

TOWN COUNCIL SPECIAL MEETING OF SEPTEMBER 29, 1999

A Special Meeting was held on Wednesday, September 29, 1999 in the Town Council Chambers, Town Hall, Wallingford, Conn. for a presentation by Wallingford Energy, LLC regarding the proposed power plant at the Pierce Station site. The meeting commenced at 6:54 p.m.

Present: Town Council Chairman Robert Parisi; Town Council Members Rich Centner, Jerry Farrell, Steve Knight, Iris Papale, Geno Zandri and Tom Zappala; Mayor William Dickinson; Town Attorney Adam Mantzaris; Town Clerk Rosemary Rascati; Town Council Secretary Kathryn Zandri; PUC Chairman David Gessert; PUC Director Raymond Smith; Wallingford Energy Project Manager Mark Lyons and members of the presentation team; and various members of the public. Absent: Town Council Members Frank Renda and Ray Rys.

Mr. Parisi: Let the record show that Mr. Rys is out of state on personal business and Mr. Renda is suffering from a very bad cold. We will have a presentation and there will be no decision tonight. We will listen and take the information under advisement.

Mr. Gessert: I want to thank everyone for coming to another presentation. I think this is an important decision for the Town. I think this is probably the sixth or seventh meeting that has been held so that everyone knows what is happening. I believe you have all read about the significant changes in the proposal that will be shown this evening. The experts are here to discuss every issue and the public concerns. Mark Lyons is here and we're ready to proceed.

Mr. Parisi: Thank you, Mr. Chairman. Once the presentation is over the Council will ask their questions first. Mr. Lyons?

Mr. Lyons: Thank you very much. It's nice to see everyone again. I believe this is the seventh presentation that we have made. I think it has been a very constructive process. I appreciate all the legitimate concerns and questions that people have raised throughout the process, which have caused a constructive impact on the continuing design of the project. I will be working from a hard copy tonight because our high-tech presentation is not working. We last met on 7/19, and many concerns and questions were raised. We would like to address those. Project modifications have been made in response to those concerns.

Mr. Parisi: If anyone wants a hard copy of the presentation, leave your name and address with the Town Clerk and you will receive a copy in the mail.

Mr. Lyons: I believe we answered most of the questions raised at the July meeting, but if there are lingering questions or other ones we would be happy to answer them. Just to review, in July there were questions on construction. As you will see with the new project design, it has been reduced in size by about 50%, so there will be less in the way of construction, traffic, and workers. Since this is a smaller plant, there will be less of an impact than there was in the previous design concerning construction issues. Questions were raised in the past about cooling water and the delivery systems. This project will not have either of those. Issues were raised about noise, and our noise expert is here. From the standpoint of noise mitigation, I think we can generalize and say that the new design is much easier to mitigate than the old one. It is smaller and the technology is modular.

Mr. Gessert: If I could interject just one thing. There were two particular areas that we discussed and looked at last time relative to the cooling. One was the pipeline coming up from the wells in North Haven, and the second part of the process was after that water was used then evaporating it to the rear of the plant with a very large complex of cooling towers. Questions were raised on water vapor forming a cloud and where that cloud would go. Just for the record, Mark did address there would be no pipeline or cooling towers, but also there will no longer be cooling towers on site nor a water vapor plume, so both things have been eliminated.

Mr. Lyons: That's correct. I will talk about the cooling tower a bit later when I talk about project modifications. I should point out that this project is not only smaller, but it is also designed to run on a peaking basis. The other plant was designed to run 24 hours, and this plant is designed to run only to meet peak demands. We currently expect that it would operate about 1,800 hours a year primarily in the summer months, and also to meet peak demands from 7:00-11:00 p.m. during other times of the year. We do not plan to run this plant after 11:00 p.m., perhaps on an emergency basis that may be needed, but mostly it will not operate between 11:00 p.m. and 7:00 a.m. We are going to apply for air permits on the basis that would allow us to run for 4,000 hours a year. We don't believe we will achieve that level, but we want to have the flexibility to do so if the peak demand is present in the state. Even at 4,000 hours, that would be about half of what the other plant would have run. So it's half the size and will run half as much, or perhaps a quarter as much. At the last meeting health concerns were raised about water evaporation, the quality of the ground water used for cooling, and obviously we won't use that cooling water so those concerns are obviated. Questions were raised about discharge water impact on the Town system. We have done some preliminary estimates of water usage for this plant. It appears that we will need about 300,000 gallons/day of potable water which we propose to purchase from the Town. We have given those figures to Roger Dann, and if there are any questions about impact on the Town system perhaps Ray Smith could address them in general terms. According to the figures that we have, that is not a significant load on the Town system. There were also questions about the 345 kv power lines, some tall towers running in an east-west corridor, and a new substation. Under this new design we would interconnect with the NU system at 115 kv using a short span of line, and actually it's a line the Town was planning to install even before this project just to increase reliability of the East St. yard, so we won't need anymore than three 115 kv lines that will run south from the plant. It does not go past any residences. It goes through industrial property and past the landfill. One of those lines may be underground and the other two will run on an existing tower. One may need to be reconducted to carry a little bit more load, in which case we would put it on overheads. There was also the desire for this project to have the capability to provide local electrical service. This project is much more suited to this purpose, and it would be capable of serving that load on an emergency basis or a requirements basis at any time. It would be our intention to negotiate a power services agreement with the Town as part of the Host Community Agreements. So in short we have removed some facilities that were associated with the larger project, such as the cooling water line and the 345 kv line. So we are left with the generator site, the associated switch yard, the very short 115 kv line, and the natural gas lateral which will either run due west across the river, or on a southerly course and interconnect with the Algonquin transmission line. This is a much simpler configuration overall. These are the project modifications we have made in response to the Town's concerns. We have reduced plant size by over 50%. We would install reliable generation capable of backing-up the East St. yard. We have

removed the cooling water and 345 kv lines. We have removed the remote switch yard which was in a residential area. We have removed the eight-cell cooling tower. During peak times in the summer, air coming into the turbines is very hot, and there is a tendency for power generation capability to drop. So we need to have some technology that will give us that capacity back that is lost from the hot summer air. There are two ways of doing that. One is called enhanced spread technology, which is essentially by injecting water into the turbines to boost the power output by 10% back. That is what we are proposing to use. It is very new and we are getting performance data on it as we speak. While General Electric has been very responsive, we still need that because it has an impact on our air license, as well as minor site impacts. If we don't do that, there is another way, and that is by using chillers. We basically would refrigerate or chill the air going into the turbines. That is an older technology and if we used that we would house the chillers in a building on the site, and we would use the much smaller two-cell cooling tower. From the point of view of plume visibility from that cooling tower, as it is much smaller it would fit behind the existing building so you would never see it. You would never see a plume from it, because you would only see a plume on a cold, wet day and these chillers would only be needed on a hot day. I mention this because there is a 5% possibility that we might use chiller technology, but we don't propose it and it's likely we won't use it. When I say "no cooling tower" there is that minor exception of a miniature, two-cell cooling tower that would only be used on the hottest summer days, so there would be no plume, icing, or fogging. In terms of mitigating the construction phase, we have the outline of a construction traffic plan. We are discussing with Cytec the use of their parking lot. There is no change there as we have an agreement in principle. The number of workers is probably less than half that of the original project. In terms of moving equipment, we would still come through Cytec as we talked about before, but there would be fewer deliveries than there were before. There would be reduced operating hours as I mentioned before. We are going to utilize noise control measures just as we were on the other project to meet the State requirements, but it will be simpler now as this is modular technology. We will also be using pollution control systems and complying with rigid State standards on air quality. We will be developing an attractive site without obtrusive buildings, and we will show you the new site plan. The transmission and gas lines will be subject to extensive environmental regulation at the Federal and State levels. What are the benefits of this project? There will be property tax revenues to the Town, although less than there were from the larger project. There will be site lease revenues. There will be improvement of an existing industrial site. Again we will be effecting reliability improvements to the electrical system at the East St. yard. We will be making a capital contribution to the upgrade of the East St. yard by virtue of paying for that third 115 kv line. There will be Water & Sewer Div. revenues, but probably not much in the way of Sewer Div. revenues because we expect the discharge will be virtually zero except for domestic usage. Water from the plant will need to be treated, but the likelihood is that it will be treated and removed from the site, and not discharged to the Sewer Div. In the worst case if we did pretreat and discharge that water to the system, there would be about 100,000/gallons a day, but that number is well within the capability of the existing Town system. From a water usage perspective, again we anticipate that we would use 300,000/gallons a day. Our annual usage would be tied to how many hours we run. Those revenues would be between \$50,000 and \$175,000 per year. Another substantial benefit, which came about at the behest of the Mayor and some Town Council Members, is being a potential supplier of power services to the Town. We are also continuing to support the Quinipiac Linear Trail. In terms of State benefits, this new technology is more a quick-start,

