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,
5		State Public Service Commission.
6		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		elopment Authority.
12		
13	PRESE	NT: 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
18		LORI K. BECK, CSR, RDR, CRR, Court Reporter.
19		MEMBERS OF THE PUBLIC
20		MEMBERS OF THE TODDIC
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- 1 MR. CONGDON: Good morning, everyone. My
- 2 name is Tom Congdon, and I am the Chair of the New
- 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.
- 6 Like to thank our hosts at UB, and I'd like
- 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
- 12 Service Commission.
- 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.
- 20 For the past year and a half, the Planning
- 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
- 24 2008 when Governor Paterson issued Executive Order
- 25 Number 2 creating the Planning Board and charging

- 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.
- Written comments are due on October 19th,
- 8 and we will release the final Plan by the end of
- 9 the year.
- 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.
- 18 The Plan modeled and considered various
- 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
- 23 our multiple public policy objectives.
- 24 The Plan also seeks to develop in-State
- 25 energy resources, largely renewable resources, and

- 1 also in-State natural gas resources in an
- 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.
- 6 Fourth, the Plan identifies opportunities to
- 7 capitalize on existing academic and research
- 8 strengths in the State and to facilitate
- 9 connections between academia and industry to speed
- 10 up the rate of innovation in energy technologies.
- 11 We believe this will create jobs in the State, and
- 12 we also identify work force needs to transition to
- 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
- 20 the community that is affected by energy decisions
- 21 and energy policies. This is one of nine public
- 22 hearing sessions we are holding around the State to
- 23 hear your comments, and a full hearing schedule is
- 24 available on our website.
- The process today is simple. Those who want

- 1 to comment at this hearing have been asked to sign
- 2 in upon arrival today, and I have that list with
- 3 me.
- 4 Your name will be called one at a time to
- 5 speak. Please come to the microphone here on my
- 6 right when your name is called.
- 7 A court reporter is here to prepare a
- 8 verbatim transcript. It is very important that
- 9 only one speaker come up at a time and speak at a
- 10 time so the reporter can hear clearly.
- 11 Speakers should address their comments in
- 12 the direction of the microphone and please make an
- 13 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
- 23 purpose, but, of course, after everyone has had a
- 24 chance to address the Board, repeat speakers may be
- 25 afforded another five minutes.

- 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,
- 12 please do so as soon as possible so that they can
- 13 be carefully considered.
- 14 All public comments, whether stated at a
- 15 hearing like this one or sent to the website, will
- 16 be reported to the Energy Planning Board for its
- 17 consideration. They all count equally, regardless
- 18 of how they were received.
- 19 Before we get started, does anyone have any
- 20 questions about the process?
- 21 Yes, sir?
- 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?

- 1 MR. CONGDON: Yes. If you've submitted
- 2 comments online, those are considered by the Board,
- 3 and they're also posted online for other
- 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.
- 10 Thank you, Sam.

- 12 STATEMENT OF SAM HOYT, NEW YORK STATE ASSEMBLY,
- 13 144TH ASSEMBLY DISTRICT

- 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.
- I come here today in a number of different
- 22 capacities: as the chair of the Assembly Local
- 23 Governments Committee, which has responsibility
- 24 over parkland alienation; as an environmentalist
- 25 who has made a commitment to our great State's open

- l spaces and protected places; and as an Assemblyman
- 2 whose constituents are committed to preserving the
- 3 beauty and ecological integrity of our State parks.
- 4 The Energy Plan in many respects represents
- 5 a huge step forward for New York in preserving our
- 6 environment and accessing sources of renewable
- 7 energy. Unfortunately, even the very best of
- 8 documents can contain flaws, and I believe this
- 9 Plan does.
- 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.
- 15 First, let me commend the emphasis placed
- 16 throughout the Plan on energy efficiency. Reducing
- 17 use is, of course, an effective step that we can
- 18 and must take as a State to tackle climate change.
- 19 I, therefore, want to praise the thoughtful
- 20 discussion of this topic in the Plan.
- I also think that the Plan's components
- 22 which deal with exploiting untapped renewable
- 23 energy sources is the kind of dynamic shift in
- 24 thinking that we need. I commend all of you and
- 25 Governor Paterson for that.

- 1 Our economy is driven by the price of fuel
- 2 and fuel transportation, and the negative effects
- 3 of the situation have recently become all too
- 4 clear. Localized renewable generation, if coupled
- 5 with Smart Grid technology, can provide both better
- 6 energy supplies for surrounding communities and
- 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.
- One is that Marcellus presents an
- 17 opportunity for the State to make a profit.
- 18 Another revolves around regional energy
- 19 independence.
- 20 Let me address the regional energy
- 21 independence idea first.
- It is false that tapping Marcellus means
- 23 energy independence for upstate. Just like any
- 24 other community, the market will drive where the
- 25 gas is sold, and no map-based border will prevent

- 1 its going to the highest bidder, regardless of
- 2 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.
- 15 A cursory description of it may sound
- 16 harmless: the use of water to create fissures in
- 17 the shale to tap the gas and the oil.
- 18 But the waste, the chemicals employed,
- 19 disposal methods, transportation requirements, and
- 20 lack of research in areas such as radioactivity all
- 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
- 24 wastewater are inadequate. Steps to prevent
- 25 leakage are not always employed, and toxins

- 1 released from the 300-million-year-old shale are
- 2 unknown, all of which ensures that the public's
- 3 health and safety would be jeopardized for a
- 4 relatively small and unknown gain.
- 5 I encourage the Commission and the
- 6 Governor's office and all of you to think twice
- 7 before employing and allowing for the whole
- 8 hydrofracking technology and technique to be used
- 9 and included in the master Plan.
- 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
- 18 on this topic -- was preventing the State of New
- 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
- 23 of thousands and thousands and thousands of native
- 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
- 6 environmental impact statement be required even if
- 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.
- Our next speaker is Douglas Champ.

14

15 STATEMENT OF DOUGLAS CHAMP

- 17 MR. CHAMP: First of all, I've been in the
- 18 energy business for over 30 years, and I'm a
- 19 retired utility manager, thermal energy systems.
- 20 AUDIENCE MEMBERS: Can't hear you. Can't
- 21 hear you.
- Is the PA on? Doesn't sound like it's on.
- 23 MR. CHAMP: Can you hear me now?
- 24 AUDIENCE MEMBERS: No. No.
- MR. CHAMP: How about this? Can you hear

- 1 me? Okay?
- 2 AUDIENCE MEMBERS: Yes.
- 3 MR. CONGDON: Great.
- 4 MR. CHAMP: I'll repeat that again.
- 5 My name is Douglas Champ. I've been in the
- 6 energy business for well over 30 years. I'm a
- 7 retired utility manager, primarily thermal energy
- 8 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

- 1 creates efficiency. The tie-ins and renewables are
- 2 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
- 14 really grown very much since the time it was put
- 15 in. I think that can continue in other areas of
- 16 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
- 25 sequestration of CO2, but I see no utilization of

- 1 CO2 in terms of a viable byproduct which we are then
- 2 going to take and to bury it underground.
- Now, in Canada, whole industries are
- 4 connected to CO2 generation in greenhouses.
- 5 A whole new industry could be part of this
- 6 process in New York State as part of the fuel
- 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
- 12 lot of costs. I know that the amount of CO2 in the
- 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
- 18 times plans are not implemented. They are thought
- 19 about, they are looked at, but we never have the
- 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:
- I'm also the chairman of Chautauqua County's
- 25 Energy Conference in the fall, the 23rd and 24th,

- 1 with -- one of your Board members will be here,
- 2 Steve Hammond, giving a presentation.
- 3 I invite all of you, and I'm also going to
- 4 invite Mr. Tom Congdon to come and present that
- 5 Energy Plan, if he has the time.
- 6 MR. CONGDON: I think we have just one
- 7 follow-up.
- 8 MR. BROWN: Just one. Is this on? Hello.
- 9 You were -- on the community energy systems,
- 10 did you have any specific recommendations?
- 11 Are there barriers out there or lack of
- 12 incentives to make this happen?
- MR. CHAMP: Yes, there have been in the
- 14 past. The startup application's difficult.
- 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.
- 19 It's known all over the world. I have been
- 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.

