

**U.S. Department of Energy
W.A. Parish Post-Combustion CO₂
Capture and Sequestration Project
Draft Environmental Impact Statement
Volume II – Appendices
September 2012
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**Office of Fossil Energy
National Energy Technology Laboratory**



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ENVIRONMENTAL SYNOPSIS
CCPI Round 3
DE-PS26-08NT43181
DE-FOA-0000042

October 2010

National Energy Technology Laboratory
U.S. Department of Energy

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INTRODUCTION

The U.S. Department of Energy (DOE or the Department) prepared this Environmental Synopsis pursuant to the Department's responsibilities under section 1021.216 of DOE's National Environmental Policy Act (NEPA) Implementing Procedures set forth in 10 CFR Part 1021. This synopsis summarizes the consideration given to environmental factors and records that the relevant environmental consequences of reasonable alternatives were evaluated in the process of selecting projects seeking financial assistance under Round 3 of the Clean Coal Power Initiative (CCPI). DOE selected five applicants seeking financial assistance under CCPI Round 3 during its merit review process. In addition to financial and technical elements, DOE considered relevant environmental factors and consequences of the projects proposed to DOE in response to the funding opportunity announcements. As required by section 1021.216, this synopsis does not contain business, confidential, trade secret or other information that statutes or regulations would prohibit DOE from disclosing. It also does not contain data or other information that may in any way reveal the identity of the offerors.¹

BACKGROUND

Coal is an abundant and indigenous energy resource and supplies almost 50 percent of the United States' electric power. Demand for electricity is projected to increase by more than 30 percent by 2030. Based on analyses conducted by the EIA, it is projected that this power increase can only be achieved if coal use is also increased. Furthermore, nearly half of the nation's electric power generating infrastructure is more than 30 years old, with a significant portion in service for twice as long. These aging facilities are - or soon will be - in need of substantial refurbishment or replacement. Additional capacity must also be put in service to keep pace with the nation's ever-growing demand for electricity. Therefore, DOE expects that nearly half of the nation's electricity needs will continue to be served by coal for at least the next several decades. Given heightened awareness of environmental stewardship, while at the same time meeting the demand for a reliable and cost-effective electric power supply, it is clearly in the public interest for the nation's energy infrastructure to be upgraded with the latest and most advanced commercially viable technologies to achieve greater efficiencies, environmental performance, and cost-competitiveness. However, to realize acceptance and replication of these advanced technologies into the electric power generation sector, the technologies must first be demonstrated (i.e., designed and constructed to industrial standards and operated at significant scale under industrial conditions).

Public Law 107-63, enacted in November 2001, first provided funding for the Clean Coal Power Initiative, or CCPI. The CCPI is a multi-year federal program tasked with accelerating the commercial readiness of advanced multi-pollutant emissions control, combustion, gasification, and efficiency improvement technologies to retrofit or repower existing coal-based power plants and for deployment in new coal-based generating facilities. The CCPI encompasses a broad spectrum of commercial-scale demonstrations that target environmental challenges, including reducing greenhouse gas (GHG) emissions, by boosting the efficiency at which coal is converted to electricity or other energy forms. The CCPI is closely linked with DOE's research and development activities directed toward creating ultra-clean, fossil fuel-based energy complexes in the 21st century. When integrated with other DOE initiatives, the CCPI will help the nation successfully commercialize advanced power systems that will produce electricity at greater efficiencies, produce almost no emissions, and create clean fuels. Improving power plant efficiency is a potentially significant way to reduce carbon dioxide (CO₂) emissions in the near- and midterm. In the longer term, the most recent future funding opportunity announcements targeted CCPI technologies employing CO₂ capture and storage, or beneficial reuse. Accelerating

¹ The five projects selected for awards are identified in this synopsis and information on these projects is available on the DOE National Energy Technology Laboratory web site at <http://www.netl.doe.gov/technologies/coalpower/cctc/ccpi/index.html>.

commercialization of clean coal technologies also positions the United States to supply these technologies to a rapidly expanding world market.

Congress provided for competitively awarded federal cost-shared funding for CCPI demonstration projects. In contrast to other federally funded activities, CCPI projects are not federal projects seeking private investment; instead, they are private projects seeking federal financial assistance. Under the CCPI funding opportunities, industry proposes projects that meet its needs and those of its customers while furthering the national goals and objectives of DOE's CCPI. Demonstration projects selected by the CCPI program become private-public partnerships that satisfy a wide set of industry and government needs. Through the CCPI program, industry may satisfy its short-term need to retrofit or repower a facility, develop new power generating capacity, or obtain critical economic or technical evaluation of emerging commercial-scale technologies, all for the benefit of its customers. By providing financial incentives to the energy sector that reduce risks associated with project financing and technical challenges for emerging clean coal technologies, the government: (a) supports the verification of commercial readiness leading toward the long-term objective of transitioning the nation's existing fleet of electric power plants to more efficient, environmentally sound, and cost-competitive facilities; and (b) facilitates the adoption of technologies that can meet more stringent environmental regulation through more efficient power generation, advanced environmental controls, and production of environmentally attractive energy carriers and byproduct utilization.

DOE selects projects for CCPI funding in a series of rounds, each of which starts with a Funding Opportunity Announcement (FOA) that asks project proponents to submit applications for federal cost-sharing for their demonstration projects. DOE issued the first CCPI FOA (Round 1) in March 2002 and a second FOA (Round 2) in February 2004. These funding opportunities focused on projects involving advanced coal-based power generation, including gasification, efficiency improvements, optimization through neural networking, environmental and economic improvements, and mercury control. For Round 3, DOE issued a Financial Assistance FOA on August 11, 2008 (DE-PS26-08NT43181) to solicit applications and subsequently issued Amendment 005 (as DE-FOA-0000042) on June 9, 2009, to reopen the FOA and provide a second closing date (August 24, 2009) for additional applications. Projects receiving awards under the amended FOA could be funded, in whole or in part, with funds appropriated by the American Recovery and Reinvestment Act of 2009, Public Law 111-5.

Applications for demonstrations under CCPI Round 3 were evaluated against specific programmatic criteria:

- Technology merit, technical plan, and site suitability;
- Project organization and project management plan;
- Commercialization potential;
- Funding plan;
- Financial business plan.

Evaluations against these criteria represented the total evaluation scoring. However, the selection official also considered the results of the environmental evaluation and the applicant's budget information and financial management system, as well as program policy factors, in making final selections.

As a Federal agency, DOE must comply with NEPA (42 U.S.C. §§ 4321 et seq.) by considering potential environmental issues associated with its actions prior to deciding whether to undertake these actions. The environmental review of applications received in response to the CCPI Round 3 FOA was conducted pursuant to Council on Environmental Quality Regulations (40 Code of Federal Regulations (CFR) Parts 1500 - 1508) and DOE's NEPA Implementing Procedures (10 CFR Part 1021), which provide directions specific to procurement actions that DOE may undertake or fund before completing the NEPA process.

PURPOSE AND NEED

The purpose and need for DOE's selections of projects under the CCPI Program are to satisfy the responsibility Congress imposed on the Department to demonstrate advanced coal-based technologies that can generate clean, reliable, and affordable electricity in the United States.

The specific objectives of the Round 3 FOAs were:

- The CO₂ capture process must operate at a CO₂ capture efficiency of at least 90 percent;
- Progress is made toward carbon capture and sequestration (CCS) at less than a 10 percent increase in the cost of electricity for gasification systems and less than 35 percent increase for combustion and oxy-combustion systems;
- Progress is made toward CCS of 50 percent of plant CO₂ output at a scale sufficient to evaluate the full impact of the carbon capture technology on plant operations, economics, and performance; and
- At least 300,000 tons per year of CO₂ emissions from the demonstration plant must be captured and sequestered or put to beneficial use.