peaking technology and we're timing its availability for summer of 2001 to meet the summer peak for that year. As some of you may know there's an investigation going on at the DPUC now into the capacity needs of the State. There is a need for peaking capacity in this State, and this would be one of the few in the New England Region and in Conn. Another benefit is by bringing this new, clean, power generation technology online, we are actually reducing emissions from electric generation in the State and in the region. We are also using an existing power plant site to meet the State's capacity needs. In terms of project schedule, we plan to negotiate our agreements with the Town between Oct. and the end of the year. In Dec. or by 1/1 we would file our petition for a declaratory ruling at the Siting Council. The State passed legislation last year saying that power plants at existing, brownfield sites can get their siting approval by declaratory ruling. We were not proposing to use a declaratory ruling for the larger plant because we felt that it had enough environmental impacts and mitigations that needed to be discussed, even though we felt that we had fully mitigated those impacts. We have been discussing the impacts on this site for over a year now and in some depth recently, so I think we have discussed issues regarding a power plant at this site. Since we have modified this design to essentially be an upgrade of the existing use, and since we have had a full discussion on it, we are proposing to go for a declaratory ruling to meet the schedule and the State peaking needs of summer 2001. We are preparing the petition for this, which will be in the same full detail as you saw from the Environmental Effects Document on the larger project, and we'll make that available to the Town for review, 30-60 days probably, while we are negotiating our agreements. Even under the declaratory ruling process, we will still go through the location approval process of P&Z and IWWC, and that is a 65 day process. So the Town review of this project is by no means done, but we are proposing upon completion of that to go to the Siting Council. That is a 60 day process at the Siting Council, on which they may have a hearing and they probably will. If they decide this is not a proper subject for declaratory ruling, they can turn it down. We would file with P&Z and IWWC between 11/1 and 12/1. We would expect to get Siting Council approval for the electric generating facility in Feb. 2000, and Siting Council approval for the transmission line and switch yard probably about the same time, or as soon as NU completes its studies on the inter-connection. Then we go to the DEP for stormwater and air permits. A detailed design would run for the first 11 months of next year. Construction would begin in July with early site work and continue on until July 2001, but our planned online date would be 6/01/01. I am going to ask Don Cecich from PB Power to just walk us through the key changes in the site plan and the elevation.

Mr. Cecich (PB Power Project Manager): What I would like to do is quickly go through the changes that have taken place. We are going from two, very large gas turbines and having a steam turbine to five smaller gas turbines. We have eliminated the two heat recovery steam generators. The large cooling tower is gone. The switch yard is much smaller. The overall plant site is a little smaller this time around. The gas turbines will be located in the back of the power plant. We have tried to get them as far away from East St. as we can. We are in the process now of optimizing that design. (He pointed out various aspects of the site on a mounted plan.) The profile in the switch yard will be much lower now. There are more smaller towers in this drawing. We will build a sound wall around the turbines. Our architect is working on the design of the wall so it will look very nice with the existing building. We will do a 3D perspective of the power plant so one could get a good understanding of what it would look like from the street. We estimate the height of the stacks would be 100' roughly. The existing stacks are 120' now at Pierce. The overall profile is much lower, we have

a lot more room around the plant to do landscaping and make it more attractive, and those details will be worked out as we optimize the design. Thank you.

Mr. Lyons: I want to point out that the Pierce building is 100' from the street, and the proposed stacks are about 405' back. The wall that would go in front of them is three times farther back on the lot than the front of Pierce. We tried to get the stacks back as far as possible to make them much less visible. The water of 300,000 gallons/day is primarily for pollution control which I think is important. I'll take any questions.

Mr. Centner: Overall I think this package is a better fit for an 11 acre site. I think not having the 345 kv line is advantageous. The people I spoke with were concerned about the effects of that. I think an important feature of this package is the ability to keep the lights on here in Town if the grid goes down. My questions are noise related. You have a noise engineer here, and if he could tell me the frequency band concerned with the air cooling?

Mr. Lyons: There is no air cooling on this.

Mr. Centner: There will be noise from the exhaust of the jet turbines up the stacks.

Tony Agresti (TRC Environmental): The simple cycle turbines produce some low frequency noises, but they can be pretty effectively mitigated with stack silencers.

Mr. Centner: What's the band, like 1,000 hertz or 500? There is a band.

Mr. Agresti: All the sources will generate noise across from 20-20,000 hertz or more. Generally people hear sounds in the 1-4,000 hertz bands the best. The lower frequencies around 125 that they produce can be controlled with stack silencers. A normal human ear actually hears between 20 and 20,000. As one gets older it gets compressed a little bit. One hears best probably about 2,000 hertz. A back-up beep from a forklift is about 2,000 hertz.

Mr. Centner: My concern would be the sound wall. That type of mitigation will encapsulate that sound in that band?

Mr. Agresti: No, the sound wall is for the turbine casings. The stacks will go above the wall and will require some additional noise control in the form of a silencer.

Mr. Centner: Okay, because I visited the NU plant in Bridgeport and that is the same type of technology, and from different locations on that site you can hear if one of them is running. I don't know what noise control they were using, but I was there with one running and it was pretty loud.

Mr. Agresti: I have not been at that site and I don't know that they've done.

Mr. Centner: The operating noise level figure is what?

Mr. Agresti: The State has a noise level standard that addresses overall dba level, and it limits a facility to no more than 51 dba at night. Because the plant has a potential to operate at night, it must meet that. The standard also addresses the street tones or pure tones, and that breaks the sound up into many

frequencies. It doesn't limit them specifically to those, but it doesn't allow more than certain delta between each band, so that basically the plant needs to be designed to produce a broad-band noise that doesn't produce any tones that stand out like a high pitched whine.

Mr. Centner: So you're saying with all five turbines running, you can still hold 51 dba?

Mr. Agresti: Yes. There are many measures that can be incorporated into a plant like this. In fact, this type of plant is easier to control noise-wise.

Mr. Centner: And the gas compressors will be housed in this version?

Mr. Agresti: Yes.

Mr. Centner: For the stack, will you be using noise cancellation technology?

Mr. Agresti: Active noise control is only effective in ducts and stacks. That's an option. The traditional passive silencers and noise silencers are typically used in a project like that, although I am sure either option can be explored.

Mr. Centner: Which one is more cost effective?

Mr. Agresti: And which one is just more effective really. It depends on which frequency needs to be controlled the most. Active is best for low frequency noises which will be a benefit there, but it doesn't do much for high frequency which a silencer can handle.

Mr. Centner: That's my general concern for the neighborhood.

Mr. Agresti: In any design the houses that face the plant will be exposed to the loudest noise, and houses behind that are typically shielded by that. There is always some reflection, but the further away you go, the more the noise is reduced because of the distance.