- 1 But now is the time to reexamine this. Now
- 2 is the time to integrate community energy within a
- 3 viable way, because we have wind power over here,
- 4 we have solar power over there, we have a variety
- 5 of fractionations going on that aren't integrated
- 6 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.
- 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
- 21 internally, and I think you have a good opportunity
- 22 to promote this, and I'd be happy to help that
- 23 process.
- MR. BROWN: Thank you.
- 25 MR. IWANOWICZ: The date, again, of your

- 1 meeting?
- 2 You said the 23rd, 24th. September?
- 3 October?
- 4 MR. CHAMP: 23rd and 24th of October.
- 5 It's a very unique conference. Last year we
- 6 had about a thousand people. It's on all types of
- 7 topics, and I think this Board would be
- 8 appreciative of the effort that this county's
- 9 trying to make to follow your opportunities and
- 10 your Plan.
- 11 MR. CONGDON: Great. Thank you very much.
- 12 Our next speaker is Joe Brown from the
- 13 Boilermakers.

14

15 STATEMENT OF JOE BROWN, BOILERMAKERS LOCAL 7

16

- 17 MR. BROWN: Good morning. I don't know if --
- 18 good morning. I'm Joe Brown, Business Manager,
- 19 Boilermakers Local 7. We're the primary craft that
- 20 builds power plants throughout the State.
- 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

- 1 communities such as Jamestown, Lackawanna, and
- 2 Wheatfield, as well as supporting a brighter future
- 3 for local labor, small business, and for all New
- 4 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.
- 15 This Plan will be able to file for financial
- 16 assistance through the federal stimulus money
- 17 available for energy infrastructure upgrades.
- 18 Secondly, I recognize the Plan for
- 19 supporting the reauthorization of the power plant
- 20 siting law. We now have the opportunity to address
- 21 both New York's energy shortfall and bring
- 22 much-needed jobs and economic development to
- 23 Western New York.
- 24 The time has come for our lawmakers to heed
- 25 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.
- 6 Thirdly, I would offer my support for a
- 7 number of other initiatives that have been laid out
- 8 and are sprinkled throughout the draft Plan, such
- 9 as increased focus on conservation and efficiency,
- 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.
- I commend the Board for supporting the
- 18 creation of the new reactor at Nine Mile Point in
- 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
- 23 than 300 miles away, you're focusing -- excuse
- 24 me -- your focus on closing Indian Point will have
- 25 a negative effect on all New Yorkers, not just

- 1 downstate.
- 2 Indian Point supplies nearly ten percent of
- 3 the State's power, nearly one in every ten homes
- 4 within New York State. It produces over 2,000
- 5 megawatts of clean, reliable, safe power and does
- 6 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.
- 12 As a boilermaker who has worked at Indian
- 13 Point, I know the value of organized labor to the
- 14 facility, and I would ask why anyone would close a
- 15 plant that produces ten percent of the State's
- 16 power in a clean manner while employing thousands
- 17 of union workers.
- 18 In closing, I commend you for your hard
- 19 work, dedication, and focus on securing our future.
- 20 Our State will be a better place thanks to each of
- 21 you.
- Thank you for your time.
- MR. CONGDON: Thank you, Joe.
- Our next speaker is Hadley Horrigan from the
- 25 Buffalo Niagara Partnership.

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- 2 STATEMENT OF HADLEY HORRIGAN, BUFFALO NIAGARA
- 3 PARTNERSHIP

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- 5 MS. HORRIGAN: I'm Hadley Horrigan,
- 6 Vice-President of Public Affairs at the
- 7 Partnership, and I'm here today on behalf of about
- 8 2500 members who are regional employers of more
- 9 than 200,000 people.
- 10 Thank you for your thoughtful work on the
- 11 draft Energy Plan and for the opportunity to
- 12 provide comment today.
- 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
- 16 the expansion and replacement power contracts that
- 17 NYPA has with companies in our region. Replacement
- 18 and expansion power is absolutely vital to the
- 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
- 23 robust attraction effort that takes advantage of
- 24 the unique advantages we have in the form of
- 25 Niagara Power Project hydropower.

- 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.
- 14 Together these projects represent potential
- 15 private sector investments of up to \$4.7 billion
- 16 here and 5500 new jobs.
- To land these projects, we as a region
- 18 currently have about 40 megawatts of replacement
- 19 and expansion power available, while these projects
- 20 would likely require allocations closer to about
- 21 200 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

- 1 partnership strongly endorses to get our region
- 2 closer to meeting these energy needs.
- First, we believe hydropower currently
- 4 supplied for rural and domestic uses within the
- 5 franchise territories of three upstate utilities
- 6 should be redeployed for upstate-wide economic
- 7 development over a period of three years.
- 8 The residential savings I receive at my home
- 9 are about \$2 per bill, and it's a bit higher for
- 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.
- 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.
- 21 Second, we worked closely with Assemblyman
- 22 Dennis Gabryszak and Senator Bill Stachowski this
- 23 year on bills they introduced that would allow our
- 24 region to get more out of our regional asset, that
- 25 is, replacement and expansion power, which I

- 1 mentioned a moment ago.
- 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
- 9 instead create a Western New York economic
- 10 development fund that would keep those proceeds
- 11 derived from the regional hydropower assets within
- 12 30 miles of the Niagara Power Project, and that
- 13 local fund would be used for projects such as site
- 14 preparation and infrastructure improvements,
- 15 brownfield cleanups, adaptive reuse of existing
- 16 structures, and to entice private sector
- 17 investments in Buffalo-Niagara.
- And now on to a couple specific points of
- 19 your Plan.
- 20 It's important that all State agencies that
- 21 have a hand in economic development uniformly
- 22 develop criteria that would provide carrots for
- 23 energy efficiency measures.
- 24 And moreover, your Plan's objectives need
- 25 some form of accountability, and so for targets

- 1 such as energy efficiency, would you consider
- 2 meeting efficiency targets, renewable targets, and
- 3 other infrastructure-related objectives under a
- 4 regulated environment via the upstate utilities,
- 5 because this presents an opportunity for
- 6 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.
- 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
- 16 renewing Article X, encouraging the construction of
- 17 new electric generating capacity, electric and
- 18 natural gas transmission and distribution
- 19 facilities, and with a focus on building generation
- 20 facilities where demand is greatest, particularly
- 21 Downstate New York.
- 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

- 1 competitiveness of business.
- 2 Please take the message back to Albany that
- 3 the \$600 million burden on New Yorkers needs to be
- 4 rolled back immediately. Good energy policy should
- 5 rely on real costs to the degree possible, and
- 6 elimination of artificial price components must
- 7 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
- 12 Marcellus shale, it's a critical matter of
- 13 importance for Upstate New York, so I'll urge you
- 14 to expedite a rational DEC permit process for
- 15 hydrofracture drilling. Any overregulation would
- 16 only serve to hurt possible increases in domestic
- 17 supply, and I have to note that New York is already
- 18 at a competitive disadvantage with Pennsylvania.
- 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.
- 23 And finally, your collaborative approach to
- 24 developing future energy policy is something we
- 25 certainly appreciate, and both the partnership and

- 1 Unshackle Upstate would stand ready to support your
- 2 efforts.
- MR. CONGDON: Great. Thank you. 3
- Our next speaker is Stephen Lynch.
- 5 MR. LYNCH: I'm going to be providing
- written comments.
- MR. CONGDON: Okay. Okay. Thank you. 7
- 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
- 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
- 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

- l we would really like to see viable ways to
- 2 achieving these goals.
- 3 Mostly that relates to the fact that
- 4 renewable energy has to be profitable to be able to
- 5 be developed. You have no mechanism in here for
- 6 making renewable energy profitable except by
- 7 further quotas, subsidies, and in a State that's
- 8 bleeding tax dollars because of peak oil induced
- 9 recessions, you're never going to get there,
- 10 because you don't have the money to do this.
- 11 So you need to change to a system that
- 12 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

- 1 price needed to basically crowd out future users
- 2 becomes astronomically increasing, and we saw just
- 3 a touch of that in 2007, 2008.
- 4 And anyway, that caused a huge recession,
- 5 slash, depression, which is a dreadful thing, but
- 6 that's what happens when you have oil price spikes.
- 7 That's going to happen again in around 2010
- 8 or 2011 as the current supply destruction caused by
- 9 oil depletion and the current supply destruction
- 10 caused by lack of investment when oil prices crash
- 11 coincides with increased demand or at least a
- 12 stable demand.
- 13 Anyway, it's very short-sighted. New York
- 14 has no coal, no oil, and really modest natural gas
- 15 aside from the Marcellus, which we'll get to in a
- 16 second, and basically, the only way around that is
- 17 to either get more efficient or substitute
- 18 renewable electricity.
- 19 We have very large, significant renewable
- 20 electricity supplies, but you have to realize the
- 21 amount of renewable electricity available is a
- 22 function of the price that you pay for that.
- 23 At the current collapsed electricity price
- 24 of two and a half cents a kilowatt hour, the only
- 25 renewable energy supplies you'd have are the