ALTERNATIVES

DOE received eleven (11) applications in response to the initial FOA (issued August 11, 2008) for CCPI-3, all of which were determined to have met the mandatory eligibility requirements listed in the FOA. The applications covered a wide geographic range, including sites in fourteen different states representing nearly every region of the country. In response to the reopened FOA (issued June 9, 2009), DOE received thirty eight (38) applications, of which twenty five (25) were determined to have met the mandatory eligibility requirements listed in the FOA. The requirements for the reopened FOA were the same as for the initial. The twenty five applications offered projects involving sites in nineteen different states representing nearly all geographic regions of the country. Several applicants in the initial FOA also resubmitted modified applications in response to the reopened FOA. The applications were evaluated against technical, financial and environmental factors. The criteria for evaluating applications received under CCPI-3 were published in the FOA. The technical and financial evaluations resulted in separate numerical scores; the environmental evaluation, while not scored, was considered in making selections. Each applicant was required to complete and submit a standard environmental questionnaire for each site proposed in its application.

The evaluations focused on the technical description of the proposed project, financial plans and budgets, potential environmental impacts, and other information that the applicants submitted. Following reviews by technical, environmental and financial panels and a comprehensive assessment by a merit review board, a DOE official selected those projects that best met the CCPI program's purpose and need. By broadly soliciting proposals to meet the programmatic purpose and need for DOE action and by evaluating the potential environmental impacts associated with each proposal before selecting projects, DOE considered a reasonable range of alternatives for meeting the purpose and need of the CCPI Round 3 solicitation.

For the initial FOA, applications were divided into three broad categories:

- Retrofit of CCS to an existing integrated gasification combined cycle (IGCC) facility or to an IGCC facility under construction;
- Retrofit of CCS to an existing pulverized coal (PC)-fired facility; and
- Construction and operation of new IGCC or Fluidized Bed Combustion (FBC) facilities with integrated CCS.

DOE received no less than two applications in each of the above groupings, which provided DOE with a range of reasonable alternatives for meeting the Department’s need to demonstrate, at a commercial scale, new technologies that capture CO₂ emissions from coal-based power plants and either sequester the CO₂ or put it to beneficial reuse. The applications included demonstration of CCS integrated into new facilities using advanced technologies for power generation, as well as retrofits of CCS to existing facilities or ones already under construction, including both advanced and conventional technologies for power generation.

For the reopened FOA, DOE divided the applications into four groups, because of the larger number of submissions received:

- Retrofit of CCS to an existing plant (already permitted and operating);
- Retrofit of CCS to a planned or authorized power plant (but not yet constructed or operating);
- Construction and operation of a new power plant with CCS on an existing industrial site; and
- Construction and operation of a new power plant with CCS on an undeveloped site.

DOE received no less than four applications in each of the above groupings.

ENVIRONMENTAL REVIEW

DOE assembled environmental review teams to assess all applications that met the mandatory requirements. The review teams considered twenty (20) resource areas that could potentially be impacted by the projects proposed under CCPI-3. These resource areas consisted of:

Aesthetics	Floodplains	Soils
Air Quality	Geology	Surface Water
Biological Resources	Ground Water	Transportation and Traffic
Climate	Human Health and Safety	Utilities
Community Services	Land Use	Wastes and Materials
Cultural Resources	Noise	Wetlands
Environmental Justice	Socioeconomics	

The review teams were composed of environmental professionals with experience evaluating the impacts of power plants and energy-related projects, and with expertise in the resource areas considered by DOE. The review teams considered the information provided as part of each application, which included narrative text, worksheets, and the environmental questionnaire(s) for the site(s) proposed by the applicant. In addition, reviewers independently verified the information provided to the extent practicable using available sources commonly consulted in the preparation of NEPA documents, and conducted preliminary analyses to identify the potential range of impacts associated with each application. Reviewers identified both direct and indirect, as well as short-term impacts, which might occur during construction and start-up, and long-term impacts, which might occur over the expected operational life of the proposed project and beyond. The reviewers also considered any mitigation measures proposed by the applicant and any reasonably available mitigation measures that may not have been proposed.

Reviewers assessed the potential for environmental issues and impacts using the following characterizations:

- **Beneficial** – Expected to have a net beneficial effect on the resource in comparison to baseline conditions.

- **None (negligible)** – Immeasurable or negligible in consequence (not expected to change baseline conditions).
- **Low** – Measurable or noticeable but of minimal consequence (barely discernable change in baseline conditions).
- **Moderate** – Adverse and considerable in consequence but moderate and not expected to reach a level of significance (discernable, but not drastic, alteration of baseline conditions).
- **High** – Adverse and potentially significant in severity (anticipated substantial changes or effects on baseline conditions that might not be mitigable).

Applications in Response to the Initial FOA

Based on the technologies and sites proposed, none of the applications for the initial FOA were deemed to have a high potential for adverse impacts in nineteen of the twenty resource areas. However, four applications could have a potential for high adverse impacts to biological resources. The following impacts by resource area were considered in the selection of candidates for award:

Aesthetics – No impacts would be expected for one project at an existing power plant. Low to moderate impacts would be expected for other existing facilities or facilities to be constructed. Impacts ranged from temporary impacts during construction to new construction within the line-of-sight of public property, including nearby roads and highways.

Air Quality – Low to moderate impacts would be expected from emissions of criteria pollutants from new sources and fugitive emissions of dust. Compliance with Prevention of Significant Deterioration increments would be required for three projects; and new source reviews would be required for four projects. Increased emissions of volatile organic compounds (VOCs) and ammonia would be expected for more than half of the projects. Some increase in cooling tower drift could be expected for two projects.

Biological Resources – Four applications could potentially impact threatened or endangered species or their critical habitat, waterfowl and other migratory bird flyways or their crucial habitat, or wildlife refuges either because of new plant construction or installation of pipelines for CO₂ transport. No impacts were expected for two projects at existing plants. Low to moderate potential impacts would be expected for five applications.

Climate – No impacts would be expected for four projects at existing power plants. Low to moderate impacts would be expected for other existing facilities or facilities to be constructed. Impacts ranged from potential operational impacts from severe weather to localized increases in fogging or icing. Successful demonstration of CCS could contribute to reduced carbon footprints of fossil-fuel power plants.

Community Services – No impacts would be expected at the sites of two existing plants. Low to moderate impacts would be expected for the remaining applications. Generally, projects anticipating a larger temporary workforce during construction would be expected to place a higher demand on community services – particularly in smaller, more rural communities where currently existing community services are more limited.

Cultural Resources – No impacts would be expected at three existing facilities. Low to moderate impacts would be expected for the remaining applications. Potential impacts include tribal concerns over pipeline routes. Impacts would vary with the extent of known tribal claims and their proximity to the proposed project or pipeline route.

Environmental Justice – No impacts would be expected for five applications with no environmental justice populations present. There is a moderate potential for environmental justice issues at all but one of the remaining sites either because of environmental justice populations near the proposed site or along a

proposed pipeline route. Potential impacts at the remaining site are expected to be low because of more limited environmental justice populations in the project area.

Floodplains – No impacts would be expected for two proposed projects. Low to moderate potential impacts during construction or pipeline routing would be expected for the remaining proposed projects.

Geology – The potential for low to moderate impacts exists for all applications either from CO₂ injection into saline aquifers or use for enhanced oil recovery. Some impacts could be expected from increased demand for coal if such demand contributes to opening new coal mines or expanding existing mines.

Ground Water – No impacts would be expected for one application involving an existing facility. Low to moderate impacts could be expected for the other applications. Impacts could include displacement of saline waters in reservoirs targeted for CO₂ injection or loss of CO₂ containment should injection pressures be too high.

Human Health and Safety – Potential impacts would be low to moderate and consist mainly of hazards associated with construction. The level of risk is generally related to the size and complexity of the planned construction. There could also be risk to human health and safety from loss of containment of CO₂ during transport and injection. This risk is present for all applications and generally varies from low to moderate with distance and population density along the CO₂ transport route where shorter routes through sparsely populated areas would have a lower risk than longer routes through regions of higher population.

Land Use – No impacts were identified for applications at existing facilities where the proposed project would not increase the footprint of the existing plant. Low to moderate impacts would be expected for applications proposing new construction. The level of potential impacts would generally be higher for new facilities on land currently used for other than industrial purposes. The assessment of impacts included both the plant site, sequestration site, and required pipeline routes for CO₂ transport.