Mr. Centner: Thank you.

John Ballam (PB Power Project Engineer): We designed and participated in the construction of a similar plant in California and it is operating. We sent a team out to take actual sound level measurements at that plant, and we're basing the design of the mitigation on that information. We feel comfortable that we're going on very good information.

Mr. Centner: Do you have a copy of that? Normally what I'm used to is a spectrum analyzer. You see the entire band and then you see the db ranges within it. Human ears have a sensitive range, but I'm positive where they are the most sensitive. It comes from telephone lines and amplifiers. I have 10 years of experience in it. People can hear those sounds better than any other, so I want to see how you work with attenuation levels in those ranges.

Mr. Ballam: I have with me data from Stewart & Stevenson Energy Systems, which is a division of GE, on the turbine spectrum and that pretty much backs-up what Tony was saying. If you look at the db levels across the spectrum, across the wavelengths, they are quite uniform.

Mr. Zandri: Those five units, do they operate simultaneously or are they brought on line individually depending on demand or loading?

Mr. Cecich: It depends on how they are dispatched to meet the peak load on the particular day they are called to operate, so one or all could be operating.

Mr. Zandri: You mentioned operating on reduced hours, but there is no control over that. If there is a demand for a 3-4 day period, they would run continuously?

Mr. Lyons: If you look at the typical load demand in a day, early in the morning air conditioners come on and they call for more electricity so more power is produced. At the end of the day people go home and the load drops off. You go home, you cook dinner, you wash clothes, and then everybody goes to bed so the cycle starts the next day. During the night then you don't need to operate these units for 6-8 hours. The typical peak occurs Monday through Friday. Weekends typically don't see a peak. The peak in this area used to be winter, now it's summer, but there still may be periods during winter when we're called to operate. There may also be emergency situations, such as a major outage, that nobody can plan for and then we might run continuously.

Mr. Zandri: That's the point I'm trying to make. You would only go on line when called for, but there is nothing that prohibits you from running as long as the demand is there for maybe a 4-5 day period.

Mr. Lyons: That is true. Cumulatively we would not be able to operate for more than 4,000 hours/year, which is the number we're asking State Siting for.

Mr. Farrell: I appreciate that you've been responsive to a lot of the contextual issues the Council had raised last time, particularly in reducing the size of this. I would have had a tough time voting for the prior proposal, and this seems to have a lot more palatable features. I have one question that may be premature. In terms of revenues to the Town, do we have a ballpark figure?

Mr. Lyons: It would be an estimate because the equation for determining property taxes, our gross assessment times 70% times the mill rate, is how do we assess the value of this equipment? I discussed that recently with the Assessor's Office and we agreed there was not a simple answer to it, so we'll have to figure that out. Our estimate on the larger plant was about \$2 million a year. Given that this project is about half the size and cost, I expect it would be about \$1 million a year.

Mr. Farrell: Related to that, I know our Vice Chairman had a similar revenue question. He was asking what was going to happen to our existing stack, that he wanted to see it preserved not for historic preservation, but the suggestion that if the Town retained the stack we could lease it for cellular tower use?

Mr. Lyons: Under this site plan, the stack does not stand. I am not sure if that is absolutely necessary to the design, and I would leave that to the design team.

Mrs. Papale: I really want to thank PP&L for listening to us and to the community in July, going back to the drawing board, and coming back with this presentation today. I hope people will feel better about this proposal. I am happier with this because it is suited for better service for Wallingford. Not only do we have lower electricity costs than all the other towns, we also have wonderful

service and I thought we would be losing that service with the larger plant, and you told me yes we would have, so I am glad that you listened. You mentioned the building we're looking at would be further back. Further back from where?

Mr. Lyons: Farther from the front property line than the existing building is.

Mrs. Papale: We're using the same Pierce building that is there now?

Mr. Lyons: No. Our current plans are that we use Pierce little or not at all.

Mrs. Papale: The Pierce plant is staying where it is?

Mr. Gessert: Yes, it stays right where it is.

Mrs. Papale: So you're talking about the addition would be further back?

Mr. Lyons: The Pierce Plant would not move in either case.

Mrs. Papale: I still can't picture it, but I'll look at it closer afterwards.

Mr. Lyons: In the old plan the buildings were going to surround Pierce, and in this one most of it is going to be considerably behind the Pierce building.

Mr. Knight: My question has to do with the change in the technology. It seems you're not even talking about similar designs, and this will be the first on the east coast?

Mr. Lyons: The first on the east coast with the SER Nox Reduction Pollution Control technology that Don described before. It will be state-of-the-art peaking technology. In the beginning of this when PP&L and Stone & Webster responded to that, at that time the possibility of a smaller plant was envisioned so it's not an entirely new idea to PP&L, but this design would actually meet all the concerns that people had, as well as back up the East St. yard.

Mr. Knight: I hope that people would understand that you have dispensed with a large gas turbine design and went with something quite a bit different. Even the small plant you talked about initially was going to be one gas turbine. This is very different as this plant will be operating a third of the year at most, and can be started in a matter of minutes I gather?

Mr. Lyons: In 10 minutes on a cold start.

Mr. Knight: That won't run 24 hours a day?

Mr. Lyons: It probably won't run 24 hours a day.

Mr. Knight: You said no cooling water, but there is a cooling system.

Mr. Lyons: There is no steam in it, and the water gets evaporated and goes up the stack, so there is no cooling system per se.

Mr. Knight: While you'll be using 300,000 gallons/day, the water will be used on an hourly basis, and only when the plant is operating. You need to break it down on how many gallons an hour.



Mr. Lyons: We can do that. Most of the water will be used for pollution control in reduction of nitrous oxides.

Mr. Smith: When Steve asked the question, it may have left the wrong impression. This is not the first gas turbine on the east coast. There are dozens of these around. I think Mark was referring to this particular technology, but there are peaking units around. I didn't know if you thought this was the first one.

Mr. Knight: Okay, I understand better now.

Mr. Lyons: There are others, but this would be the first one this advanced.

Mr. Zappala: I was looking forward to seeing the one in Milford. Is that similar to what we would have? I must say I am quite impressed with your changing the size of this project. I am happier with certain things that would be good for the environment, and I think this fits in this area. This concept has changed my view somewhat. I am still a little concerned with the noise factor because we do have people living there. Although the State has maximum noise factors on this, would it be possible to be lower than that? Could those five turbines be put into a double casing or something to minimize the noise?

Mr. Lyons: It is possible. As we go through the list of mitigation measures, we are not going to dial them in at 51 dba. So the likelihood is that we'll be somewhat below that, but we would explore any cost-effective measures to bring the noise down as low as we can. We are shooting for the State level, we can't go above that, so the likelihood is that we may be a little below that.

Mr. Zappala: I know you've been very cooperative to many requests made on this project, and I'm sure if there is a possibility you will do that. I certainly have nothing against it and I think it would be beneficial to Wallingford.

Mr. Gessert: I just want to reconfirm something that was said at a previous meeting. It was stated there would be no oil storage on site and this plant will run on natural gas period. That applied to the old proposal as well.

Mr. Lyons: Yes. We will not use oil. We're sticking with that.

Mr. Parisi: I was going to ask that. We want that cleared up. Will there be any odor at all from burning gas? I've had many people question that.

Mr. Lyons: No, and there is no exception to that.

Mr. Centner: With regard to pollution control, a number of residents have asked me about overall pollution levels. I know there will be minimal particulate matters, but can you indicate how much pollution is generated by your plant as opposed to the oil-fired Pierce? I've tried to indicate to people that a plant like this versus Pierce is much more beneficial by air pollution standards.

Mr. Lyons: Mr. Anderson has prepared some overheads on that issue, if we can dim the front lights?