- 1 existing hydropower plants.
- 2 If you go to 10 or 15 cents a kilowatt hour,
- 3 you'd have more than enough renewable
- 4 electricity -- largely from wind, also some tidal,
- 5 run or river, and biomass -- to supply all of New
- 6 York State and to replace all of our polluting
- 7 sources, which in that category are coal, oil,
- 8 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 RPS. It's supposed to be 136 megawatts delivered.
- 15 It will never happen, because even with the
- 16 one-and-a-half-cent kilowatt hour bonus from the
- 17 RPS, it's never going to be enough to make up for
- 18 the low price and the collapse in the price of
- 19 electricity.
- 20 The collapse in the price of electricity is
- 21 kind of a function of the NYISO gambling system.
- 22 And I'll call it a gambling system. You never know
- 23 what your price of electricity is going to be with
- 24 NYISO with the locational-based marginal pricing.
- 25 And when the recession came about, it

- 1 basically crashed demand by about five percent.
- 2 That caused electricity prices to drop anywhere
- 3 from 50 percent in Western New York to 70 percent
- 4 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

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- 1 Ontario with a Green Energy Act or what they use in
- 2 Germany called the feed-in law tariff, and unless
- 3 you actually do that, all the renewable energy
- 4 plans are nice plans, but they're just driving
- 5 nowhere fast.
- 6 MR. CONGDON: Thank you.
- 7 AUDIENCE MEMBER: Marcellus shale.
- 8 MR. BRADLEY: What about it? It's
- 9 important. Too expensive.
- 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.
- We applaud the Energy Planning Board for
- 23 moving forward with this process, releasing the
- 24 draft report, and involving public comments and
- 25 feedback.

Brian Smith, Citizens Campaign for the Environ35nt

- 1 We're going to provide some priority
- 2 principles today, but we'll be giving more
- 3 extensive written comments before the end of the
- 4 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
- 12 individual comments in support of these principles
- 13 during the comment period on the scope of the Plan.
- 14 We're very pleased that the draft Plan puts
- 15 such a strong emphasis on energy efficiency and
- 16 renewable energy development. The best kilowatt of
- 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
- 20 costs and saving ratepayers money, reducing
- 21 pollution, and benefitting the environment as well
- 22 as benefitting national security. We strongly
- 23 support the Governor's '15 by 15' plan and the many
- 24 recommendations in the draft Plan for efficiency
- 25 beyond 2015.

Brian Smith, Citizens Campaign for the Environ36nt

- 1 While energy efficiency is critical,
- 2 increased renewable energy production is also
- 3 necessary to meeting demand. We support the
- 4 Governor's '45 by 15' goal -- and that's supported in
- 5 the Plan -- and many of the recommendations that
- 6 push renewable energy beyond the 2015 timeline.
- 7 New York State has great renewable energy
- 8 potential that must be realized to fight climate
- 9 change, increase energy independence, and benefit
- 10 local economies and create great jobs. The draft
- 11 Plan indicates that it is technically and
- 12 practically feasible to generate more than
- 13 75 percent of New York's electricity from hydro,
- 14 solar, wind, and biomass by the year 2018.
- 15 In particular, New York State is a wind-rich
- 16 state with tremendous potential to generate clean,
- 17 renewable wind energy. We support policies and
- 18 actions that will develop -- help wind reach its
- 19 potential, both on land and off shore in the ocean
- 20 and the Great Lakes.
- 21 And while all energy sources have an impact
- 22 on our environment, wind produces no harmful air or
- 23 water pollution, and potential adverse impacts
- 24 could be largely mitigated with careful planning.
- 25 We believe that all wind projects must stand up to

Brian Smith, Citizens Campaign for the Environ37nt

- 1 rigorous environmental review prior to construction
- 2 and advocate for continued post-construction
- 3 studies to increase our understanding of the
- 4 impacts of wind development and how further to
- 5 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.
- 10 Drilling in Marcellus shale will require a
- 11 process known as hydrofracturing, a process which
- 12 poses serious potential adverse impacts to ground
- 13 and surface waters and uses millions of gallons of
- 14 water per well.
- 15 Extracting natural gas and other natural
- 16 resources should be done very carefully as to not
- 17 adversely impact quality and quantity of drinking
- 18 water and surface water.
- 19 CCE supports rigorous environmental review,
- 20 public involvement, and full disclosure of the
- 21 risks to our environment and public health.
- In addition, the State Energy Plan should
- 23 explicitly state that sensitive and unique areas
- 24 should not be drilled. In particular, the amazing
- 25 Allegany State Park sits atop the Marcellus shale

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- 1 formation and is currently threatened by proposals
- 2 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 natural
- 10 treasures in the State should not be exploited for
- 11 drilling.
- 12 The draft Plan supports new nukes in New
- 13 York State.
- 14 No nuclear power plant has been built and
- 15 become operational in our country in decades. It
- 16 is no wonder why, as high risk, high cost, and
- 17 legacy waste come along with nuclear energy
- 18 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

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- 1 towards our precious Great Lakes.
- 2 In addition, waste does not make our nation
- 3 more energy independent as the vast amounts of --
- 4 the vast majority of uranium currently used for
- 5 nuclear energy is imported from other countries,
- 6 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.
- 14 Lastly, CCE strongly urges the Board to
- 15 develop a strong plan for implementation in the
- 16 final report which is lacking in the draft report.
- 17 While a report with great information,
- 18 recommendations, and goals is important, without a
- 19 clear plan for implementation, it lacks
- 20 effectiveness.
- 21 Thank you very much.
- MR. CONGDON: Just a word about the
- 23 implementation. A few other folks have commented
- 24 on the need for a good implementation plan.
- 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 --
- 3 and -- and accountability.
- 4 So we do want this to be an actionable Plan,
- 5 so I appreciate the comment.
- 6 The next speaker, David Flynn from Phillips
- 7 Lytle.

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9 STATEMENT OF DAVID FLYNN, PHILLIPS LYTLE LLP

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- 11 MR. FLYNN: Good morning. My name is David
- 12 Flynn, and I'm a partner at Phillips Lytle, a local
- 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
- 18 I read it, is efficiency, and I'm all for increased
- 19 efficiency.
- 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.
- 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 --

- 1 whether it be electricity or gas or any other form
- 2 of energy -- going forward, but we can't, I think,
- 3 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
- 6 oldest fleets of generating capacity in the United
- 7 States, and to sit back and hope and pray at the
- 8 end of the day that efficiency will make up for
- 9 significant gaps in the capacity of generation and
- 10 in replacing older, outdated, and highly polluting
- 11 generating capacity, again, I think, comes at great
- 12 risk.
- I think we should have a meaningful
- 14 commitment, a very significant commitment to
- 15 efficiency, but we can't -- and we do at great
- 16 risk -- plan around efficiency and bank on
- 17 efficiency as meeting a key component of our energy
- 18 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
- 24 load generating capacity in the State, but I do see
- 25 it filling a very important niche and need in our

- 1 energy demand and requirements going forward.
- 2 I would encourage you to look closely at
- 3 closed-loop biomass. Biomass, as most are familiar
- 4 with, looks at various feed materials as fuels, and
- 5 the federal government and the DOE programs create
- 6 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.
- 14 And if we can encourage financially the
- 15 development of closed-loop biomass in New York as
- 16 the federal government is doing, I think we can see
- 17 some great promise from that.
- 18 I note that the Plan looks and focuses
- 19 extensively on the use of natural gas going forward
- 20 to replace some of our older, more polluting base
- 21 load generating capacity. I applaud that.
- 22 I think what we need to do in addition to
- 23 some of the other opportunities that are being
- 24 explored for increasing domestic supply of natural
- 25 gas within the State is to focus on gasification

- 1 within New York as a meaningful component of
- 2 natural gas supply.
- I am working and others in this room have
- 4 been involved with some significant proposed
- 5 gasification facilities which would produce very
- 6 significant quantities of pipeline-quality natural
- 7 gas, which would strongly support repowering and
- 8 expansion of the use of natural gas as a fuel for
- 9 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
- 16 this process to come forward now with a meaningful
- 17 CO2 regulatory program that will essentially open
- 18 the gates for a number of very significant
- 19 programs.
- 20 The folks that I'm dealing with are not
- 21 against CO2 sequestration. They understand that
- 22 that's the way, at least in the near to mid-term,
- 23 to manage CO2, but our ability to move forward is
- 24 very limited because of the inability of the State
- 25 to come forward with a cogent plan.

