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STATE ENERGY PLAN COMMENTS

Submitted via Email

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Please accept the following in response to your request for comments to the 2013 State Energy Plan.

As a private developer of Landfill Gas to Energy (LFGE) projects, Innovative Energy Systems, LLC (IES) began contributing to New York State's portfolio of renewable generation assets long before the commencement of the Renewable Portfolio Standard proceeding. Over the years it has invested more than fifty million (\$50,000,000) dollars of private capital and become one of the largest LFGE developers in New York. After a recent merger with Landfill Energy Systems, LLC (LES), it is now one of the largest such developers in the country.

There are a number of benefits that would flow from the State encouraging the development of LFGE projects as part of its forward-looking plan, including:

1. Increasing the portfolio of renewable energy assets, while at the same time increasing the reliability of the grid. IES's LFGE facilities on average have a capacity factor of more than ninety-two percent (92%), thus providing the dependability that is lacking from intermittent resources;
2. In the event that the State adopts a Feed-In Tariff (as discussed now for several years with increasing focus of late given the success of other programs, especially in Ontario), LFGE projects provide one of the more reasonable opportunities to stimulate the growth of renewable energy in a cost-effective manner;
3. The dual benefits associated with these projects, namely, the development of LFGE facilities allows for the conversion of a harmful byproduct of the inevitable process that occurs in aging landfills into electricity, which in turn improves the overall reliability of the grid: clearly a win-win situation; and
4. The contribution to the economy associated with the development of LFGE projects, which in IES's case are constructed, financed, operated and maintained by a company that is located within this State, without the need for materials that are often imported from other regions (and in the case of wind and solar projects, from other countries).

Akin to the dual benefits described in paragraph 3 above, LFGE projects do not present the controversial infrastructure issues often associated with other renewable technologies, such as wind power. Interconnection with the electric grid is accomplished with minimal disruption to the environment, and with no negative aesthetic impact. The required land is in the immediate vicinity, and being situated on a landfill this does not present the problems that typically arise when attempting to address the transmission requirements associated with other renewable technologies, again, particularly wind power.

Another key financial benefit is the revenue that the municipality receives from an LFGE project. The landfills on which these facilities are constructed are typically owned by the County, which benefits from a revenue sharing arrangement with IES. Further contributing to the above mentioned win-win scenario, the development of these projects has resulted in the infusion of millions of dollars to local budgets that face ongoing challenges as the State's economy continues to struggle.

IES pioneered a system in Upstate New York whereby tomato plants are grown in greenhouses that receive the waste heat from a nearby LFGE facility. Millions of pounds of these are harvested and sold during upwards of nine (9) months of the year. The company is also a frontrunner in the development of technology to economically convert landfill gas into pipeline-quality, high Btu gas. The State's ongoing support of LFGE projects will enable this renewable energy source to deliver benefits well beyond those associated with the generation of "green energy."

Finally, any steps that the State could take to streamline the overall processes related to the development of these generation projects would significantly enhance the growth of its renewable portfolio. The passing of a new Article X siting law, and the consolidation and/or acceleration of the processes whereby the required permits and other approvals may be pursued and obtained (ideally, through a coordinated effort between State and Federal agencies and regulatory bodies), would facilitate the construction of LFGE projects. It would also attract the developers that elect to build projects elsewhere, often times due to the inherent challenges underlying this State's permitting process.

Clearly, in order to meet New York's ongoing need for safe, reliable electricity – in a manner that helps the State to become more energy independent – a broad range of steps must be taken. While LFGE facilities do not represent the type of large-scale projects that make headlines, they are no less important to ultimately meeting the RPS goals.

Respectfully submitted,

/s/ David W. Koplas

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