Mike Anderson (TRC Environmental): This is a graphical depiction of nitrogen dioxide concentrations associated with Pierce and the PPLG plant. The basis is both plants operating 8,760 hours non-stop for a year. The ambient standard for nitrogen dioxide is 100 mcg./cu. meter. The impact of Pierce for year would be

about 10 and the proposed plant is almost not discernable. My recollection is that the number is about .08, so there is more than one hundredfold lower emissions. A significant nitrogen dioxide impact by EPA standards is 1 mcg. and the proposed plant's impact would be .08, so less than 1/10 of what is considered to be significant. This one of three graphs that I have. Here is the national air quality standard for a 24 hour average period of PM 10, that is particulate matter with a nominal aerodynamic diameter of 10 microns or less. This would be small particles that can get past the nasal passages and into the lungs. The ambient standard for a 24 hour period is 150 mcg./cu. meter, and Pierce is shown at around 10-12 and the proposed facility would be less than 5. These two graphs are not as dramatic as the last one. In that graph both facilities would have been running for 24 hours continuously at maximum capacity. The air quality standard for sulfur dioxide is 365 mcg./cu. meter, the existing facility has an impact of somewhat under 300, and the proposed facility has a number too small to register because natural gas has very little sulfur.

Mr. Centner: Is sulfur dioxide what contributes to acid rain?

Mr. Anderson: Yes. It's much like the ozone problem that I talked about in the past. Pierce doesn't run all the time, so it doesn't add much to acid rain.

Mr. Centner: For the couple of weeks a year we run the Pierce plant now, the amount of pollutants put into the air would be more than the proposed plant running continuous for a year. The new one would not even equal that.

Mr. Anderson: That is exactly correct.

Mr. Lyons: The figures we just saw were for Pierce at 22 megawatts and our plant with more than 10 times as much power generation.

Mr. Zandri: What is the total projected cost of the project?

Mr. Lyons: I think in the range of \$125 million.

Mr. Zandri: What was the total projected cost of the other project?

Mr. Lyons: About twice that.

Mr. Zandri: You said you want a permit for 4,000 hours of running, so we're talking about approximately half a year of time?

Mr. Lyons: Yes.

Mr. Farrell: One of the residents asked last time whether the new construction was going to be brick, and the mock-up you have seems to be brick?

Mr. Lyons: If you think you see brick you're right. This has not gone through the same level of design the prior one did, but we would use brick for the visible structures to conform with the existing plant.

Mrs. Papale: How many people will be employed in this plant?

Mr. Lyons: Probably 10 permanent people.

Mrs. Papale: Ray, do we have 18 now?

Mr. Smith: No, we only have seven currently.

Mrs. Papale: So there would be more people hired to work there?

Mr. Smith: I would assume so if that's their number, but some of our people are the system dispatchers, when they've run they've performed both functions, and then we bring additional people in to run the plant. When we're running we're using close to 15 people.

Mrs. Papale: So if this plant comes on-line, the people working at Pierce could not stay right there? They would have to take tests because this is different?

Mr. Smith: That would be up to the developer as operator of the plant. We still have a purpose for the people that are around. One of the things we asked early on in the process is if those people could be utilized. Now we have not replaced two people who have retired or resigned in the last couple of years anticipating the shutdown, so there are less people than two years ago.

Mrs. Papale: I would hope that the people who work there now would be accepted.

Mr. Lyons: Any current staff who might be eligible for training for a new position, we would certainly consider those people.

Mrs. Papale: That's what I was waiting to here. I want that opportunity.

Mr. Lyons: We will be refining when those 10 staff members will be staffing the plant. Some times of the year there will be very little staff, and at night there will be a lean staff, but the answer to your question is yes.

Mr. Knight: You had mentioned earlier that the stacks would be possibly 60' high. In this design they look to be 100' high. It brought to mind dispersion. A columnist in our local paper said pollution would stay right in the neighborhood, and that didn't seem to make much sense to me.

Mr. Anderson: The process is we gather data as the plant design moves forward. We identify where the stacks can go where emissions will not be restrained in air flow around buildings and circulated toward the ground. Stack height is a complex relationship through multiple types of air pollution analyses. I had hoped that we could make the stacks shorter than 100'. If we can demonstrate small impacts with 80' stacks, then that's what we'll use. I don't think we will go below that figure. In terms of pollution being trapped, that is part of the analysis that we do to make sure that doesn't happen.

Mr. Zappala: Mr. Smith, is CMEEC out of the picture? Are they behind this?

Mr. Smith: No. CMEEC was used as a facilitator to go out and find what developers might be interested. CMEEC solicited the proposals, handed them off to us, we analyzed them, and came up with a selection. CMEEC might be interested as a buyer or a partner in this facility, as they are looking for resources to serve all their members, but that would be between CMEEC and the developer.

Mr. Zappala: So the picture has changed now because we are able to purchase direct from them?

Mr. Smith: No. We still have an obligation to purchase our power from CMEEC

through 2004. Now this might be one of the sources they use to supply us. Mark mentioned they might be able to supply us in an emergency, but that would only occur if the entire transmission system failed, like the 1965 black-out or the snow storm of 1994 where we lost the lines. At that point we would ask them to run the plant for us, and I foresee a contract between us and them that under this type of condition we would pay them even if it's not economic just to keep the lights on. That would be a short-term thing, maybe hours or a day.

Mr. Zappala: So we cannot directly negotiate with them to supply us?

Mr. Smith: No. We have a contract through 2004. Before the end of the contract we will be looking for future suppliers, they may be one if the pricing is good, but they may not supply it out of this particular project as I estimate they will run only 1,500-1,800 hours a year.

Mr. Zappala: So their main function is to supply the grid?

Mr. Smith: That's up to them, the marketing and the sales arrangements.

Mr. Zappala: I have a question for the Mayor. Is anyone else negotiating with them besides the Commission?

Mr. Gessert: We have spoken with Mr. O'Neill in Washington on a regular basis and they are putting together some of the terms, then they'll be sitting down with the folks from PP&L, so Mr. O'Neill will be representing us in negotiations.

Mr. Zappala: Mr. Lyons, thank you for explaining this new plan to me. I really appreciate it. It will be good.

Mr. Parisi: Once you are approved by the Siting Council, are you allowed to re-apply or try to get an expanded operational program?

Mr. Lyons: We can always reapply for a major change of the project or for a new project, but that would be a whole new application.

Mr. Gessert: There were some questions in the public arena regarding the former proposed plant vs. this one, and the suggestion that PP&L was contracted to go out and build a specific type of plant. As Mr. Smith pointed out, we had CMEEC contact possible developers for sites in Conn., and ours was one that was considered along with other municipalities. A number of different companies submitted proposals to us, and I want the record to show that PP&L was not picked because they could build a 540 megawatt plant or a 250 megawatt plant. After sorting through the proposals and interviewing the people, PP&L was picked because we believed they had the ability with engineering, finances, and management to produce a plant and develop that site, but it was not to develop the site for a specific function.

Mr. Centner: Concerning project viability and the length of a lease, with the new plant scale of \$125 million how many years of operation will you need to recover that investment?

Mr. Lyons: We will need a lease just short of 25 years.

Mr. Centner: If we were looking at the 30 years as proposed with the larger version, that is an acceptable time to recover and operate responsibly?

Mr. Lyons: Yes, and I would point out that the lease serves both parties' interests. This would be a long-term, mutually beneficial arrangement.

Mr. Centner: I certainly favor enough years for this project to be looked at as viable and way beyond, and then within it the components and equipment for upgrade to get you into the next period of time whether it be 20 or 30 years further into the future because these are modular generators that can be replaced easily compared to the larger scale project?

Mr. Lyons: Yes. I would imagine the useful life of a plant like this may well be close to 40 years properly maintained.