- 1 Another opportunity I see is in solar.
- 2 Unfortunately, Western New York has one blessing,
- 3 and that is a large number of landfills which have
- 4 been closed over the years. These strike me as
- 5 opportunities for innovative solar applications.
- 6 Of course, as you might expect, energy
- 7 developers and finance -- financial partners are
- 8 loath to get involved with landfills because of
- 9 potential liability concerns. If the State were to
- 10 take a position that a solar energy developer
- 11 involved in a landfill solar project had no
- 12 liability or no concern for historic environmental
- 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
- 21 Buffalo Niagara Enterprise, which essentially
- 22 brought a number of manufacturers and service
- 23 providers together to see who could -- who could
- 24 fit into the wind energy industry as a component
- 25 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.
- 6 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
- 9 Winds project in Lackawanna, and one of the key
- 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.
- 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 first
- 23 point on undue reliance on efficiency.
- I think we very much agree that we can't
- 25 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-minute
- 19 break, and we will reconvene right in five minutes.
- Thank you very much.
- 21 (A recess was then taken.)
- MR. CONGDON: Our next speaker is James
- 23 Scerra.
- 24 And if any of you providing statements today
- 25 have a written copy of your statement, if you could

- 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

- 6 STATEMENT OF JAMES SCERRA, POWER FOR ECONOMIC
- 7 PROSPERITY GROUP

8

- 9 MR. SCERRA: Good morning --
- MR. CONGDON: Good morning.
- 11 MR. SCERRA: -- and thank you for the
- 12 opportunity to address you today.
- 13 My name is James Scerra. I'm from FMC
- 14 Corporation here in Tonawanda, New York, and I'm
- 15 also the co-chairman of the Power for Economic
- 16 Prosperity or PEP Group.
- 17 PEP is a coalition of 19 manufacturing
- 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

- 1 making the retention of manufacturing in New York a
- 2 policy objective and recognizing the importance of
- 3 the New York Power Authority economic development
- 4 programs in achieving this objective.
- 5 The draft Plan provides that the State
- 6 remains focussed on maintaining and expanding its
- 7 industrial base, and it states that the
- 8 manufacturing base in the State is highly valued
- 9 for the manufacturers' level of investment in plant
- 10 and equipment, a supply of good-paying jobs, and
- 11 the ability to sell products in national and
- 12 international 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
- 18 Authority economic development programs to
- 19 manufacturers in this State. As the draft Plan
- 20 states, more than 75 percent of the NYPA program
- 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.

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- 1 The draft Plan recommends that the State
- 2 continue to support the retention of New York's
- 3 commercial and industrial base through the use of
- 4 the State's low-cost power programs. PEP urges the
- 5 Planning Board to include this as a policy
- 6 objective in the final Plan.
- 7 With the global economic downturn and the
- 8 State's financial crisis, it is critically
- 9 important to the State and to the region that the
- 10 Western New York manufacturers that receive NYPA
- 11 hydropower stay in New York. They are the
- 12 industrial backbone of Western New York. As the
- 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

- MR. HUGHES: How you all doing today? I'm
- 24 Darin Hughes from Hughesco, Incorporated.
- 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.
- 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
- 14 Victory Gardens. That would be a victory to me.
- 15 People would grow their own food, just eliminate
- 16 the shipping, shut them out to go green and reduce
- 17 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.
- 23 At an average cost of 8- to \$12,000 a home,
- 24 we can reduce our energy consumption in the average
- 25 home, depending on the size and the age of the

- 1 home. For the average home, from 8- to \$12,000 you
- 2 could reduce the energy consumption by 50 percent.
- 3 That's proven through the Home Performance with
- 4 Energy Star program, my company, who was the
- 5 company going after everything all at one time.
- 6 Educating the customer, teaching them how to
- 7 live in their homes smarter, okay, can reduce the
- 8 cost. It's probably the most effective way to
- 9 reduce load in the peak load times and reduce load
- 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
- 16 belief overall, and I believe that there could be a
- 17 lot of other incentives with a lot of feedback from
- 18 a lot of customers.
- 19 People wonder why they can't get
- 20 incentivized for saving more energy just on the
- 21 educational portion. You know, why doesn't the
- 22 State incentivize us to use less power, in other
- 23 words, a reduction in cost beyond -- after doing
- 24 load reduction work?
- 25 So everybody understands this, that average

- 1 cost per month in a \$30,000 mortgage would be \$40 a
- 2 month to reduce your cost by \$150 a month. So this
- 3 works for, you know, HUD and affordable housing.
- 4 This works for load reduction and utility -- just
- 5 waste. This works for comfort and health and
- 6 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.
- 14 What we're finding today is -- and this
- 15 should be a good education -- people don't buy,
- 16 though, for only the energy savings. More people
- 17 buy for comfort, because we're Americans. We're
- 18 looking out for ourselves.
- 19 But we find more people buying for comfort
- 20 and get things paid for, and it's very funny, but
- 21 it still accomplishes all of our goals, okay?
- 22 And so the message is -- is in education.
- 23 That's one thing we've done very heavily in Western
- 24 New York is we've educated the marketplace on how
- 25 to be super energy efficient and how to live

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- 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.
- 6 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
- 12 this room that have been in the green for a long
- 13 time.
- 14 Anyway, it's overexploited. I think the
- 15 message needs more than the word "green" in it. It
- 16 needs an education, and I think that's where we've
- 17 failed miserably.
- 18 I also believe, when we talk about creating
- 19 more power -- I think we have plenty of power. I
- 20 think it's all in load reduction and transferring
- 21 our savings over while we're growing and we're
- 22 doing other things.
- 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.

54

- 1 And then we replace old, unhealthy, or
- 2 unenvironmentally friendly powers with renewables.
- 3 Solar is taking off like crazy. Heard some
- 4 people talk about solar and wind, but you guys
- 5 incentivize -- New York State incentivize with the
- 6 federal government in solar at a huge level. I
- 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.
- 16 I think this will incentivize electric cars
- 17 and everything else, which helps with the
- 18 environment and the cost to live, because we can
- 19 buy that power late at night for a fraction of the
- 20 cost that we buy it now on an average-use cost.
- 21 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

- 1 unhealthy products or unhealthy energies and then
- 2 move forward from there.
- 3 You know, I just believe it's a very simple
- 4 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 very
- 9 much.
- 10 MR. BROWN: Your excitement is an indigenous
- 11 energy resource in itself.
- MR. CALLENDER: Thank you for being a Home
- 13 Performance participant.
- 14 MR. CONGDON: Thank you very much.
- 15 And as you're reading your statements and
- 16 you hear that little beep, that does mean five
- 17 minutes has gone past, and so if you could wrap up
- 18 when you hear that beep, we'd appreciate it.
- 19 The next speaker is Mike Parks from VP
- 20 Supply Corp.

21

22 STATEMENT OF MIKE PARKS, VP SUPPLY CORPORATION

- MR. PARKS: My name's Mike Parks, VP Supply
- 25 Corporation. We are a wholesale company that is

- 1 supplying contractors with training and supplies
- 2 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
- 14 company could capitalize on that is come up with a
- 15 net metering loss tax. They could tax everybody on
- 16 what -- they know what their amount of power is
- 17 going to be produced by their net metering, what
- 18 they're going to lose by that, so you can take that
- 19 loss and turn it back into a tax.
- I think NYSERDA ends up with what, \$194
- 21 million, and they only charge two one-hundredths of
- 22 a penny per kilowatt, so, I mean, it doesn't take a
- 23 big tax to cover that net metering loss.
- 24 And the same thing with people who are
- 25 concerned. They go, "Well, the utilities should

- 1 have to pay for power."
- I don't agree with that, right? You
- 3 shouldn't -- the utility company shouldn't be
- 4 responsible to provide something they didn't ask
- 5 for you to make.
- 6 So I'm more with the utility company. I
- 7 think they're headed in the right direction. I
- 8 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
- 12 could hire more people to help implement the
- 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
- 18 open, and the heat will be cranked on.
- 19 Gas is \$5 a gallon, all of a sudden you
- 20 start seeing SUVs parked. People start thinking,
- 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.

