

REC Letter USO 1

Makarow, Irina (OCD)

From: Danielle Dixon [danielle@nwenergy.org]
Sent: Friday, October 19, 2001 2:46 PM
To: efsec@ep.cted.wa.gov
Subject: SE2 DSEIS comments from NWECC

OCT 19 2001

ENERGY FACILITY SITE
EVALUATION COUNCIL

Attached (in Word 6) and in the text below are comments of the NW Energy Coalition regarding the DSEIS for the proposed Sumas Energy 2 facility. According to a phone conversation with Allen Fiksdal this morning, comments can be submitted by hard copy or e-mail until 5 p.m. today.

Note that references to footnotes are a bit awkward in the embedded text below, but should be straightforward in the attachment.

Please contact me via phone or e-mail if you have any difficulty opening the attachment.

-Danielle

Danielle Dixon
Policy Associate
NW Energy Coalition
219 1st Ave S, Suite 100
Seattle, WA 98104
(206) 621-0094

The NW Energy Coalition respectfully submits the following comments regarding the Draft Supplemental Environmental Impact Statement (DSEIS) for the proposed Sumas Energy 2 Generation Facility. Our comments focus on Section 3.1: Greenhouse Gases.

Jones and Stokes provided a good general overview in Section 3.1 of existing conditions, environmental impacts of the proposed project, and mitigation measures related to greenhouse gas emissions. We offer the following suggestions for inclusion in the Final SEIS for the Sumas facility.

Sec. 3.1.1.2 The DSEIS misleads the reader by stating (p. 3.1-1), "There is disagreement between atmospheric scientists regarding the likelihood and magnitude of the potential global climate change." While the magnitude of climate change remains an issue of debate (see footnote 1), only a handful of scientists compared to thousands worldwide argue that climate change may not occur (see footnote 2). We recommend deleting the reference to the likelihood of climate change.

Sec. 3.1.2 The DSEIS focuses on the potential carbon dioxide emissions from the proposed facility, but fails to address potential methane (CH4) (see footnote 3), sulfur hexafluoride (SF6) (see footnote 4) and upstream emissions. Both CH4 and SF6 are potent greenhouse gases (GHGs). Even if released in relatively small quantities, they can have a significant impact. The DSEIS should include a full accounting of these GHG emissions from the proposed facility. Also, the DSEIS contains no reference to upstream GHG emissions. According to a study by the National Renewable Energy Laboratory (see footnote 5), upstream GHG emissions (e.g., from pipeline leakage) attributable to a typical combined cycle combustion turbine can be as much as 26% of the GHG emissions associated with the fuel the plant actually burns. These emissions should be discussed in the final environmental impact analysis.

Sec. 3.1.3.1 The DSEIS refers to the current emission fee under the Oregon CO2 standard as \$0.57 per ton of CO2 and a proposal to increase the price per ton. Oregon's Energy Facility Siting Council decided in September 2001 to raise the price per ton from \$0.57 to \$0.85. The FSEIS should reference the new rules. 3

Sec. 3.1.3.2 Under the subsection entitled "Payment to the Climate Trust," the FSEIS should clarify that the \$8.44 million cited includes a 5% fee for project selection and contracting.

We support the use of a CO2 elimination unit cost of \$2 per ton. Although at the low end of the range of current and probable future costs of CO2 mitigation projects, this price per ton is reasonable and is supported by recent and ongoing CO2 emissions mitigation project acquisitions by entities in the Pacific Northwest. 4

Table 3.1-2 should reflect the amount that the developer would pay to meet the Oregon standard at \$0.85/ton as well as at \$0.57/ton.

In Table 3.1-2, under "actual CO2 elimination achievable by fee payment," the calculation should use \$8.04 million rather than \$8.44 million as the payment to offset emissions, unless the \$2 per ton is intended to include administrative costs as well as actual mitigation costs. The FSEIS should state what the elimination unit cost of \$2/ton includes. If it does not include the cost of selecting and contracting for projects, then the fraction of S2GF CO2 emissions actually eliminated would be: [$\$8.04 \text{ M} / \$2/\text{ton}$] / [$2.42 \text{ MTY} * 30 \text{ yr}$] = 5.5%.

Thank you for taking these comments into consideration during the preparation of the Final Supplemental Environmental Impact Statement for the proposed Sumas Energy 2 Generation Facility.

Footnotes:

- (1) According to the Technical Summary of the IPCC Working Group 1 Report, *Climate Change 2001: The Scientific Basis*, the globally averaged surface temperature is projected to increase by 1.4 to 5.8°C over the period 1990 to 2100.
- (2) The IPCC in its 2001 report from Working Group 1 responds to the question "Is the Earth's climate changing" by stating "the answer is unequivocally yes."
- (3) We note that the applicant's original Greenhouse Gas Offset Strategic Plan refers to the plant emitting 161 tons/year of methane (p. 2-1), but the section on greenhouse gas emissions in the 2nd Revised Application does not mention any methane emissions (p. 2.11-9).
- (4) SF6 is a common gas used for large-scale electricity generation operations
- (5) Spath, P. L.; Mann, M. K. (2000). Life Cycle Assessment of a Natural Gas Combined Cycle Power Generation System. 55 pp.; NICH Report No. TP-570-27715.