Mr. Zandri: On the last project you mentioned during the construction phase you were making plans for off-site parking, shuttling the employees in, taking care of potential dust problems, storing equipment. Are all of those factors in this proposal as well?

Mr. Lyons: Yes in terms of the types of considerations, but again the magnitude would be cut down considerably.

Mr. Zandri: I wanted to be sure those things would still be in place.

Mr. Lyons: They will.

Mr. Gessert: There will be less onsite storage because these are almost a package system when they come in on the truck.

Mr. Lyons: That's right. Most of the turbine modules are pre-constructed and come in on flatbed trucks.

Mr. Gessert: So a lot of the laydown area for storage disappears.

Mr. Lyons: Yes.

Mr. Knight: Your license will be for 4,000 hours a year, but you indicated that you can put on one unit or all five. Would you anticipate that the demand might vary from 50 megawatts up to 250, but as far as the license is concerned, once you start operating one then all of them might as well be running? It's not 4,000 hours per unit per year, right?

Mr. Lyons: No, it will be per facility and the 4,000 hours is based on the equivalency of the whole facility of 250 megawatts. So if you ran one unit it would be 1/5 of that, and you could run for more hours.

Mr. Knight: So as far as the 4,000 hours is concerned, that's assuming that all five are running? If you run only one, is that 1/5 of an hour?

Mr. Anderson: The 4,000 hours is used to calculate annual emissions. There are thresholds at which various rules apply. The decision was made to retain the emissions below the threshold at which external offsets would have to be purchased. That is the equivalent of five turbines running at 4,000 hours each. We can't use any more fuel in the turbines than that which is equivalent to all five turbines operating at full capacity for 4,000 hours consecutively.

Mr. Knight: If the demand only necessitated two of those being run at a time,

then conceivably it could be running throughout the year.

Mr. Anderson: That's correct, but as Ray pointed out the plant will actually be in demand probably 1,500 hours a year.

Mr. Knight: I just wanted to understand what the permit would allow.

Mr. Anderson: The permit would allow any or all the units to run any time as long as the total fuel use did not exceed that 4,000 fuel use equivalent capacity. This is a voluntary restriction on the part of the applicant.

Mr. Knight: You did mention you would not have to purchase NOX offsets?

Mr. Anderson: That is the goal.

Mr. Lyons: I think the likelihood of us running a partial load is slim. Even though 250 megawatts sounds like a lot, if the market is demanding our capacity it's going to take probably all 250. I don't think we'll get close to the 4,000 hours limit.

Mr. Zappala: My concern is that the PUC will get something that we will be happy with. I know PP&L is large and I'm sure they will be happy to help us. I know the Senior Citizen Building lost power last week, and is there any way that PP&L could help us with projects or supply us with generating power if we need it? I know we're in good hands with the lawyer for PUC.

Mr. Smith: You're in good hands with me also. This is a concept I think we've been dealing with for 10 years now. We had to do something with Pierce, and I proposed a peaking unit. There are a number of agreements to be worked out. They will become a customer of the Electric Div. because they won't run all the time and will need power to keep their systems functional, so that's an agreement to be worked out. We have to work out the lease agreement and the emergency power agreement. Maybe we'll want to take an option on some of the power in the future. They will be a good water customer, and actually less than what Pierce uses today. They will be a small waste water user. We have some work to do, and I'm sure we'll propose things they may not like, but hopefully something both parties can live with.

Mr. Zappala: We have confidence in you, you've done a good job, and you'll continue to do that.

Mr. Parisi: I just want to note that any agreements made will have to come back to the Council.

Mr. Smith: I've said that right along.

Mr. Parisi: My other comment is that I'm sure you'll maintain a dialogue with the area residents and keep them informed as you move along, and obviously keep us just as informed as you can also.

Mr. Lyons: We will.

Mr. Centner: As Co-Chair of the Linear Trail, I want to state that we appreciate the commitment of PP&L on that project. Is the landscaping depicted here on the site reasonably accurate?

Mr. Lyons: I don't think it is as we have not landscaped it yet. This would be designed by an architect.

Mr. Centner: I could expect something then similar to previous?

Mr. Lyons: Yes, I'm sure he'll incorporate a lot of those concepts.

Mr. Centner: It's important for the residents that it be attractive.

Mr. Knight: The 300,000 gallons/day used mostly to mitigate pollution, what happens to that water? It's not going to the treatment plant you said.

Mr. Lyons: A lot of it is evaporated up the stack. What's left would be treated in water treatment trailers on the site, and then removed by truck.

Mr. Knight: Why would you go to that expense?

Mr. Ballam: Those trailers contain resin bits, the water flows through them, ion exchange occurs that purifies the water, and they periodically need to be re-charged which involves back-flushing in a waste stream. So those trailers would be taken to a facility in Hartford where that is done.

Mr. Knight: This has been a process of very open discussion by everybody on your team. I think you have all worked very hard with this Council to answer the hundreds of questions we have asked, and I thank you. I've enjoyed this and we've all learned a tremendous amount about these types of plants. You never got discouraged and found a way to stay with Wallingford, albeit with a radically different proposal. I'm very thankful for what you've done.

Mr. Lyons: Thank you. I want to acknowledge that we have a very talented and creative team, and they deserve the credit.

Mr. Dickinson: Given that you're very active in the energy industry, what is your projection on energy shortages for Connecticut? Can you share that at all?

Mr. Lyons: I don't have numbers at this time. We have data on that, but it depends on time-frame.

Mr. Dickinson: How about a time-frame of 10 years?

Mr. Lyons: I think new suppliers will come on line to fulfill any capacity needs and we won't have any shortages, but it's because plants like this are developing to prevent those.

Mr. Dickinson: If a significant number are built, won't a peaking plant be far less in demand?

Mr. Lyons: A peaking plant is very distinct from a base-load plant because of the load curve. The electric system has to be in balance all the time, so the need for a peaking unit has more to do with the shape of the load curve than the absolute amount of power being demanded at any point. Peaking facilities will always be needed for peak demand periods, no matter how much base-load generation is running.

Mr. Dickinson: So if additional transmission lines are built bringing energy from

Mass. or New York, this plant would still be a good investment?

Mr. Lyons: It's possible that new transmission lines could cut into the market served by peakers, but I would have to look at the resource base at any given time. The question is whether those resources would be more cost effective than this. If you did have a line from Canada for instance, I expect that would be mostly low-cost, hydro power. Those resources which are cheapest are maximized to meet the base-load, but if there was more demand and they could bring it through those lines, we would be competing with them. Our facility is designed to start quickly to meet that peak level of demand.

Mr. Dickinson: If the grid was down, this plant would be able to operate and provide electric energy to the Town of Wallingford?

Mr. Lyons: Yes it could.

Mr. Parisi: Are there residents of the immediate neighborhood with questions?

Tom Bruneau (184 East St.): I live directly across from the plant. What is the distance from the jet turbines to the front property line where East St. is?

Mr. Lyons: About 300' to this wall, so the turbines would be a bit farther back.

Mr. Bruneau: My house is only 15' off the road, so if I was standing in front of my house I would have five jet engines at the other end of a football field?

Mr. Lyons: Plus the width of the road.

Mr. Bruneau: Do these jet engines cause any vibration?

Mr. Ballam: These are high-speed, highly dynamically balanced units. They have very little vibration. The only other source you might be concerned with are the compressors, and we're putting those even further back.

Mr. Bruneau: I don't understand what you're going to do to reduce the noise. I know there is going to be a wall in front.

Mr. Ballam: The gas turbine is in its own acoustic enclosure which is designed to silence the machine. From that point we can design other enclosures to make sure the sound transmitted will not exceed the statutory limit.