- 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.
- MR. CONGDON: Thank you very much.
- Our next speaker is Craig Prince from Mason
- 14 Trenching Company.
- 15 Craiq?

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.
- 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

- 1 with the State's Energy Plan. As far as
- 2 renewables, I think we're one of the leaders in the
- 3 country.
- 4 My interest is in renewable energy, such as
- 5 wind, solar, and small hydro.
- 6 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
- 9 clean power that will be -- that will be produced,
- 10 no matter how small, seems counterproductive for
- 11 our overall goals, and I think that, you know,
- 12 they're only going -- the customer is only going to
- 13 be using so much power, and if he was to produce
- 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.
- 17 Solar and PVs are also sales tax exempt.
- 18 I'd like to see water and wind also sales tax
- 19 exempt.
- 20 And finally, I'd like to see the SBS charge
- 21 slightly increased to help further fund NYSERDA and
- 22 incentives.
- Thank you.
- MR. CONGDON: Thank you very much.
- 25 Our next speaker is Art Klein.

1 Art.

2

3 STATEMENT OF ART KLEIN, SIERRA CLUB - ADK

- 5 MR. KLEIN: Thank you. I appreciate the
- 6 State of New York undertaking this task here.
- 7 I've been involved with the public interest
- 8 review since 1973, and I'm fascinated with New York
- 9 State. I'm just hoping that this also doesn't
- 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.
- 15 I'm a member of the Sierra Club and the
- 16 Adirondack Mountain Club conservation committees,
- 17 and we'll be submitting documentation relative to
- 18 this or -- I don't have written preparation today;
- 19 however, I've been working on a specter of what
- 20 happens with bad energy programs on West Valley
- 21 down below Springville there.
- 22 And we have millions of tons of
- 23 radioactive waste buried in the bank above the
- 24 creek down there, and it still is hovered under --
- 25 over our public interest in Western New York and

- 1 threatens our waterway, Lake Erie, very seriously,
- 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
- 6 30 years nobody's been able to make a decision on
- 7 this vast problem, and I hope we're going to.
- 8 And the second thing I want to emphasize
- 9 today is that all the water we have in the world is
- 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.
- 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.
- 19 I -- now we have -- we're faced in New
- 20 York -- we have three draft plans going
- 21 simultaneously: an Energy Plan, Allegany State Park
- 22 draft plan, and the DEC Marcellus shale draft plan,
- 23 all three under way.
- I hope we're going to keep our eye on the
- 25 ball on all three of these -- in all three of these

- 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,
- 6 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

- MS. GIBSON: Thank you.
- 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.
- 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
- 25 in Allegany State Park because of its beauty, its

- 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
- 6 unbelievable destruction from this hydrofracking
- 7 process that many have already spoken about today.
- 8 The danger to the surface in terms of the
- 9 wildlife habitat from roading, from chemical
- 10 pollution and what have you is probably very small
- 11 compared to what's going on underground where
- 12 chemicals will be injected and enormous amounts of
- 13 water infected, you might say, with the chemicals
- 14 necessary to make hydrofracking work.
- 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
- 21 this end of the State, there's not all that much
- 22 public land for us to use. Our State forests and
- 23 our parks -- Letchworth, Allegany -- are very
- 24 precious to us up here, and Allegany perhaps is a
- 25 very sad case, being located, apparently, on top of

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

- 1 MR. CONGDON: Thank you, Ellen.
- 2 MR. IWANOWICZ: Ellen, and others in the
- 3 room, I just have a quick comment to make about
- 4 outdated environmental impact statements regarding
- 5 Marcellus shale.
- 6 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
- 9 New York. We expect that to be out in about a
- 10 month's time.
- It will be out again for public comment, so
- 12 we hope that you'll take a look at that draft
- 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.
- So, again, look for that draft generic
- 18 environmental impact statement in about a month.
- 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.
- MR. CONGDON: Okay. Thanks.

- 1 STATEMENT OF JAY WOPPERER, ADIRONDACK MOUNTAIN
- 2 CLUB, BUFFALO AUDUBON

- 4 MR. WOPPERER: When I was in the Army, it was
- 5 a lot worse.
- Jay Wopperer of Clarence, New York. I'm
- 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
- 13 probably Allegany State Park is partly what my
- 14 character and what I am made of and a lot of us in
- 15 Western New York. It's very dear to us.
- 16 And this just kind of came about in a month
- 17 and a half. It's been stunning when you start
- 18 looking at this fracking process, and the
- 19 recommendations you make are going to be for the
- 20 future.
- I heard this one gentleman, and he could be
- 22 correct about our competition, but does this mean
- 23 that -- if you go online and look at Bradford,
- 24 Pennsylvania, and the problems of their subsurface
- 25 water through the fracking process, if that's what

- 1 we're looking for, I don't think people in New York
- 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
- 5 your three -- I think it's five exploratory
- 6 wells -- would be the Black Forest Trail, Quaker
- 7 Area, and the Science Lake area.
- 8 I've been blessed to know some of the
- 9 best -- best environmentalists that have taken us
- 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 --
- AUDIENCE MEMBER: Can't hear you, Jay.
- 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,
- 20 because you can be on New York State like this and
- 21 hop over a rock which says New York and PA and
- 22 you're in PA.
- 23 And the sad thing is now you can look over
- 24 that rock and see a platform on the PA side that is
- 25 now there.

- We're talking two-acre plots, so I
- 2 understand, that you need to drill and that you
- 3 need to cut these trees down.
- 4 Some are old growth trees. You have a very
- 5 different, unique forest that you just do not see
- 6 in other places.
- 7 So I don't think any risk is worth it for
- 8 something to lose a jewel like this. It's the
- 9 people's park. It's your park. We'd love to show
- 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.
- 20 MR. CONGDON: Thank you very much, Jay.
- Our next speaker is Marcy Reed from National
- 22 Grid.

23

24 STATEMENT OF MARCY REED, NATIONAL GRID

- 1 MS. REED: Good morning. I think I can still
- 2 say good morning.
- 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
- 9 surfaces a number of issues that are important to
- 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.
- 17 National Grid supports the energy resource
- 18 priorities established in the draft report, notably
- 19 increased energy efficiency, renewable energy, and
- 20 the pursuit of greenhouse gas reductions in the
- 21 energy portfolio.
- 22 Achieving the State's goals will require
- 23 leadership, however, from both policy makers and
- 24 utilities that provide energy to the New York
- 25 customers.

- 1 And today we wish to comment on three items.
- 2 They are energy efficiency, clean energy, and
- 3 infrastructure investment.
- 4 Many people have spoken about energy
- 5 efficiency today, and as we all know, it is the
- 6 most cost-effective way to both help customers
- 7 manage their costs and reduce our carbon footprint.
- 8 It's a win-win solution for everyone
- 9 involved, and I'm actually quite pleased to see so
- 10 many people speaking about it today. It's a real
- 11 testament.
- 12 Achieving New York's ambitious energy
- 13 savings goal will require a partnership of policy
- 14 makers and regulators, the State's utilities, our
- 15 friends at NYSERDA, and the energy service
- 16 companies.
- We need an "all hands on deck" approach
- 18 where NYSERDA, the utilities, and the energy
- 19 service companies work together to reach these
- 20 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.

- 1 And we need flexibility in the
- 2 implementation of new energy efficiency programs so
- 3 that utilities and other providers can work
- 4 effectively with customers to achieve our '15 by 15'
- 5 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.
- 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
- 9 tapping the opportunities for clean energy in New
- 10 York. You may know that recently we applied to the
- 11 United States DOE for funding for a New York Smart
- 12 program that will target approximately 82,000
- 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.
- 18 As the Plan notes, clean energy development
- 19 in New York presents an economic development
- 20 opportunity and the potential for new jobs, and
- 21 National Grid stands ready to work with the State
- 22 and local communities to help make this a reality.
- 23 And my third point is:
- 24 As the draft Plan recognizes, achieving New
- 25 York's energy and environmental goals will require

- 1 considerable investment in the State's energy
- 2 infrastructure. A few folks have mentioned that
- 3 today as well.
- 4 New York's policy and regulatory framework
- 5 must provide for timely recovery of costs and
- 6 industry standard returns in order to attract the
- 7 investment needed to achieve the goals articulated
- 8 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.
- 12 Here in Western New York we are just days
- 13 away from the start of a more than \$30 million
- 14 project to upgrade and enhance one of our major
- 15 north-south transmission lines. This is one of
- 16 four or five major transmission projects in the
- 17 development stages in the region.
- 18 You may also be aware that NYPA is
- 19 undertaking a study of using winds on Lake Erie and
- 20 Lake Ontario, and we've committed to helping the
- 21 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

- 1 energy systems to the market.
- 2 To further that, we recently announced a
- 3 partnership with the University of Buffalo, where
- 4 we're standing today, to promote science and
- 5 engineering education to the City of Buffalo
- 6 schools.
- 7 And there's much more, and I thank you for
- 8 your time.
- 9 MR. CONGDON: Thank you, Marcy.
- 10 Robert Ciesielski, please, from the Sierra
- 11 Club.
- 12 Is Robert still here?
- 13 AUDIENCE MEMBER: No, he is not.
- MR. CONGDON: Okay. Thank you.
- Our next speaker, then, is Toby Beahan.

