no 4 mention about code standards in terms of what 5 energy is going to be done in new residential and 6 commercial construction. That needs to be 7 uniformly placed and approved and enforced within 8 our communities.

9 This is another topic that was -- system 10 benefit charges are not available to municipal 11 systems. They've geared up on this now, but there 12 ought to be some kind of parallel arrangement on 13 the State level for muni systems to take advantage 14 of some of the NYSERDA programs which they're not 15 eligible for.

And the last thing is passive heating and cooling applications. This is a theme that's been lost in construction, using natural construction and physical construction to augment natural passive cooling and heating.

The old engineering standards, the old architectural standards have been lost. It's there. It can be used, and it has low-cost, no-cost applications sometimes.

25 Thank you.

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MR. CONGDON: Thank you very much. And that concludes our public hearing on the draft State Energy Plan. I want to thank everyone for your attendance today and participation. And again, if you have further comments you'd like to make, you can -- you can submit б written comments through October 19th on our website, www.nysenergyplan.com. Thank you all. (Proceedings concluded at 1:04 p.m.) * * *

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