Mr. Bruneau: As I front East St., I will be a shield for the houses behind me and the noise will deflect off my house. It's like I'm bearing the brunt of this. I'm not getting more out of this than any other taxpayer. Is there something the Town can do with my tax rates? We should be recompensed for something here.

Mr. Lyons: You will get the full benefit of the State requirement. We will be no more than 51 dba.

Mr. Bruneau: I may benefit from that, but people on the other side of town won't even know the plant exists. I have to bear more burden than anyone else in the town. There are only a few houses across the street from the plant.

Unidentified man: I live on 33 Hillsvieview Rd. and I live  $\frac{1}{2}$  mile from Pierce as the crow flies. I've lived in Wallingford for 80 years and I was well aware when



Pierce was built, because on hot nights we couldn't open our windows because of the noise. I had to install central air conditioning in order to sleep. There are going to be four more stacks added, so I'm sure there will be more noise.

Mr. Anderson: I don't have data on Pierce to respond numerically, but technology has changed dramatically since Pierce was built. The 51 dba was demonstrated last time if you remember. When everyone is talking it's 60-70 dba. When no one even rustles papers, it's down to 51 dba which is fairly quiet. That level has to be met right at the property line, and it gets quieter further away. What Tony was trying to say is the first house at the street line has 49, on your front steps you have 47, then for the house further back it's 44. That's the kind of reduction in sound level, and frankly the sound you have from the cars driving by and the birds chirping is already that loud.

Mr. Gessert: When Pierce was built it was coal-fired with conveyor belts and mechanical equipment making noise, plus soot coming out the stack. About 20 years ago they switched to oil, removed the coal handling equipment, and reduced emissions. There have been significant changes over the years since this gentleman first opened his windows and listened to the Pierce plant.

Mr. Agresti: Today we took sound measurements on East St. and in the area to confirm what levels are. The plant wasn't running, it measured 40-50, and that was without cars going by. That is just background noise from distant roadways. With the new plant, it will be just 1-2 decibels above the existing background.

Mr. Parisi: Are there any other residents? Yes sir.

Henry Renfrew (25 Audette Dr.): Will the five turbines have a hydrogen environment similar to the larger GE turbines?

Mr. Cecich: No, the generators will be air cooled instead of the hydrogen.

Mr. Renfrew: Will corrosive chemicals be used on site to meet emission standards?

Mr. Ballam: No they will not be used. A very diluted ammonia solution will be ejected. Nothing else will be used in any significant quantity.

Mr. Renfrew: No sulfuric acid?

Mr. Ballam: That is true. That is a feature of doing the regeneration offsite.

Andy Kapi (14 North Turnpike): This has three areas of interest; one is financial, one is environmental and safety, and the third is oversight and control. I am happier with the decision for a smaller plant, but obviously the revenues are drastically reduced. Our contract with CMEEC gives us \$656,000/year for keeping Pierce ready, and the amounts talked about are less than that for you being our customer. With \$1 million in taxes, the incentive for us to pursue this project is reduced. With lessening of the financial end, the other two considerations become much more critical to me. On the environmental issues you have half of a positive score with no aquifer concerns and the impact on water levels throughout town, but concerns on emissions are still in play. In July I said your document was incomplete in that it did not supply contextual information about other emitters. Tonight we saw graphs comparing Pierce, but I know of no plan to do that. What your plant may do in that region has to be considered in light of other emitters. In July Mr. Anderson said the information would

be forthcoming, but I don't see it tonight. Since that meeting there were two articles in the paper about the Toxic Actions Group regarding Wallingford as an emissions hot spot. I think we need to nail that down, and you could be of great assistance in providing that information.

Mr. Lyons: Concerning your first question, that \$656,000 comes at a comparatively high environmental cost with all due respect from what we've seen tonight. With regard to the second plan, I think in July we did hear from TRC that even the larger plant would not have a significant impact on air quality in Wallingford.

Mr. Anderson: After the last meeting and the request that you made, I wrote a letter on 7/22 asking the DEP for the emission inventory that we will need to use for the air permitting process. I received the first piece of it yesterday and I was told the other pieces are held up by a recalcitrant computer. So I cannot provide much information to you. In my letter I asked for additional information beyond what we needed. I cannot address every aspect of pollution in Wallingford but emissions to water from existing industry are not affected by our project. For air emissions, the regulatory process says we have to take the sum of PPLG and everything else in the region, and then background sources such as home heating and autos, and added together the sum has to be below the concentration line. I hope the next time we stand here I will have more comparisons.

Mr. Kapi: I appreciate that, but your last reporting was tons of emissions. Your last report for the larger plant indicated 259 tons annually at 8,750 hours or whatever. If this plant operated 7x24 year-round, would it produce half of that?

Mr. Gessert: Excuse me, but I think the question is a bit out of order. The question was asked if it ran year-round, 24 hours a day. We've been told already that it will run 1,500-1,800 hours, and the maximum request is 4,000 hours. So to compare 8,700 hours would not be germane.

Mr. Kapi: I have a very specific reason...

Mr. Parisi: I don't argue you do, but let's stay within the parameters of what we're talking about.

Mr. Gessert: I would like to address one other question about CMEEC funding to go toward the operation of the Pierce plant. If NU had not run into the problems that they did, Pierce would be closed today. It was anticipated to close about three years ago, then the State had a crisis with the Millstones, and NU requested that we keep it open. NU invested \$500,000 to bring Pierce up to speed because those 17 megawatts were so critical to the State.

Mr. Kapi: That's not a point I want to argue. I am trying to see if this plant would operate year-round, would there be improvements on some of the totals you reported last time out? Can I assume they would be roughly half?

Mr. Anderson: That's not a bad assumption for half on the size of the facility from 540 vs. 250, then the restriction from 8,760 hours down to 4,000 is another half, so that is roughly a quarter.

Mr. Kapi: That brings us to oversight and control of this project. Once you have the original approval you can go to the Siting Council and change your operation, and we won't have the ability to oversee that decision. I had made a suggestion, Mr. Lyons, that you should consider a 10-year interval renegotiation. Suppose

market conditions change? You might look to operate differently. Would you give this Council a binding agreement to come before them before you requested change?

Mr. Lyons: If we were to go before the Siting Council for a new permit or a change we would do that subject to the Host Community Agreement.

Mr. Kapi: That is not exactly what I asked.

Mr. Lyons: With all due respect, I don't know that it is appropriate to discuss our negotiations at this time. Terms will have to be worked out that are acceptable for our capital investment and for the Town. We are also subject to ever-tightening restrictions from all regulatory agencies, so we can't simply decide to do whatever we choose.

Mr. Dickinson: Whatever our concerns are, they would show up in the series of agreements including the lease agreement. It's just a question of what survives that process, and allows the project to move ahead if we can agree.

Mr. Parisi: I understand Mr. Kapi's concern to anticipate the future.

Mr. Kapi: By going to the declaratory ruling, that goes in the opposite direction in terms of your coming to us for approval and changes. That is not encouraging.

Mr. Lyons: The only way that Siting will issue a declaratory ruling is if they find no adverse, substantial, environmental impacts. We won't get to Siting for another 60-90 days, so there will be opportunity for the Town to look at this.

Mr. Gessert: We are not selling the property. The landlord still has certain rights. We will have a lease agreement and a host agreement. I don't think this company will go haywire and do unacceptable things to us. If it got extreme, then we would shut down access to the site.

Mr. Kapi: I want to read to you from the minutes of 12/13/94, the night you took up the CMEEC agreement, and those remarks are from Atty. Robert O'Neill. He said, "Some things were put in there because there are limitations in this Town's charter about the ability to contract. Great pains were taken to make sure that we didn't do anything that was contrary to the charter of the Town of Wallingford. That is why there are provisions in there that require they exercise certain extensions demanding affirmative action in trying to deal with the unique complexities of this town and its governing ordinances." I think we can agree "affirmative action" is a vote from the Council, so this is why I put this issue on the table. So if you want to address renegotiations?