Noise – No impacts would be expected for one project at an existing power plant. Low to moderate impacts could result from increases to ambient noise during construction and operation. Impacts would generally vary with distance and population density.

Socioeconomics – Expected impacts would be low for all applications. All applications would provide some additional employment during construction and operations. Most employment opportunities would be in the local area.

Soils – No impacts would be expected for one project at an existing power plant. Low impacts related to increased erosion during construction would be expected for other existing facilities requiring new pipelines or new facilities to be constructed.

Surface Water – Low to moderate impacts, including increased demand for cooling water and discharges to surface waters, would be expected for most of the applications. Some applications offered plans to maximize on-site reuse of water. Sediment control during construction was also considered.

Transportation and Traffic – Low to moderate impacts to traffic flow would be expected for all applications. Impacts would generally be higher during construction. Impacts expected during operations vary depending on increased rail or truck traffic. Projects in more rural areas would generally have lower impacts than new or existing facilities in more urban areas, where some increases in travel time could be expected during periods of peak construction.

Utilities – Low to moderate impacts would be expected for all applications. These would include an energy penalty for CCS retrofitted to existing power plants and increased demand for natural gas, potable water and wastewater treatment and disposal. Expected impacts would be higher for new plants proposed at sites not previously serviced by public utilities.

Wastes and Materials – Low to moderate impacts would be expected for all applications. Applications for projects that would include associated construction and operation of a new power plant would generally involve more material and waste impacts than would retrofits to existing plants.

Wetlands – No wetlands are located on the preferred site for one application. The potential for low to moderate impacts could be expected to small jurisdictional wetlands located on the proposed site or near proposed pipeline routes.

Applications in Response to the Reopened FOA

Based on the technologies and sites proposed, none of the applications for the reopened FOA were deemed to have a high potential for adverse impacts in sixteen of the twenty resource areas. All applications that would involve construction and operation of a new power plant were considered to have potentially high air quality impacts based on the need for new source permitting. Four applications were determined to have high potential for adverse impacts on biological resources; three applications were determined to have high potential for adverse impacts on surface waters; and one was determined to have high potential for adverse impacts on floodplains. The following impacts by resource area were considered in the selection of candidates for award:

Aesthetics – Impacts would be negligible for six projects that would involve retrofit or new construction at existing power plants or industrial sites. Low to moderate impacts would be expected for other retrofits to existing facilities or new facilities to be constructed. Moderate adverse impacts would result in the case of four applications involving construction of new power plants that would introduce line-of-sight impacts from superstructure and exhaust stacks where similar structures do not exist.

Air Quality – Impacts would result from emissions of criteria pollutants from new sources and fugitive emissions of dust. Twelve projects would have potentially high adverse impacts relating to emissions from proposed new plants. Lowest potential impacts would result from retrofits to existing or already-planned power plants.

Biological Resources – Four applications could potentially impact threatened or endangered species or their critical habitat, waterfowl and other migratory bird flyways, crucial habitat, or wildlife refuges either because of new plant construction or installation of pipelines for CO₂ transport. Moderate potential impacts would be expected for seven applications based on the locations of pipelines and other features. Low potential impacts would be expected for fourteen applications.

Climate – All applications were considered to present net beneficial effects on climate, because successful demonstration of CCS could contribute to reduced carbon footprints for fossil-fuel power plants. Potential adverse climate effects on plant operations were considered more from the perspective of engineering and design challenges to plant construction and maintenance.

Community Services – Negligible to low impacts would be expected for twenty applications. Five applications were determined to have potential for moderate impacts based on the size of the proposed projects to be located in smaller, more rural communities where existing community services are more limited.

Cultural Resources – Low potential for impacts would be expected for seventeen applications, including most retrofit projects. Moderate impacts would be expected for eight applications that could involve construction of structures or pipelines in proximity to tribal areas or historic sites.

Environmental Justice – Negligible to low potential for impacts would be expected for twenty three applications involving locations where environmental justice populations are not present. There is a moderate potential for environmental justice issues relating to the two remaining applications because of low-income or minority populations near the proposed site or along a proposed pipeline route.

Floodplains – One application would involve construction of structures within a 100-year floodplain with high potential for adverse impacts. Four applications were determined to have moderate potential impacts

during construction of structures or pipelines. Negligible to low potential for impacts would be expected for twenty applications that do not directly involve actions in floodplains.

Geology – Negligible to low potential for impacts would be expected for twenty two applications based on CO₂ injection into saline aquifers or use for enhanced oil recovery. Three applications would have potential for moderate impacts based on limited information and uncertainties relating to target formations for proposed CO₂ injection.

Ground Water – Negligible to low potential for impacts would be expected for eighteen applications. Moderate impacts could be expected for the seven other applications relating to limited information about groundwater capacity to supply plant operations or the potential effects on groundwater sources from required dewatering operations.

Human Health and Safety – Moderate potential for impacts would be expected for seventeen applications; low potential would be expected for eight. The level of risk is generally related to the size and complexity of the planned construction. There could also be risk to human health and safety from loss of containment of CO₂ during transport and injection. This risk is present for all applications and generally varies from low to moderate with distance and population density along the CO₂ transport route.

Land Use – Negligible to low potential for impacts would be expected for twenty applications, mainly including projects involving retrofit at existing facilities or new construction on industrial sites. Moderate potential for impacts would be expected for five applications particularly requiring new construction on land currently used for other than industrial purposes.

Noise – Negligible to low potential for impacts from increases to ambient noise during construction and operation for all applications. Moderate potential for impacts could occur in the cases of five applications if coal would be transported by truck instead of by rail.

Socioeconomics – All applications were determined to provide beneficial impacts to the respective host areas based on economic multipliers associated with project spending as well as additional employment during construction and operations.

Soils – Low potential for impacts would be expected for twenty applications, mainly including projects involving retrofit at existing facilities or new construction on industrial sites. Moderate potential for impacts would relate to increased erosion during construction of structures or pipelines for five applications.

Surface Water – Three applications could have high potential for impacts attributable to substantial planned withdrawals from surface waters for plant operations, construction of pipelines along impaired surface waters, or planned discharges to surface waters. Moderate potential for impacts would be expected for eight applications; low potential would be expected for fourteen, including most retrofit projects.

Transportation and Traffic – Negligible to low potential for impacts could result from increases in traffic during construction and operation for all applications. Moderate potential for impacts could occur in the cases of five applications if coal would be transported by truck instead of by rail.

Utilities – Low potential for impacts would be expected for twelve applications that would not require extensive new pipelines and transmission lines. Thirteen applications would have potential for moderate impacts based on the need for longer pipeline and/or transmission line construction.

Wastes and Materials – Low potential for impacts would be expected for nine applications, including most projects proposing retrofits. Sixteen applications would have potential for moderate impacts based on the development of new facilities or new processes at existing facilities that would increase demands for management of materials and wastes.

Wetlands – The potential for negligible to low impacts could be expected for nineteen applications. Six applications would have potential for moderate impacts based on the lengths and routing of utility features and the potential for encountering wetlands along corridors.

CONCLUSION

The applications received in response to the CCPI-3 FOAs provided reasonable alternatives for accomplishing the Department's purpose and need to satisfy the responsibility Congress imposed on DOE to demonstrate advanced coal-based technologies that can generate clean, reliable and affordable electricity in the United States. The alternatives available to DOE would also meet the Department's goal of accelerating the deployment of carbon capture and storage. An environmental review was part of the evaluation process of these applications. DOE prepared a critique containing information from this environmental review. That critique, summarized here, contained summary as well as project-specific environmental information. The critique was made available to, and considered by, the selection official before selections for financial assistance were made.