16

17 STATEMENT OF TOBY BEAHAN

- 19 MR. BEAHAN: Thank you for your time this
- 20 morning.
- 21 My name's Toby Beahan. I'm a concerned
- 22 citizen, and I'm here to speak for myself, my
- 23 family, and my friends, who value and love Allegany
- 24 State Park as well as our natural environment.
- 25 I'm here specifically to express my feelings

- 1 on using public land, especially Allegany, for
- 2 drilling for natural gas.
- 3 In the Plan it suggests safe and responsible
- 4 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.
- 14 Let's take the time now to refocus on
- 15 renewable energy and make a responsible plan for
- 16 the future that's going to protect our State lands,
- 17 our beautiful resources in Allegany, and not -- not
- 18 degrade that environment beyond what we'll be able
- 19 to use.
- Just briefly, in closing, don't make an
- 21 irresponsible, short-term decision that will cause
- 22 long-term and irreversible consequences to a
- 23 beautiful natural treasure that we have in
- 24 Allegany.
- 25 MR. CONGDON: Thank you very much.

1 Lawrence Beahan. Dr. Beahan? Thank you.

2

3 STATEMENT OF LAWRENCE BEAHAN, SIERRA CLUB

- 5 DR. BEAHAN: Thank you very much for
- 6 convening this session.
- 7 My name is Larry Beahan. I am the
- 8 conservation chair for the local Sierra Club, and
- 9 I'm the secretary of the local Adirondack Mountain
- 10 Club.
- 11 Both organizations appreciate the Governor
- 12 and your effort in developing a -- an Energy Plan,
- 13 a much needed Energy Plan, that will provide
- 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
- 18 shale all across this --
- 19 AUDIENCE MEMBERS: Can't hear you. Just
- 20 raise it up.
- 21 DR. BEAHAN: The exploitation of the
- 22 Marcellus shale across the State on State lands
- 23 is -- is a problem for us.
- 24 The lack of adequate protection for Allegany
- 25 State Park is -- is another extremely important

- 1 problem for us.
- 2 The State forest, the reforestation areas
- 3 that you are considering using to tap the Marcellus
- 4 shale, these are virtual parks at this point.
- 5 They -- they're -- they're used for the Finger
- 6 Lakes Trail that crosses the State and -- which is
- 7 part of the North Country federal trail, and local
- 8 people who live near them use them for hunting,
- 9 fishing, snowmobiling, and it's an important
- 10 natural resource, and it would be a terrible shame
- 11 to destroy them by putting these huge wells down
- 12 into them.
- We do appreciate the fact that the State's
- 14 duty to protect parks is recognized in -- in the
- 15 Plan; however, the protection offered to Allegany
- 16 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

- 1 resource to organizations like ours that are
- 2 interested in preserving the environment and are
- 3 interested in preserving recreational resources.
- 4 It is a truly frightening thing to hear that
- 5 a corporation like U.S. Energy is claiming the
- 6 ownership of 3,000 acres of mineral rights in that
- 7 beautiful park. For -- for years we have argued
- 8 that the State should buy the mineral rights that
- 9 are not owned under the park. Half -- half of the
- 10 park, those mineral rights are in private hands.
- 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
- 18 steps in and buys up the rest of them.
- 19 I -- I have in my hand here a list of 300
- 20 violations that the U.S. Energy Corporation
- 21 committed in Pennsylvania over the last two years
- 22 and for which they were forced to stop all
- 23 operations in Pennsylvania.
- 24 Unfortunately, they've -- they've arrived at
- 25 some sort of deal with Pennsylvania so that they're

- 1 back in business, but this -- this corporation is
- 2 now threatening to come into Allegany State Park
- 3 and make the terrible beginning nest of industrial
- 4 roads and wells that they have made of Allegheny
- 5 National Forest.
- 6 So buy those rights for us. Thank you.
- 7 MR. CONGDON: Thank you very much.
- 8 The next speaker is James Hufnagel.

10 STATEMENT OF JAMES HUFNAGEL

- 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
- 16 State Park.
- 17 And I am going to have some specific
- 18 comments about oil and gas drilling in the State
- 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.
- For example, Governor Paterson vetoed a bill
- 23 to Sunset, the CWM plant up in Niagara County, thus
- 24 consigning thousands of tons of toxic waste to
- 25 Western New York for the next generation.

- 1 Governor Paterson swept a half a billion
- 2 dollars out of NYPA, money that could have been
- 3 spent in this area for economic development, and he
- 4 basically moved that money out of NYPA.
- 5 We have the Robert Moses Parkway along the
- 6 Niagara Gorge, and this cuts off the City of
- 7 Niagara Falls from the Niagara Gorge, and Governor
- 8 Paterson has stonewalled the very first scoping
- 9 hearing that we've been asking for for ten years.
- 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.
- 16 We still haven't had a scoping hearing on the
- 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
- 23 would be very easy for a terrorist to load a semi
- 24 truck with dynamite, drive it into the middle of
- 25 the Niagara Power Project, detonate it there, and

- 1 destroy or severely disrupt this power facility.
- We've notified numerous people in the
- 3 Paterson Administration about this vulnerability.
- 4 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.
- 22 And we all know drilling means ruining,
- 23 because you have to build a road to each well. The
- 24 road has to be 30 feet wide. You have to clear
- 25 another 30 feet on either side of the oil access

- 1 road to get to these wells.
- 2 The wells have spills. They've had numerous
- 3 oil spills in the national forest just over the
- 4 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,
- 8 Mr. Congdon, I believe you were addressing the
- 9 crowd out there. I appreciate that. Thank you.
- 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.
- 16 Like, if a pipeline is disrupted in the
- 17 Ukraine, is that going to affect us here in New
- 18 York State? Or a pipeline in Pennsylvania? Is
- 19 there an Al Qaeda threat to pipelines here in the
- 20 U.S. that we don't know about?
- 21 I don't understand why you were raising this
- 22 kind of -- you weren't very specific about it. You
- 23 just said pipelines could be disrupted.
- What was that about?
- MR. CONGDON: Let me just clarify.

- 1 MR. HUFNAGEL: Please.
- 2 MR. CONGDON: Our -- our -- 95 percent of
- 3 our gas used in New York State is imported from as
- 4 far away as the Gulf of Mexico and Central Canada.
- 5 Following Hurricanes Katrina and Rita, those
- 6 supplies from the Gulf were disrupted, so there was
- 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
- 18 estimate that our current production of
- 19 five percent of -- of State needs could be doubled
- 20 to about ten percent over the ten-year planning
- 21 horizon.
- MR. HUFNAGEL: Okay. Thank you.
- I would urge you gentlemen to very closely
- 24 consider this letter that Dr. Beahan sent to
- 25 Mr. Grannis and Parks Commissioner Carol Ash with

- 1 the three alternatives at the end, the eminent
- 2 domain option and the other two options.
- 3 And we need to protect this park from oil
- 4 and gas drilling. This is something that is really
- 5 just going to ruin this park.
- 6 I mean, I'm sure you're familiar with the
- 7 Allegheny National Forest. If you've ever been
- 8 through those areas and seen the devastation that's
- 9 been wrought in the national forest, and now we're
- 10 staring down the throat of having this happen to
- 11 Allegany State Park.
- I mean, you know, it's an overused word, but
- 13 to my mind it's a no-brainer. I don't even know
- 14 why we're discussing this, quite frankly.
- 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 address
- 19 you.
- 20 MR. CONGDON: Thank you, sir.
- Our next speaker is Russ Crispeil.