Mr. Lyons: I'm sure Atty. O'Neill will be as capable now as he was then. We will require a lease term approaching 25 years and my comment in the newspaper was an error.

Dan Donahue (309 Long Hill Rd.): It was a good presentation. How many megawatt hours does the Town use right now?

Mr. Gessert: We can reach 110 megawatts on high demand, and normally 60-70. Pierce has a capacity of 17.

Mr. Donahue: Okay. Mark, did you say they might negotiate to sell us power after 2004? If you became a supplier, could the Council get you to do it at a cost

plus instead of going with the spikes?

Mr. Lyons: We could negotiate.

Mr. Donahue: I think a normal megawatt hour wholesales at \$30-50?

Mr. Lyons: It can be less than that.

Mr. Donahue: Would you consider, if they make an agreement, signing after the first of the year? Does it have to be this year?

Mr. Lyons: It's simply of matter of completing it before going to Siting.

Mr. Donahue: The Navy said they expected serious outages because of Y2K, and if it happens it could cause these peaks again and that plant might be needed. We need to lock in a deal for after 2004. If you sell to us at cost plus a reasonable profit, then we'll all be good neighbors.

Robert Sheehan (11 Cooper Ave.): How many days did Pierce run this year?

Mr. Gessert: Several days in the winter, then in May, and we ran in June and July. I would say less than a dozen days.

Mr. Sheehan: And you're planning a minimum of 1,800 hours and max of 4,000?

Mr. Lyons: There is no minimum, but a maximum of 4,000.

Mr. Sheehan: 1,800 hours at 12 hours a day is 150 days. 12 hours at 4,000 is 315 days. You're making a \$125 million investment to only run a few months of the year? I don't see that. I think you'll run all year long, correct?

Mr. Lyons: We'll run when it makes sense to do so subject to the 4,000 minimum.

Mr. Sheehan: I have no doubt that you will meet all State standards, but I am still an opponent to this. I think it affects everyone in town.

Wes Lubee (15 Montowese Trail): I am somewhat skeptical. If you cut capacity in half, you are making your goal downward, and you say it's out of the goodness of your heart.

Mr. Gessert: Base-load pricing is different than peak. Peaking rates are significantly higher because of the demand-supply mode. So a peaking plant running less vs. a base-load working full time can be very similar.

Mr. Lubee: What has been misused is the 4,000 limitation. What we have is 800 hours/engine/year, so two engines could run 24 hours a day for a full year.

Mr. Lyons: Actually it's 4,000 hours/year for each turbine would be allowed.

Mr. Lubee: For peaking purposes, it's not going to be consistent throughout the year I would assume. For a 30 year contract I think we have to envision the maximum use, and not the 1,800 that Mr. Smith said. I think it's detrimental to look to the Town for 300,000 gallons/day. As of Sept. 1 we were close to water rationing without the blessing of Hurricane Floyd, so that being the case had we been drawing down 9,000,000 gallons/month with this plant, would we have had

rationing and what impact would that have on the power plant?

Mr. Lyons: The PUC has indicated our use will not impact the Town's needs even in a drought condition. They haven't completed their review, but when they do we'll look at that. We don't think we will even come close to endangering the Town's situation.

Mr. Lubee: Are you aware our reservoirs were drawn down below the normal trigger level for rationing this summer?

Mr. Lyons: Yes.

Mr. Lubee: So how can you say that?

Mr. Parisi: Wait a minute. The Water Div. is aware of that too.

Mr. Lyons: I leave it to your experts to make a determination as to whether our water needs exceed your ability to supply them.

Mr. Lubee: If rationing occurs, who comes first? Residents or the power plant?

Mr. Smith: All customers would be impacted. We contact all users. We had begun contacting some larger users and they had already taken steps. I spoke with people at Choate School and they committed to a 15% cut-back in usage. We spoke to some other folks in anticipation. Now, was that going to affect their plant operations? Perhaps. Would that have resulted in lay-offs? Perhaps. We can't look to industry to be the only ones to cut back in rationing periods.

Mr. Lubee: If we had been drawing down 9,000,000 gallons/month, would that have resulted in rationing this year?

Mr. Smith: It probably would have gotten closer. I can't tell you that we would have implemented rationing. You're assuming this plant would have run every day for 30 days and that didn't happen, no more than the Pierce Plant ran. When Pierce runs it uses 450,000 gallons/day.

Mr. Lubee: When you say 300,000 gallons/day, does that mean days when all five turbines are running? And does that mean 24 hours?

Mr. Lyons: Yes, that would be a maximum operating situation of five turbines, and it is based on 24 hours a day which we would not be running.

Mr. Smith: I have spoke with Roger and the Water Div. is in a position to commit to supply water for this project at 300,000 gallons. With the earlier project we felt we could supply up to 500,000 gallons/day.

Mr. Lubee: Would you recommend we have a limit on the water in this agreement?

Mr. Smith: We can discuss limits. We will have a water supply agreement.

Mr. Lubee: Suppose they go before Siting to increase operations, then what?

Mr. Smith: Mr. Gessert addressed that earlier. We have the ultimate control. If they suddenly draw more, we have control of the valve in the street. If they said they wanted 800,000 gallons/year, we'd say we can't supply that.

Mr. Lube: Someone showed me an article where gas turbines have exploded because of malfunctioning. Are you familiar with that happening?

Mr. Ballam: There were a couple of instances of hydrogen explosions in hydrogen cooled generators. I don't know if that's what you're referring to.

Mr. Lube: These were instances where the blades spun off and were missiles penetrating 6" thick walls.

Mr. Ballam: I'm only aware of hydrogen explosions. In this plant we won't use hydrogen cooling.

Mike Brodinsky (45 Valley View Dr.): What was the average price of peak load electricity this summer? Someone mentioned \$30-50 earlier.

Mr. Smith: Average price is difficult to achieve. There were points in June and July where the price hit .99/kwh. I received information that this weekend in the pool the price was the margin price, and the market price was .01/kwh. The \$30-50 is for a megawatt hour, so that is equivalent to .03 to .05.

Mr. Brodinsky: For a megawatt hour, what was the price?

Mr. Smith: It ramped up to \$999. An average is probably \$30-50.

Mr. Brodinsky: Mr. Lyons, did your organization do a market survey as to what the price of electricity may be in the future?

Mr. Lyons: Sure. PP&L has done some revenue forecasting. We have to do it.

Don Fields (PPLG): I would say we would anticipate the cost of electricity to remain where it is roughly. We don't see any dramatic changes.

Mr. Brodinsky: In order to get a probable number on the amount you would be selling, would I multiply 1,800 hours times 250 to get the number of kwh?

Mr. Fields: That will give you the kwh.

Mr. Brodinsky: Does the math equal \$22 million under those assumptions?

Mr. Smith: That would be 450,000 megawatt hours times whatever pricing.

Mr. Fields: But you have to subtract the expenses.

Mr. Brodinsky: I understand, but I just wanted to get a megaview of the project.

Reg Knight (21 Audette Dr.): When you said prevailing winds and the sulfur would not rise up into the air, that it would form a convection and not go back toward the building, how far would that wave go out?

Mr. Lyons: First of all there is no sulfur coming from this plant or very little. Second, I think Mike Anderson was addressing if the stacks were too short. If stacks are too short and close to a building, then it would create the risk of capitation, the emissions getting trapped near the ground.

Mr. Knight: So we'll be getting effluence in the air and sulfur rain, right?

Mr. Lyons: There is really no sulfur. It's very minimal.

Mr. Knight: Well if you're using sulfur dioxide and it gets into the moisture in the air, then it has to come down with the rain.