DOE determined that selecting two applications in response to the initial FOA, and three applications in response to the reopened FOA, would meet its purpose and need. The following provides a list of the projects selected, their locations, brief descriptions of the projects, and the anticipated level of NEPA review:

CCPI-3 initial FOA:

- Hydrogen Energy California Project (Kern County, CA). Hydrogen Energy International LLC, a joint venture owned by BP Alternative Energy and Rio Tinto, would design, construct, and operate an IGCC power plant that would take blends of coal and petroleum coke, combined with non-potable water, and convert them into hydrogen and CO₂. The CO₂ would be separated from the hydrogen using the methanol-based Rectisol process. The hydrogen gas would be used to fuel a power station, and the CO₂ would be transported by pipeline to nearby oil reservoirs where it would be injected for storage and used for enhanced oil recovery. The project, which would be located in Kern County, California, would capture more than 2,000,000 tons per year of CO₂. The anticipated level of NEPA review for this project is an EIS.
- Basin Electric Power Cooperative - Post Combustion CO₂ Capture Project - Basin Electric Power Cooperative proposed to add CO₂ capture and sequestration (CCS) to Basin Electric's existing Antelope Valley Station, located near Beulah, N.D. Negotiations are still ongoing to define the project scope and schedule.

CCPI-3 reopened FOA:

- Mountaineer Carbon Dioxide Capture and Storage Demonstration (New Haven, WV). American Electric Power (AEP) would design, construct, and operate a chilled ammonia process that is expected to effectively capture at least 90 percent of the CO₂ (1.5 million metric tons per year) in a 235 megawatt (MW) flue gas stream at the existing 1,300 MW Appalachian Power Company (APCo) Mountaineer Power Plant near New Haven, WV. The captured CO₂ would be treated, compressed, and then transported by pipeline to proposed injection sites located near the capture facility. During the operation phase, AEP proposed to permanently store the entire amount of captured CO₂ in two separate saline formations located approximately 1.5 miles below the surface. The project team includes AEP, APCo, Schlumberger Carbon Services, Battelle Memorial Institute, CONSOL Energy, Alstom, and an advisory team of geologic experts. The anticipated level of NEPA review for this project is an EIS.
- The Texas Clean Energy Project. Summit Texas Clean Energy, LLC (Bainbridge Island, WA) would integrate Siemens gasification and power generating technology with carbon capture technologies to effectively capture 90% of the carbon dioxide (2.7 million metric tons per year) at a 400 MW plant to

be built near Midland-Odessa, TX. The captured CO₂ would be treated, compressed and then transported by CO₂ pipeline to oilfields in the Permian Basin of West Texas, for use in enhanced oil recovery (EOR) operations. The Bureau of Economic Geology (BEG) at the University of Texas would design and assure compliance with a state-of-the-art CO₂ sequestration monitoring, verification, and accounting program. The anticipated level of NEPA review for this project is an EIS.

- The Parish Post-Combustion CO₂ Capture and Sequestration Project (Thompsons, Texas). NRG Energy, Inc. (NRG) would design, construct, and operate a system that would capture and store approximately 400,000 tons of carbon CO₂ per year. The system would employ Fluor's Econamine FG Plus technology to capture at least 90 percent of the CO₂ from a 60 MW flue gas stream of the 617-MW Unit 7 at the W.A. Parish Generating Station located in Thompsons, Texas. Fluor's Econamine FG Plus CO₂ capture system features advanced process design and techniques, which lower the energy consumption of existing amine-based CO₂ capture processes by more than 20 percent. The captured CO₂ would be compressed and transported by pipeline to a mature oil field for injection into geologic formations for permanent storage through an enhanced oil recovery operation. The site would be monitored to track the migration of the CO₂ underground and to establish the permanence of sequestration. DOE is in the process of evaluating the appropriate level of NEPA documentation for this project.

APPENDIX B
PUBLIC SCOPING SUMMARY REPORT

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Introduction

In accordance with its NEPA implementing procedures, as specified in 10 CFR 1021, the U.S. Department of Energy (DOE) initiated the public scoping process November 14, 2011 with publication of a Notice of Intent (NOI) to prepare the *W.A. Parish Post-Combustion CO₂ Capture and Sequestration (PCCS) Project Environmental Impact Statement (EIS)* in the Federal Register. The NOI (Attachment 1) and subsequent newspaper notices invited the public to comment on the proposed scope and content of the EIS. DOE also held two public scoping meetings for this proposed project. The following document describes the process followed and the results.

Notice of Intent

The U.S. Department of Energy (DOE) published a Notice of Intent (NOI) to prepare the *W.A. Parish Post-Combustion CO₂ Capture and Sequestration (PCCS) Project Environmental Impact Statement (EIS)* in the Federal Register on Monday, November 14, 2011 (FR Vol. 76, No. 219, 70429). The NOI (Attachment 1) initiated the public scoping period, in which members of the public were invited to comment on the proposed scope and content of the EIS. Comments and suggestions were requested to be received within the 30-day scoping period and no later than December 14, 2011. The NOI described the proposed project and identified the dates and times for the two public scoping meetings.

Newspaper Notices

In addition to the NOI published in the Federal Register (FR Vol. 76, No. 219, 70429), DOE published notices in four local newspapers between November 16, 2011 and November 30, 2011 (see Table 1). These public notices advertised the public scoping meetings and solicited public comments. Copies of the notices and the Affidavits of Publication for these notices are provided in Attachment 2.

Table 1. Dates and Publications for Advertisement

Newspaper	Dates of Publication
<i>Fort Bend Herald</i>	November 16 and 27, 2011
<i>El Campo Leader-News</i>	November 16 and 26, 2011
<i>Jackson County Herald-Tribune</i>	November 16 and 30, 2011
<i>La Sabasta</i> (Southwest edition, in Spanish)	November 17 and 24, 2011

Public Scoping Meetings

DOE held two public scoping meetings to provide information to the public regarding the scope of the EIS for the proposed Parish PCCS Project, including the purpose of the proposed project, the range of alternatives, and the proposed project schedule. The meetings also offered the public an opportunity to comment on and ask questions about the proposed project. The first meeting was held on November 30, 2011 at Needville High School (100 Fritzella Road, Needville, Texas, 77461). The second meeting was held on December 1, 2011 at the Jackson County Services Building (411 North Wells Street, Edna, Texas, 77957).

A total of eight individuals attended the public scoping meeting on November 30, 2011 in Needville, Texas. On December 1, 2011, two individuals, both elected officials, attended the public scoping meeting in Edna, Texas. Lists of attendees are provided in Attachment 3.

Each of the two public scoping meetings began with a two-hour open house from 5:00 to 7:00 pm. During this time, attendees were provided access to informational handouts and posters about DOE's Proposed Action and NRG's proposed project, and comment forms to assist with submittal of comments. Personnel from DOE; NRG Energy, Inc./Petra Nova LLC (NRG/Petra Nova); the Texas Bureau of Economic Geology (BEG); and URS Group, Inc. (URS) were available to sign in attendees and to answer questions about the project.

The following displays were available for viewing at the Public Scoping Meetings:

- a project location map showing potential pipeline route alternatives,
- an explanation of the National Environmental Policy Act (NEPA) process,
- a schematic of the pipeline construction process, and
- a schematic of the carbon capture and enhanced oil recovery process.

In addition, detailed maps of the project area were available for viewing. The following handouts were made available for meeting attendees:

- a project fact sheet explaining the NEPA process and the DOE Clean Coal Power Initiative (CCPI);
- a Petra Nova fact sheet titled, "You're Looking at the Beginning of a Smarter, Brighter Energy Future;"
- a Petra Nova fact sheet titled, "The West Ranch CO₂ – EOR Project;"
- a Petra Nova fact sheet titled, "W.A. Parish CO₂ Capture Project;"
- a Petra Nova fact sheet titled, "CO₂ Enhanced Oil Recovery;"
- a copy of the NOI; and
- comment cards (in Spanish and English).

The open house was followed by a formal presentation beginning at 7:00 pm. DOE and NRG

representatives explained the proposed Parish PCCS Project, the NEPA process, DOE's Clean Coal Power Initiative Program, and the ways in which the public could submit comments on the scope of the EIS. Copies of posters and handouts provided at the public scoping meetings are provided in Attachment 4. A copy of the presentation is provided in Attachment 5.