23 STATEMENT OF RUSS CRISPELL, UNIVERSITY AT BUFFALO

24

MR. CRISPEIL: Actually, the name is Russ

- 1 Crispell. I'm the director of outdoor pursuits for
- 2 the University at Buffalo right here on this
- 3 campus, the North campus, and the city campus.
- In addition to that, I'm also a licensed New
- 5 York State guide for the DEC, just so you have an
- 6 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.
- 13 Maybe some you have may have served in the
- 14 Boy Scouts. Some may have been participating in
- 15 other activities.
- 16 And I'm encouraging all of you -- not just
- 17 here on the panel but anyone in the audience --
- 18 that if you haven't had an opportunity to actually
- 19 take those walks out into the forested areas, take
- 20 a walk along the creeks, along Minister Creek up in
- 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
- 24 exposed, numerous pipelines still exposed from
- 25 previous oil activity that was done 50, 60, 70

- 1 years ago.
- 2 And it's pretty tragic. It almost looks
- 3 like an antique shop at some places there, and it's
- 4 an antique shop of what people don't want to --
- 5 they didn't want to clean up after their messes.
- 6 And I guess that's one of my major concerns
- 7 that I have with regards to the Allegany State
- 8 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.
- 19 And the reason why I say that is because
- 20 when you sit in a canoe and you paddle along a
- 21 stream and you see dead fish floating up from a
- 22 toxic spill that came from upstream, it's not a
- 23 pretty sight.
- Or, at the same time, to be going down,
- 25 having taken a nice long hike, knowing that you

1 have to fill up your water bottle with the

- 2 stream -- I mean, I don't know if any of you have
- 3 ever taken your -- you had a -- you have a -- I
- 4 don't know, is that a sea bottle or --
- 5 BOARD MEMBER: Refillable bottle.
- 6 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
- 9 you're thirsty, at that -- at that moment is when
- 10 you realize the impact of decisions that are made
- 11 by people who are at this time wearing suits.
- This is my uniform, and, you know, I'm proud
- 13 to say that, you know, you have to not just talk
- 14 the talk, but you have to walk the walk.
- 15 And I'm asking if any of you are not
- 16 backpackers or canoeists, I would be more than
- 17 willing to volunteer to take you anyplace you need
- 18 to go to make an informed decision.
- 19 Thank you.
- MR. CONGDON: Thank you.
- 21 Our next speaker is Janet Kurasz.

22

23 STATEMENT OF JANET KURASZ

24

MS. KURASZ: Wow. Thank you.

- I don't know if I really even need the mic.
- I was a cheerleader for four years.
- I'd like to thank you guys and thank you for 3
- spending time this afternoon.
- 5 I commend everybody that has spoken about
- Allegany State Park, and that is why I am here.
- 7 I am going to give you some literature about
- Allegany State Park, and I have more than ample
- 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

- registered. I am a bow hunter, shotgun hunter.
- 2 I take my son there. I take him there with
- 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
- 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
- recently went through cancer, moved out to Boston 20
- 21 Hills, bought my own property.
- 22 I live on a nationally owned road by
- National Grid. They're coming in to redo the power 23
- towers. I am losing two 60-foot pine trees, 37 24
- beech trees, a number of flowering plants,

- everything like that, because of widening the road.
- 2 That's just in my yard, okay?
- 3 The bears. We used to go to the dumps.
- 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
- 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?

- Because everybody's building in Orchard Park,
- 2 Amherst, things like that.
- There's bear killed out here in Amherst. 3
- They travel 110 miles a day maximum to go find
- 5 forage and food.
- 6 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.

- I wanted to become a New York State park ranger,
- but when they told me I had to live up in a
- 400-foot tower in Washington for two weeks, I said
- no.
- So I took horticulture, got married, became 5
- a seamstress, but still I volunteer in Allegany. I
- 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
- 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
- Africa, and I help them develop and inquire about

- 1 Allegany.
- 2 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
- what I put up, and I wanted to leave you with some
- information.
- And there is a very nice saying in here, and
- I do believe Allegany State Park was started by a
- 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.
- 13 And this man states: In fact, educational,
- 14 rightly considered, is recreation, and that man who
- 15 deserve this and makes his recreational education
- 16 has found a source of true happiness. To give to
- 17 more and more persons this source of happiness is a
- far greater achievement than to give them 18
- recreation alone. 19
- 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.
- 24 The study of nature and all its forms, for
- 25 which Allegany Park is well equipped, is one of the

- very best of such educational recreations.
- 2 Saunders, A.A., 1937.
- That park today is still an impeccable --3
- 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
- is not 30 feet wide with 30 more feet losing, okay?
- The parks -- the -- the lakes in the Red 8
- House and the Quaker, in over a hundred years this 9
- 10 park has been there, there is not any motors that
- 11 are allowed in the lakes because of contamination.
- Not at all. 12
- 13 So I'd like to leave some information with
- 14 you. You guys can see what kind of environmental
- 15 studies that have been done.
- The -- some of the kids that are going for 16
- 17 their teaching degree, they go to Allegany, and
- they provide this thing called the Raccoon Rangers. 18
- 19 You send your kids there, and you go do the edible
- plants and you go look at bear prints and things 20
- 21 like that.
- 22 Go out. Go camping.
- MR. CONGDON: Thank you. 23
- 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.
- 5 Christopher D. --
- 6 MR. JOYA: D. Joya.
- 7 MR. CONGDON: -- Joya.

9 STATEMENT OF CHRISTOPHER D. JOYA

- 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
- 19 Allegany. I'll just say just give up on Allegany.
- 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
- 23 places in Allegany.
- It's a beautiful place, and it's -- I can't
- 25 see it with oil wells or smog or anything. Hell, I

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

asell 97

- 1 but, like, really look at other solutions. Rather
- 2 than going from fossil fuels through baby steps,
- 3 which we should probably do, try looking at other
- 4 ideas that are not that conventional.
- 5 Look at it -- look at it from a slightly
- 6 weirder way, and you'll probably find something
- 7 that works.
- 8 So that's just my suggestion.
- 9 MR. CONGDON: Thank you very much.
- 10 MR. JOYA: You're welcome.
- MR. CONGDON: Our last speaker that we have
- 12 up here, Mark Casell.

13

14 STATEMENT OF MARK CASELL

- 16 MR. CASELL: Hi. Thank you for your time.
- 17 My name's Mark Casell, and I come here
- 18 representing -- just as a citizen of New York, but
- 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.
- 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

- 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

- 1 businesses.
- 2 And to reallocate that 450 megawatts,
- 3 there's an opportunity to double its economic
- 4 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.
- 17 This promotes ongoing conservation, creates
- 18 green-collar home improvement jobs, and reduces the
- 19 State's greenhouse gas emissions.
- The most economic benefit, though, would be
- 21 to take the 450 megawatts and reward businesses
- 22 that conserve with increased savings through cheap
- 23 power.
- 24 If a company that has held on and weathered
- 25 the challenges of operating in Western New York

- 1 make their operations more efficient, reward them
- 2 for their efforts by further reducing their
- 3 business costs.
- 4 This conservation-focused approach is
- 5 self-propagating and a win for all parties in the
- 6 area, especially the existing local small
- 7 businesses that provide the majority of regional
- 8 employment opportunities, and will be instrumental
- 9 in both the State's economic expansion and
- 10 achieving the goals of reduced energy use and
- 11 greenhouse gas emissions.
- 12 Thank you for your time.
- MR. CONGDON: Thank you very much.
- 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
- 18 break, we're going to conclude today's hearing.
- 19 Thank you very much.
- 20 (A recess was then taken.)
- 21 MR. CONGDON: Our first speaker is Bert
- 22 Spaeth from RS Energy.

24 STATEMENT OF BERT SPAETH, RS ENERGY SOLUTIONS

- 1 MR. SPAETH: Thank you for giving me the
- 2 opportunity.
- 3 I didn't come prepared to do a presentation,
- 4 but after hearing some of the speakers earlier, I
- 5 thought of a couple of comments.
- 6 A couple weeks ago I just did a presentation
- 7 to the Northeast DGCHP, and it was on biomass,
- 8 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.
- 13 And I know you folks have got a lot of
- 14 information to take back with you, but, you know,
- 15 hearing all the impassioned pleas about Allegany
- 16 State Park and everything, I mean, I've enjoyed
- 17 that. I've skied there, had outings, whatever, but
- 18 I think we're missing the point.
- 19 If we don't come up with some energy
- 20 sources, we can do a lot with energy conservation.
- 21 For years I worked for companies like
- 22 Siemens, and I've worked for utilities where we did
- 23 a lot of energy conservation, and that can handle a
- 24 lot of the problems, but it's not the sole
- 25 solution.