Mr. Lyons: That is an issue with oil and coal burning plants, but Mike showed before with the graphs there is virtually no sulfur with natural gas.

Mr. Knight: When you first started you came in with plans for pipelines to North Haven and etc., and now you've pulled your horns down to this little plant. Why are you so interested in getting into Wallingford? Why not Hamden or Cheshire?

Mr. Parisi: I don't think that is a fair question. Questions should pertain to the plant.

Mr. Knight: Let's get around that. What great advantage do you have here that you wouldn't have anywhere else?

Mr. Lyons: That was never asked. The Town asked who would propose to build a plant at this site, and we responded to that. We competed with other firms and we were chosen to develop a plant here.

Mr. Knight: You said initially that the power would go into the grid, so we are not going to get a benefit unless there is some severe calamity.

Mr. Lyons: Under the previous design, there was no way to provide for Wallingford due to the size. This smaller plant will be connected to the East St. yard so that the electricity could stay here.

Mr. Smith: When you ask what the benefits are, this would probably become the second largest taxpayer in the Town of Wallingford. Plus they would be a customer of the utilities. Normally we have excess water to sell. Most of the time water is going over the dam at McKenzie. The emergency generation is very important, however, it will probably happen only once in 10 years.

Mr. Knight: That's fair enough. At first you talked about alternate fuels. Will those be used?

Mr. Lyons: No, just natural gas.

Pat Melillo (15 Haller Place): Do we have environmental people working for us?

Mr. Parisi: Yes.

Mr. Melillo: I haven't heard any environmental risk people speak for us yet.

Mr. Smith: Two representatives spoke last time from ERL. I invited Mr. Wurmbrand from ERL to attend tonight, but there is no material yet for him to evaluate, so it isn't appropriate for him to respond now, but he will continue to follow the project.

Mr. Melillo: Don't you think PP&L should pay the Town for the environmental risk people?

Mr. Smith: That's an option, but we felt in order to keep ERL as our agent we

decided early on to pay them directly. We will recapture that in future payments but it's an option.

Mr. Melillo: Did you say it would take 25 years to break-even?

Mr. Lyons: No. I said we need a lease that approaches 25 years. I don't know when this project would break-even, and if I did I wouldn't say it in public.

Mr. Parisi: That's not a fair question to ask.

Mr. Melillo: What kind of alarms do you have for a malfunction?

Mr. Fields: There will be many alarms to monitor most everything in the plant.

Mr. Melillo: Do you have any agreements with natural gas companies in Canada? I understand they are the most potent supplier.

Mr. Fields: Natural gas is somewhat similar to electricity in that you can buy it from many suppliers, but the actual molecules may come from many different places. It could possibly come from Canada. We'll use the Algonquin pipeline.

Mr. Melillo: Since you have a new plant, can you simulate the noise like you did for the first one?

Mr. Lyons: We had a noise meter at the last meeting. We didn't have to simulate the noise as it was here in the room. We just measured it.

Phil Wright (160 Cedar St.): Bob, I don't like your attitude. If you can't handle it, split the meeting up and have it twice, but give us the opportunity to speak.

Mr. Parisi: You have every opportunity to speak.

Mr. Wright: How are you going to help the Linear Trail? I don't like these nebulous statements. What can you do now that you're not bringing the pipeline up from North Haven?

Mr. Lyons: We can contribute funds, and perhaps we can help them construct a portion when we're doing our construction. We will meet with the Linear Trail Advisory Group and see how we can help them.

Mr. Wright: When will the decision occur on this? Before January 1? We may have different people on the Council by then.

Mr. Lyons: When we have completed negotiations on the agreement and submit it to the Council for their approval. It will occur around January 1.

Mr. Wright: How much will my taxes be reduced? I don't think taxpayers will get enough gain for the additional load on the people who live in the area.

Mitchell Wurmbbrand (ERL): I am here assisting the Town in review of this. I have three short comments. The first is for Mr. Anderson. In your charts for short-term air quality standards, have you done a cavity analysis in those concentrations?



Mr. Anderson: We have been wrestling with stack location, building, and structure locations, and the interplay between the wall that will surround the five turbines and the like. It is in the process of being developed. I believe when we finish we will not have any impact in cavity areas of any structure.

Mr. Wurmbbrand: I would rather a "yes" or "no" answer because I want to make sure that those charts accurately depict what the concentrations will be off-site. If you haven't done a cavity analysis, then they probably don't depict the off-site concentrations.

Mr. Anderson: I don't believe there will be any cavities off-site into which the emissions will cause cavity region impacts. I did point out that we base those comparisons on 100' stacks under the configuration you see there, and as things change I will provide changed numbers. I believe the numbers will end up in a comparable relationship for what we show already.

Mr. Wurmbbrand: I would be upset if you said "no." I just want to see the analysis when it gets done. Some of the residents have expressed a desire to know what other sources' contributions will have to the ultimate concentrations that will result from this project and the operations of those other sources. We both know there are many instances where you're not required to an evaluation of all those other sources. Even if you're not required to do a multiple source analysis, I think the Town would like to see that information. That is just a recommendation. The applicant has suggested they will ask for a declaratory ruling, and if they are successful it will be approved very quickly by the Siting Council. My advice to the Town is to continue dialogue with PP&L and resolve all issues regarding land use and environmental issues prior to the Siting Council application going forward. You will lose use a certain amount of control over those issues when the Siting Council grants approval, so we need to work together in resolving these issues prior to that.

Mr. Dickinson: As the owner of the land we would virtually control or have to be in agreement with anything that would go on the land, regardless of what the Siting Council might approve. That is my understanding and I see an attorney back here nodding, and there is one nodding beside me, so I suspect it's fairly accurate. In a situation between a private property owner and a developer, once the Siting Council had it we would lose control over it. In this instance we continue as the property owner.

Mr. Lyons: I would like to point out that Siting Council cares very much about the Town's view on the project, so I would take issue that the Town loses control when it goes to the Siting Council.

Mr. Parisi: Any further questions? Okay, we thank everyone that did come out. Chairman Gessert, thank you for your participation.

Mr. Gessert: Thank you.

Mr. Parisi: Mr. Lyons, thanks once again to you and your team for an excellent presentation.

Mr. Lyons: Thank you very much.

Mr. Parisi: I will entertain a motion.

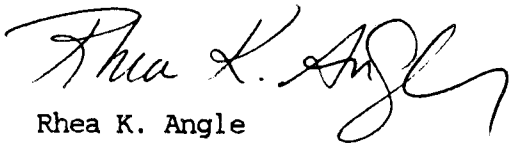
Motion: Mr. Farrell, to adjourn.

Second: Mr. Knight.

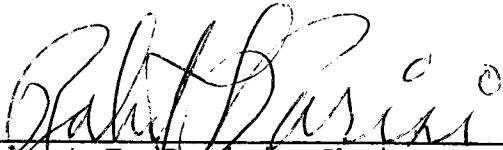
Votes: All ayes.

The Special Meeting of the Town Council adjourned at 10:45 p.m.

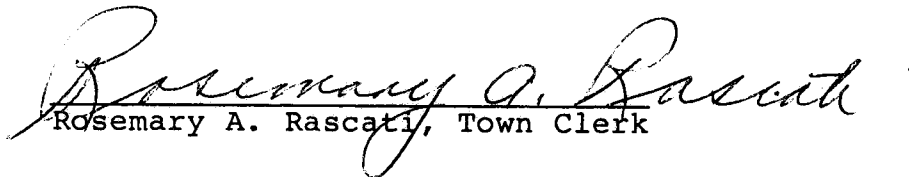
Respectfully submitted,

  
Rhea K. Angle

Approved:

  
Robert F. Parisi, Chairman

12-16-99  
Date

  
Rosemary A. Rascati, Town Clerk

12-16-99  
Date