After the formal presentation, the public was invited to give verbal comments at the microphone. A court reporter was present at the meeting to document verbal comments for the project record. Transcripts of the formal portions of both public scoping meetings are provided in Attachment 6. The formal meetings adjourned at approximately 9:00 pm on November 30, 2011 and at approximately 8:45 pm on December 1, 2011.

All meeting attendees were invited to provide comments, either written or verbal, on the proposed scope of the EIS. Those attendees wishing to provide oral comments were given an opportunity to sign up to do so. Comment sheets were made available for all attendees to provide written comments either at the meeting, or to be faxed or mailed after the meeting. An email address, a postal address, a fax number, and a toll-free telephone number were provided. In addition, individuals could request to receive the Draft EIS and/or the Final EIS or Summary (hard copy of the full EIS or a hard copy summary plus a compact disk (CD) that contains the entire EIS).

Presentation Summary

Mr. Mark Lusk, the DOE NEPA Project Manager for the proposed project, welcomed the meeting participants. He explained his role in the project and the purpose of the public scoping meeting. Mr. Lusk also described the NEPA process for the proposed project, including a preliminary schedule for major NEPA milestones. Mr. Ted McMahon, the DOE Project Manager, provided some background on selection of the Parish PCCS Project and provided an overview of the Clean Coal Power Initiative (CCPI, the DOE program that would provide federal funding for the proposed project.

Mr. Jon Barfield of NRG/Petra Nova, with input from Mr. Tony Armpriester, also of NRG/Petra Nova, began his discussion by explaining why NRG/Petra Nova is pursuing the proposed project, including fulfillment of CCPI goals and benefits to NRG and the community. Mr. Barfield described the scope of the proposed project, including process overviews for the following project components: a CO₂ capture system at the W. A. Parish Generating Station in Fort Bend County; a pipeline running through Fort Bend, Wharton, and Jackson Counties; and enhanced oil recovery (EOR) operations at the West Ranch oil field in Jackson County. Mr. Barfield went on to review the project schedule, noting that the NEPA process is scheduled for completion by the end of 2012. Next would come detailed engineering and construction, followed by the commercial demonstration of the project in 2015.

Mr. Lusk concluded the presentation by reminding participants of the comment submission process and asking for any comments that attendees wanted to deliver verbally or directly to the court reporter.

A copy of the presentation described above is provided in Attachment 5. Transcripts of the presentations given at both meetings are included in Attachment 6.

Public Comments and Concerns

Four individuals spoke at the November 30, 2011 public scoping meeting in Needville, Texas. Their comments are summarized below. A complete transcript of comments made during the public meeting is provided in Attachment 6.

- **Mr. Mike Trahan** asked if NRG would be the sole owner of the pipeline and whether NRG would be able to use eminent domain to obtain land where they are making crossovers from one existing right-of-way to another existing right-of-way.
- **Mr. Richard Lord of the Gulf Coast District Council** said that that he had heard that there has been difficulty obtaining the payrolls from DOE-funded projects for review. Mr. Lord asked if there would be a certified payroll and whether it would be available for review. Mr. Lord also asked how much DOE funding would be available for this project.
- **Mr. Josh Grable** noted that the area had undergone a severe drought and asked how much water the expansion of the W.A. Parish Plant would use.
- **Mr. Mark Baker, a business agent for the pipefitters local,** expressed his concerns that the highest quality of workers would be available for the project. Mr. Baker also asked if the project would have an impact on the cost of electricity to the consumer.

No verbal comments were delivered at the December 1, 2011, meeting in Edna, Texas and no written comments were received during the scoping period (i.e., from November 14, 2011 to December 14, 2011).

ATTACHMENT 1

NOTICE OF INTENT

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19. LTG William Phillips, Deputy Assistant Secretary of the Army (Acquisition, Logistics and Technology), Office of the Assistant Secretary of the Army (Acquisition, Logistics and Technology).

20. Mr. Wimpy D. Pybus, Deputy Assistant Secretary of the Army for Acquisition, Policy and Logistics, Office of the Assistant Secretary of the Army (Acquisition, Logistics, and Technology).

21. Mr. Craig R. Schmauder, Deputy General Counsel (Installation, Environment and Civil Works), Office of the General Counsel.

22. Mr. Karl F. Schneider, Principal Deputy to the Assistant Secretary of the Army (Manpower and Reserve Affairs), Office of Assistant Secretary of the Army, Manpower and Reserve Affairs.

23. Mr. Brian M. Simmons, Executive Technical Director/Deputy to the Commander, United States Army Test and Evaluation Command.

24. Ms. Heidi Shyu, Acting Assistant Secretary of the Army (Acquisition, Logistics and Technology), Office of the Assistant Secretary of the Army (Acquisition, Logistics and Technology).

25. Mr. Lawrence Stubblefield, Deputy Assistant Secretary of the Army (Diversity and Leadership), Office of the Assistant Secretary of the Army (Manpower and Reserve Affairs).

26. MG Merdith B. W. Temple, Deputy Commanding General, United States Army Corps of Engineers.

27. LTG Dennis L. Via, Deputy Commanding General, United States Army Material Command.

Brenda S. Bowen,

Army Federal Register Liaison Officer.

[FR Doc. 2011-29272 Filed 11-10-11; 8:45 am]

BILLING CODE 3710-08-P

DEPARTMENT OF ENERGY

Notice of Intent To Prepare an Environmental Impact Statement and Notice of Potential Floodplain and Wetlands Involvement for the W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project, Southeastern TX

AGENCY: Department of Energy.

ACTION: Notice of Intent to Prepare an Environmental Impact Statement and Notice of Potential Floodplain and Wetlands Involvement.

SUMMARY: The U.S. Department of Energy (DOE) announces its intent to prepare an environmental impact statement (EIS) pursuant to the National Environmental Policy Act of 1969

(NEPA) (42 U.S.C. 4321 *et seq.*), the Council on Environmental Quality's (CEQ) NEPA regulations (40 CFR parts 1500-1508), and DOE's NEPA implementing procedures (10 CFR part 1021), to assess the potential environmental impacts of providing financial assistance for a project proposed by NRG Energy, Inc (NRG). DOE selected NRG's proposed W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project (Parish PCCS Project) for a financial assistance award through a competitive process under the Clean Coal Power Initiative (CCPI) program. NRG would design, construct and operate a commercial-scale carbon dioxide (CO₂) capture facility at its existing W.A. Parish Generating Station (Parish Plant) in Fort Bend County, Texas; deliver the CO₂ via a new pipeline to the existing West Ranch oil field in Jackson County, Texas for use in enhanced oil recovery (EOR) operations; and demonstrate monitoring techniques to verify the permanence of geologic CO₂ storage.

The project would use an amine-based post-combustion technology to capture 90 percent (approximately 1.6 million tons) of the CO₂ annually from a 250-megawatt equivalent (MWe) flue gas slip stream taken from the 617 megawatt (MW) Unit 8 at the Parish Plant. Captured CO₂ would be dried, compressed, and transported about 80 miles in a new pipeline to an existing oil field where it would be used for EOR. The project would demonstrate an integrated commercial-scale deployment of post-combustion CO₂ capture technology for use in EOR operations and long-term geologic storage. DOE selected this project to receive a financial assistance award through a competitive process under Round 3 (second selection phase) of the CCPI program.

The EIS will further inform DOE's decision on whether to provide financial assistance to NRG for the Parish PCCS Project. DOE proposes to provide NRG with up to \$355 million of the overall project cost, which would constitute approximately 42 percent of the estimated \$845 million total (in 2010 dollars). The project would further a specific objective of Round 3 of the CCPI program by demonstrating advanced coal-based technologies that capture and sequester, or put to beneficial use, CO₂ emissions from coal-fired power plants.

The purposes of this Notice of Intent (NOI) are to: (1) Inform the public about DOE's proposed action and NRG's proposed project; (2) announce the public scoping meetings; (3) solicit comments for DOE's consideration

regarding the scope and content of the EIS; (4) invite those agencies with jurisdiction by law or special expertise to be cooperating agencies in preparation of the EIS; and (5) provide notice that the proposed project may involve potential impacts to floodplains and wetlands.