- 1 The Marcellus gas, it's not only in Allegany
- 2 State Park. It's along the whole Southern Tier of
- 3 New York.
- 4 So I think if we just focus on one small
- 5 geographic area, we might be missing the boat. It
- 6 can bring a lot of extra revenue into the State
- 7 that we certainly need, and I have been told that
- 8 there's 17 years' worth of natural gas in the
- 9 Southern Tier, 17 years' worth to supply the entire
- 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

- 1 this conference up in Albany two weeks ago was the
- 2 fact that we have all these dairy farms. We can
- 3 make methane from that.
- 4 We can also make methane from the landfills,
- 5 as somebody mentioned, and the potential there is
- 6 quite large.
- 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.
- 11 Solar and wind is wonderful. I live in
- 12 Wyoming County. I'm surrounded by windmills.
- Everybody asks me, "Are they noisy?"
- 14 And I say, "No, I can't hear them."
- 15 But the problem with them is that they only
- 16 run about 30 percent of the time.
- 17 And everybody thinks that we're going to be
- 18 able to shut down all these coal plants because of
- 19 the windmills. Well, the reality of it is a coal
- 20 plant can't be shut down like this, and neither can
- 21 a nuclear plant, so what we have happen is that
- 22 alternatives like turbines and everything need to
- 23 be ramped up quickly when the wind dies down.
- 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
- 3 you know you're going to get a known quantity and
- 4 you can produce a certain amount of megawatts to
- 5 put on a grid day after day after day.
- 6 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
- 9 time, and obviously, 20 -- you know, 12 hours a
- 10 day, if you average it, is the maximum you're going
- 11 to get.
- 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.
- 17 And again, I don't think we should throw
- 18 the -- or close the door on the shale oil, because
- 19 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

- 6 STATEMENT OF PAUL DYSTER, MAYOR, CITY OF NIAGARA
- 7 FALLS

- 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
- 16 issues at what is a politically difficult time.
- 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,
- 23 and again, I commend the administration's vision
- 24 and courage and being willing to move forward on
- 25 this very critical set of issues. I think that

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- 1 might end up being a very important and lasting
- 2 legacy of this particular period in the history of
- 3 New York State government.
- 4 And there is very much to be commended in
- 5 the -- the Plan upon which you've asked for
- 6 comments. I can already see that a lot of
- 7 grassroots sentiment that's been developed here in
- 8 the Western New York area -- in particular with
- 9 regard to issues such as energy conservation,
- 10 development of renewable energy, and so on -- has
- 11 found its way into the Plan already.
- 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 perspective
- 20 of the Mayor of the City of Niagara Falls.
- I think it's very, very important that, as
- 22 we move forward with our energy policy, we have the
- 23 courage to maintain its strategic focus in terms of
- 24 the use of our resources, in particular the
- 25 renewable energy resources that we have available

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- 1 to us here in Western New York, hydropower from the
- 2 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,
- 6 represent an opportunity for us to achieve the
- 7 double leveraging or what in Europe they sometimes
- 8 call green-to-green, that is, using our renewable
- 9 power resources in order to advance the manufacture
- 10 of devices that are going to allow us to create
- 11 additional renewable power from other increasingly
- 12 diverse sources in the future.
- One of the examples of double leveraging you
- 14 have in the report already. On Page 72 there's
- 15 discussion of a project we're very proud about in
- 16 Niagara Falls, the Globe Specialty Metals project
- 17 where we're reopening the old poly-silicon plant to
- 18 produce materials for the solar power industry.
- 19 We're doing so using an allotment of clean
- 20 NYPA hydropower. We're using a former industrial
- 21 site. We're reusing a lot of transportation and
- 22 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

Paul Dyster, Mayor, City of Niagara Falls108

- 1 Western New York in the future.
- I guess our message would be let's keep
- 3 doing things like that over and over again, because
- 4 each time that we do that, we achieve an
- 5 exponential increase, you know, since we're not
- 6 burning, you know, carbon resources from fossil
- 7 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
- 12 hydropower that's important. Empire State
- 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

- 1 intermittent, and therefore, I would commend you on
- 2 the efforts already and would encourage additional
- 3 efforts for development of Smart Grid technology.
- 4 Also, we need a very strong investment in
- 5 research, development, and deployment of approved
- 6 energy storage, since that's critical.
- 7 The ability to store energy when energy is
- 8 being produced to use it when we need it and then
- 9 the ability to get it there with the lowest
- 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.
- 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
- 18 it's very compatible with the long-term goal of
- 19 environmental preservation to move forward in the
- 20 area of renewable energy.
- 21 I was a little disappointed not to see more
- 22 about alternative transportation in the Plan.
- 23 There's a certain brief mention of that, but I
- 24 think some further referencing of, for example, the
- 25 State's rail plan would be in order. More

- 1 discussion about the future of light rail and of --
- 2 of public transportation generally, I think, would
- 3 be appropriate.
- 4 Here in Western New York you hear a lot of
- 5 complaints -- and within the existing energy
- 6 situation -- that we don't receive enough of the
- 7 benefits of the hydropower that we generate here in
- 8 Western New York, and oftentimes, this is advanced
- 9 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.
- 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
- 21 manufactured here, existing transportation and
- 22 other infrastructure and existing strategic
- 23 partners among industries that have already been
- 24 through this first generation of, you know, post
- 25 fossil fuel form of their manufacturing processes

- 1 make this, I think, a good place for future
- 2 investment by the State.
- 3 And I think it would be not just a great
- 4 economic driver for Western New York but that
- 5 Western New York can help lead economic recovery
- 6 for the State of New York focusing on this
- 7 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,
- 18 the people in the Middle East that sell us our oil
- 19 know that we're trying to do all these things to
- 20 make ourselves energy independent, and they
- 21 manipulate prices and markets in order to drive,
- 22 you know, the break-even point for capital costs,
- 23 you know, further and further into the future.
- 24 Every time we think we're ready to do
- 25 something, we develop the political will, they

- 1 increase the flow of oil a little bit, drop the
- 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
- 6 has, for example, not looked principally at the
- 7 question of, you know, the -- you know, the
- 8 anticipated payback date for projects like the
- 9 solar energy project that's going to take place
- 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
- 16 investment that we have to make, and again, I would
- 17 commend the New York Power Authority for their
- 18 willingness to purchase a hundred megawatts of
- 19 solar energy into the grid. It's an example of
- 20 exactly the sort of thing that we need to be doing
- 21 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
- 3 dealing with a situation where oil prices are lower
- 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
- 8 prices shouldn't deceive us as to the long-term
- 9 trend.
- 10 We're in an energy crisis, and we need to
- 11 behave as though we're in a crisis. We need to
- 12 focus -- there's still very considerable strategic
- 13 resources we have in the State of New York in order
- 14 to achieve the outcome that we want not just in our
- 15 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.
- 23 And I want to thank everyone for your
- 24 participation today and -- oh, I'm sorry, did you
- 25 want to have --

- 1 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

6 STATEMENT OF DOUGLAS CHAMP

7

- 8 MR. CHAMP: My name is Doug Champ, again,
- 9 and just being here I just thought I'd bring up
- 10 some points that didn't really get addressed and
- 11 having to do with basically smart growth and
- 12 development within the State of New York and its
- 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
- 18 development planning, where the investment
- 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
- 23 State Department. It's important that these be
- 24 part of the overall Energy Planning process,
- 25 because growth rarely occurs, and sometimes it's

- 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 eliqible for.
- 16 And the last thing is passive heating and
- 17 cooling applications. This is a theme that's been
- 18 lost in construction, using natural construction
- 19 and physical construction to augment natural
- 20 passive cooling and heating.
- 21 The old engineering standards, the old
- 22 architectural standards have been lost. It's
- 23 there. It can be used, and it has low-cost,
- 24 no-cost applications sometimes.
- 25 Thank you.

Proceedings

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           MR. CONGDON: Thank you very much.
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           And that concludes our public hearing on the
 3
    draft State Energy Plan. I want to thank everyone
 4
    for your attendance today and participation.
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           And again, if you have further comments
    you'd like to make, you can -- you can submit
 6
    written comments through October 19th on our
    website, www.nysenergyplan.com.
 8
 9
           Thank you all.
10
           (Proceedings concluded at 1:04 p.m.)
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