DOE does not have regulatory jurisdiction over the Parish PCCS Project, and its decisions are limited to whether and under what circumstances it would provide financial assistance to the project. As part of the EIS process, DOE will consult with interested federal, state, regional and local agencies and Native American tribes.

DATES: DOE invites comments on the proposed scope and content of the EIS. Comments must be received within 30 days after publication of this NOI in the **Federal Register** to ensure consideration. In addition to receiving comments in writing and by email [See **ADDRESSES** below], DOE will conduct public scoping meetings to provide government agencies, private-sector organizations and the general public with opportunities to present oral and written comments or suggestions with regard to DOE's proposed action, alternatives, and the potential impacts of NRG's proposed project for DOE consideration during development of the EIS. The public scoping meetings will be held at the Needville High School, 100 Fritzella Road, in Needville, Texas, on Wednesday, November 30, 2011; and at the Jackson County Services Building, 411 North Wells Street, in Edna, Texas, on Thursday, December 1, 2011.

Oral comments will be heard during the formal portion of the scoping meetings beginning at 7 p.m. [See Public Scoping Process.] The public is also invited to informal sessions beginning at 5 p.m. at the same locations to learn more about the project and the proposed action. Representatives from DOE and NRG will be present at the informal sessions to discuss the proposed project, the CCPI program, and the EIS process. Displays and other information about DOE's proposed action and NRG's proposed project will also be available.

ADDRESSES: Written comments on environmental concerns about the project, overall scope of the EIS, or requests to participate in the public scoping meetings should be addressed to Mr. Mark W. Lusk, U.S. Department of Energy, National Energy Technology Laboratory, 3610 Collins Ferry Road, P.O. Box 880, Morgantown, WV 26507-0880. Individuals and organizations who would like to provide oral or electronic comments should contact Mr.

Lusk by postal mail at the above address; telephone ((412) 386-7435, or toll-free 1-(877) 812-1569); fax (304) 285-4403; or electronic mail (Parish.EIS0473@netl.doe.gov).

FOR FURTHER INFORMATION CONTACT: For further information about this proposed project, contact Mr. Lusk, as described above. For general information on the DOE National Environmental Policy Act (NEPA) process, contact Ms. Carol M. Borgstrom, Director, Office of NEPA Policy and Compliance (GC-54), U.S. Department of Energy, 1000 Independence Avenue SW., Washington, DC 20585; telephone ((202) 586-4600); fax (202) 586-7031; or leave a toll-free message (1-(800) 472-2756).

SUPPLEMENTARY INFORMATION:

Background

The CCPI program was established in 2002 as a government and private sector partnership to increase investment in clean coal technology. Through cooperative agreements with its private sector partners, the program advances clean coal technologies to commercialization. Congress established criteria for projects receiving financial assistance under this program in Title IV of the Energy Policy Act of 2005 (Pub. L. 109-58; EPAct 2005). Under this statute, CCPI projects must “advance efficiency, environmental performance and cost competitiveness well beyond the level of technologies that are in commercial service” (Pub. L. 109-58, Sec. 402(a)). On February 17, 2009, the *American Recovery and Reinvestment Act of 2009* (Pub. L. 111-5, 123 Stat. 115) appropriated \$3.4 billion to DOE for Fossil Energy Research and Development. DOE intends to use a significant portion of these funds to provide financial assistance to CCPI projects.

The CCPI program selects projects for its government-private sector partnerships through an open and competitive process. DOE issues funding opportunity announcements specifying the types of projects it seeks, and invites submission of applications. DOE reviews applications according to the criteria specified in the funding opportunity announcement; these criteria include technical, financial, environmental, and other considerations. DOE selects projects demonstrating the most promise when evaluated against these criteria, and enters into a cooperative agreement with the selected applicants. These agreements set out project objectives, obligations of the parties, and other features of the partnerships. Applicants must agree to provide at least 50 percent

of their project’s cost; and for most CCPI projects, the applicant’s cost share is much higher.

To date, the CCPI program has conducted three rounds of solicitations and project selections. Round 1 sought projects that would demonstrate advanced technologies for power generation and improvements in plant efficiency, economics, and environmental performance. Round 2 requested applications for projects that would demonstrate improved mercury controls and gasification technology. Round 3, which DOE conducted in two phases, sought projects that would demonstrate advanced coal-based electricity generating technologies, coupled with the capture and sequestration (or beneficial use) of CO₂ emissions. DOE’s overarching goal for Round 3 projects was to demonstrate technologies at commercial scale in a commercial setting that would: (1) Operate at 90 percent capture efficiency for CO₂; (2) make progress towards capture and sequestration at less than a 10 percent increase in the cost of electricity for gasification systems and a less than 35 percent increase for combustion and oxy-combustion systems; and (3) make progress towards capture and sequestration of 50 percent of the facility’s CO₂ output at a scale sufficient to evaluate full impacts of carbon capture technology on a generating plant’s operations, economics, and performance. The Parish PCCS Project was one of three projects selected in the second phase of Round 3. DOE entered into a cooperative agreement with NRG on May 7, 2010.

Purpose and Need for DOE Action

The purpose and need for DOE action is to advance the CCPI program by funding projects with the best chance of achieving the program’s objectives as established by Congress: commercialization of clean coal technologies that advance efficiency, environmental performance, and cost competitiveness well beyond the level of technologies currently in commercial service.

DOE Proposed Action

DOE’s proposed action is to provide limited financial assistance through a cooperative agreement with NRG for a new post-combustion carbon capture and compression system that would be added to the existing W.A. Parish power plant, with the captured CO₂ piped to an oil field for EOR. Under the original cooperative agreement, DOE agreed to provide approximately \$167 million in cost-shared funding, or about 50 percent

of the total estimated costs for a smaller project (about 60 MWe). However, the cooperative agreement also specified that NRG would perform a screening study to determine if a larger scale system can be employed to improve system economics and performance. As a result, NRG recently proposed that the technology be demonstrated at a larger scale and requested an increase in DOE funding to be applied to the total estimated \$845 million project cost. DOE’s proposed action for purposes of the EIS is to provide up to \$355 million in cost-shared funding for this project.

The W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project

NRG’s proposed project would demonstrate the commercial feasibility of a retrofit, commercial-scale CO₂ capture and compression system, coupled with use of CO₂ for enhanced oil recovery (EOR) and ultimate sequestration. NRG would design and construct a system that would capture approximately 90 percent of the CO₂ in an up to 250 MWe flue gas slip stream of the combustion exhaust gases from the existing 617 MW coal-fired Unit 8 at NRG’s Parish Plant. The captured CO₂ (up to 5,475 tons per day) would be transported an estimated 80 miles in a new pipeline to be constructed by NRG. The CO₂ would be used for EOR and ultimately sequestered at the existing West Ranch oil field in Jackson County, Texas.

Proposed Carbon Capture Facility: W.A. Parish Generating Station

The proposed capture system would be constructed on NRG’s 4,880-acre W.A. Parish Plant in rural Fort Bend County near the small town of Thompsons, Texas. The plant site includes four large pulverized coal-fueled power generating units, four smaller natural gas-fired units, and a 2,100-acre lake used for cooling water. The proposed project would retrofit one of the coal-fueled units (Unit 8) with a post combustion CO₂ capture system, using space available on the plant site immediately adjacent to the unit. The CO₂ capture system would use the Fluor Corporation (Fluor) advanced Econamine FG PlusSM technology, with monoethanolamine as the basis for the solvent. The project demonstration period may also include tests of other amine-based solvents. A new natural gas-fired combined-cycle power plant, estimated to be 80 MW in size, would be constructed to produce the auxiliary power needed to drive the compressors and equipment of the capture system. The exhaust gases from the new combustion turbine would produce

steam to provide heat for the solvent regeneration process.

CO₂ Compression and Transport

Captured CO₂ would be compressed and transported in a new pipeline to injection sites at the West Ranch oil field, an estimated 80 miles from the proposed capture facility. The pipeline route would traverse parts of Fort Bend, Wharton and Jackson counties. The anticipated route includes mostly rural, sparsely-developed agricultural lands. NRG is currently evaluating potential pipeline routes; and plans to use existing rights-of-way and avoid sensitive resources to the greatest extent practical. Potential pipeline routes will be considered as part of the NEPA process.

CO₂ Sequestration via Enhanced Oil Recovery

The proposed project would deliver up to 1.6 million tons of CO₂ per year to the West Ranch oil field, located in Jackson County near the central Gulf Coast of Texas, to be used for EOR. The oil field has operated since 1938 and is well-characterized. However, CO₂ floods have not been previously demonstrated in this field. A joint venture between NRG and Hilcorp Energy Company would conduct the EOR operations.

Project activities eligible for cost-sharing would include: engineering and design, permitting, equipment procurement, construction, startup and demonstration. Infrastructure investments in the oil field by NRG and the costs of EOR operations would not be cost-shared by DOE and are not included in the total project cost estimates. DOE would, however, cost-share in monitoring, verification, and accounting (MVA) activities at the EOR site to demonstrate the permanence of CO₂ sequestration through EOR. Following the DOE cost-shared demonstration phase, the system would likely continue long-term commercial operations, without further DOE funding.

CO₂ Monitoring, Verification, and Accounting Program

NRG would implement a MVA program to monitor the injection and migration of CO₂ within the geologic formations. The MVA program must meet regulatory and CCPI program requirements and may consist of the following components: (1) Injection system monitoring; (2) containment monitoring (via monitoring wells, mechanical integrity testing, and other means); (3) CO₂ plume tracking via multiple techniques; (4) CO₂ injection simulation modeling; and (5)

experimental techniques yet to be developed.

Proposed Project Schedule

The project proposed by NRG includes three phases: (1) Planning and conceptual design; (2) detailed engineering, procurement and construction; and (3) three years of demonstration and monitoring. NRG plans to start construction in November 2012 and begin commercial operations (demonstration phase) by 2015. The schedule is contingent on NRG receiving the necessary permits and regulatory approvals, as well as financial closing on all the necessary funding sources, including DOE's financial assistance. DOE's decision to provide financial assistance for detailed design, procurement of equipment, construction, and operations is contingent on completion of the NEPA process.

Connected and Cumulative Actions

Under the cooperative agreement between DOE and NRG, DOE would share in the cost of the carbon capture and supporting facilities at the power plant site, pipeline construction, development of monitoring wells and related facilities at the EOR site, and some of the operational costs (e.g., MVA activities) during the three-year demonstration phase. DOE will consider the potential impacts associated with connected actions, such as potential development of additional support facilities or infrastructure that would be anticipated for the proposed project.

DOE will also consider the cumulative impacts of the proposed project along with any other connected actions, including those of third parties. The cumulative impacts analysis will include an assessment of pollutant emissions (including greenhouse gas emission reductions) and other incremental impacts that, when added to past, present and reasonably foreseeable future impacts, may have significant effects on the human environment.

Alternatives, Including the Proposed Action

NEPA requires that an EIS evaluate the range of reasonable alternatives to an agency's proposed action. The range of reasonable alternatives encompasses those alternatives that would satisfy the underlying purpose and need for agency action. The purpose and need for DOE action is to advance the CCPI program by providing cost-shared funding for selected projects that have the best chance of achieving the program's objectives as established by Congress:

the commercialization of clean coal technologies that advance efficiency, environmental performance, and cost competitiveness well beyond the level of technologies currently in service.

DOE's NEPA implementing procedures include a process for identifying and analyzing reasonable alternatives in the context of providing financial assistance through the competitive selection of projects proposed by entities outside the Federal Government. The range of reasonable alternatives in competitions for grants, loans, loan guarantees and other financial support is defined initially by the range of responsive proposals received by DOE. Unlike projects undertaken directly by the federal government, DOE cannot mandate what outside entities propose, where they propose their project, or how they propose to do it, beyond expressing basic requirements in the funding opportunity announcement; and these express requirements must be limited to those that further the program's objectives. DOE's decision is then limited to selecting projects from the applications that meet the CCPI program's goals.

DOE prepared an environmental critique (see 10 CFR § 1021.216) that assessed the environmental impacts and issues relating to each of the proposals received in CCPI Round 3 that met the basic eligibility requirements. The DOE selecting official considered these impacts and issues, along with other aspects of the proposals (such as technical merit and financial ability) and the program's objectives, in making awards. After DOE selects a project for an award, the range of reasonable alternatives becomes the project as proposed by the applicant, any alternatives still under consideration by the applicant or that are reasonable within the confines of the project as proposed (e.g., the locations of the processing units, pipelines, and injection sites on land proposed for the project) and a "no action" alternative.

DOE currently plans to evaluate the project as proposed by NRG (with and without any mitigating conditions that DOE may identify as reasonable and appropriate), alternatives to NRG's proposal that it is still considering (e.g., CO₂ capture rates and solvents, power and steam supply options, locations of alternative pipeline routes, and locations of injection and monitoring wells), and the no action alternative. The EIS may also analyze other reasonable project-specific alternatives identified by DOE (in consultation with NRG) or the public (as part of the public scoping process).

Under the no action alternative, DOE would not provide funding to NRG. In the absence of financial assistance from DOE, NRG could reasonably pursue two options. It could build the project without DOE funding; the impacts of this option would be essentially the same as those of NRG's proposed project, except any DOE-required mitigations would not be imposed. Alternatively, NRG could choose not to pursue its project, and there would be no impacts from the project. This latter option would not contribute to the goal of the CCPI program, which is to accelerate commercial deployment of advanced coal technologies that provide the United States with clean, reliable, and affordable energy. However, as required by NEPA, DOE analyzes this option as the no action alternative for the purpose of making a meaningful comparison between the impacts of DOE providing financial assistance and withholding that assistance.

Alternatives being considered by NRG related to specifics of the proposed project will also be discussed in the EIS. NRG and its partners are considering locations for the injection and monitoring wells and the pipeline corridors necessary for transportation of the CO₂.

Floodplains and Wetlands

The footprint of the proposed capture facilities and related infrastructure that would be constructed at the existing Parish Plant would be located to avoid or minimize potential impacts to wetlands or floodplains. Wetland and floodplain impacts, if any, would likely only be associated with installation of monitoring and injection wells, or the construction of CO₂ pipelines or other linear features required for this project. The CO₂ pipeline would likely need to cross the Colorado, Navidad and Lavaca rivers, as well as smaller streams along the route. DOE will identify such impacts during preparation of the EIS and, if any are identified, DOE will prepare a floodplain and wetland assessment in accordance with its regulations (10 CFR Part 1022) and include the assessment in the EIS.

Preliminary Identification of Environmental Issues

DOE intends to address the issues listed below when considering the potential impacts resulting from the construction and operation of NRG's proposed project and any connected actions. This list is neither intended to be all-inclusive, nor a predetermined set of potential impacts. DOE invites comments on the list of important issues to be considered in the EIS. The

preliminary list of potentially affected resources or activities and their related environmental issues includes, but is not limited to:

- Air quality resources: potential air quality impacts from emissions during construction and operation of the proposed project on local sensitive receptors, local environmental conditions, and special-use areas, including impacts to smog and haze, impacts from dusts, and impacts from amine and greenhouse gas emissions;
- Water resources: potential impacts from water utilization and consumption, plus potential impacts from wastewater discharges;
- Infrastructure and land use: potential impacts associated with delivery of feed materials and distribution of products (e.g., access roads, pipelines);
- Visual resources: potential impacts to the viewshed, scenic views (e.g., impacts from the injection wells, pipelines, and support facilities for the injection wells and pipelines), and internal and external perception of the community or locality;
- Solid wastes: pollution prevention and waste management (generation, treatment, transport, storage, disposal or use), including hazardous materials;
- Ecological resources: potential on-site and off-site impacts to vegetation, wildlife, threatened or endangered species, and ecologically sensitive habitats;
- Floodplains and wetlands: potential wetland and floodplain impacts from construction of project facilities and pipelines;
- Traffic: potential impacts from the construction and operation of the facilities, including changes in local traffic patterns, deterioration of roads, traffic hazards, and traffic controls;
- Historic and cultural resources: potential impacts related to land disturbance and development associated with new linear facilities (pipelines, etc.);
- Geology: potential impacts from the injection and storage of CO₂ on underground resources such as ground water supplies, mineral resources, and fossil fuel resources;
- Fate and stability of CO₂ being sequestered by its use for EOR;
- Health and safety issues: potential impacts associated with use, transport, and storage of hazardous chemicals (including ammonia), and CO₂ capture and transport to the sequestration site(s);
- Socioeconomic impacts, including the creation of jobs;
- Disproportionately high and adverse human health and

environmental impacts on minority and low-income populations;

- Noise and light: potential impacts from construction, transportation of materials, and facility operations;
- Connected actions: potential development of support facilities or supporting infrastructure (e.g., facilities and utilities anticipated for EOR operations);
- Cumulative effects: incremental impacts of the proposed project when added to other past, present, and reasonably foreseeable future projects; and
- Compliance with regulatory and environmental permitting requirements.

Public Scoping Process

This NOI initiates the public scoping process under NEPA, which will assist in the development of the draft EIS. To ensure identification of issues related to DOE's proposed action and NRG's proposed project, DOE seeks public input to define the scope of the EIS. The public scoping period will end 30 days after publication of this NOI in the **Federal Register**. Interested government agencies, tribal governments, private-sector organizations, and individuals are encouraged to submit comments or suggestions concerning the content of the EIS, issues and impacts that should be addressed, and alternatives that should be considered. Scoping comments should clearly describe specific issues or topics that the EIS should address. Written, emailed, or faxed comments should be received within 30 calendar days of this notice (see **ADDRESSES**).

DOE will conduct public scoping meetings at the Needville High School, 100 Fritzella Road, in Needville, Texas, on Wednesday, November 30, 2011; and at the Jackson County Services Building, 411 North Wells Street, in Edna, Texas, on Thursday, December 1, 2011. The public is invited to learn more about the project at informal sessions at these locations beginning at 5 p.m. DOE will begin the formal meetings with an overview of NRG's proposed project. Oral comments will be heard during the formal portion of the scoping meetings beginning at 7 p.m. DOE requests that anyone wishing to speak at the public scoping meetings should contact Mr. Lusk, either by phone, email, fax, or postal mail (see **ADDRESSES**). Those who do not make advance arrangements may register at the meetings (preferably at the beginning of the meeting) and may be given an opportunity to speak after previously scheduled speakers. Speakers will be given approximately five minutes to present their comments. Speakers wanting more than five

minutes should indicate the length of time desired in their requests. Depending on the number of speakers, DOE may need to limit all speakers to five minutes initially and provide second opportunities as time permits. Oral and written comments will be given equal consideration.

The meetings will not be conducted as evidentiary hearings and speakers will not be cross-examined. However, speakers may be asked clarifying questions to help ensure that DOE fully understands the comments or suggestions. A presiding officer will establish the order of speakers and provide any additional procedures necessary to conduct the meetings. A court stenographer will record the proceedings, including all oral comments received. Individuals may also provide written materials in lieu of, or to supplement, their oral comment.

Issued in Pittsburgh, Pennsylvania, this 4th day of November 2011.

Anthony V. Cugini

Director, National Energy Technology Laboratory.

[FR Doc. 2011-29333 Filed 11-10-11; 8:45 am]

BILLING CODE 6450-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 12790-001]

Andrew Peklo III; Notice of Application Accepted for Filing with the Commission, Intent to Waive Scoping, Soliciting Motions to Intervene and Protests, Ready for Environmental Analysis, Soliciting Comments, Terms and Conditions, Recommendations, and Prescriptions, and Establishing an Expedited Schedule for Processing

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection.

- a. *Type of Application:* Exemption From Licensing.
- b. *Project No.:* 12790-001.
- c. *Date filed:* February 16, 2011.
- d. *Applicant:* Andrew Peklo III.
- e. *Name of Project:* Pomperaug Hydro Project.
- f. *Location:* On the Pomperaug River, in the Town of Woodbury, Litchfield County, Connecticut. The project would not occupy lands of the United States.
- g. *Filed Pursuant to:* Public Utility Regulatory Policies Act of 1978, 16 U.S.C. 2705, 2708.
- h. *Applicant Contact:* Andrew Peklo III, 29 Pomperaug Road, Woodbury, CT

06798, (203) 263-4566, themill@charter.net.

i. *FERC Contact:* Steve Kartalia, (202) 502-6131 or Stephen.kartalia@ferc.gov.

j. *Deadline for filing motions to intervene and protests, comments, terms and conditions, recommendations, and prescriptions:* Due to the small size and particular location of this project and the close coordination with state and federal agencies during the preparation of the application, the 60-day timeframe in 18 CFR 4.34(b) for filing comments, terms and conditions, recommendations, and prescriptions is shortened. Instead, comments, terms and conditions, recommendations, and prescriptions will be due 30 days from the issuance date of this notice. Further, the date for filing motions to intervene and protests will be due 30 days from the issuance date of this notice. All reply comments must be filed with the Commission within 45 days from the date of this notice.

All documents may be filed electronically via the Internet. See 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's Web site <http://www.ferc.gov/docs-filing/efiling.asp>. Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at <http://www.ferc.gov/docs-filing/ecomment.asp>. You must include your name and contact information at the end of your comments. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll free at 1-(866) 208-3676, or for TTY, (202) 502-8659. Although the Commission strongly encourages electronic filing, documents may also be paper-filed. To paper-file, mail an original and seven copies to: Kimberly D. Bose, Secretary, Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

The Commission's Rules of Practice require all intervenors filing documents with the Commission to serve a copy of that document on each person on the official service list for the project. Further, if an intervenor files comments or documents with the Commission relating to the merits of an issue that may affect the responsibilities of a particular resource agency, they must also serve a copy of the document on that resource agency.

k. This application has been accepted for filing and is now ready for environmental analysis.

l. *Project Description:* The Pomperaug Hydro Project would consist of: (1) the existing 90-foot-long, 15-foot-high Pomperaug River dam equipped with three existing gates; (2) an existing 0.1-

acre impoundment with a normal water surface elevation of 226 feet above mean sea level; (3) an existing 40-foot-long, 42- to 50-inch-diameter penstock; and (4) an existing powerhouse integral to the dam, containing one new 76-kilowatt turbine generating unit. Project power would be transmitted through a new 24-foot-long, 208-volt underground transmission line. The proposed project is estimated to generate an average of 300,000 kilowatt-hours annually.

The applicant proposes to: (1) Rehabilitate the existing gates including constructing a new intake structure with a trashrack; and (2) construct a new fish passage facility adjacent to the existing powerhouse.

m. Due to the project works already existing and the limited scope of proposed rehabilitation of the project site described above, the applicant's close coordination with Federal and State agencies during the preparation of the application, completed studies, and agency recommended preliminary terms and conditions, we intend to waive scoping, shorten the notice filing period, and expedite the exemption process. Based on a review of the application, resource agency consultation letters including the preliminary terms and conditions, and comments filed to date, Commission staff intends to prepare a single environmental assessment (EA). Commission staff determined that the issues that need to be addressed in its EA have been adequately identified during the pre-filing period, which included a public meeting and site visit, and no new issues are likely to be identified through additional scoping. The EA will consider assessing the potential effects of project construction and operation on geology and soils, aquatic, terrestrial, threatened and endangered species, recreation and land use, aesthetic, and cultural and historic resources.

n. A copy of the application is available for review at the Commission in the Public Reference Room or may be viewed on the Commission's Web site at <http://www.ferc.gov> using the "eLibrary" link. Enter the docket number excluding the last three digits in the docket number field to access the document. For assistance, contact FERC Online Support.

Register online at <http://www.ferc.gov/docs-filing/esubscription.asp> to be notified via email of new filings and issuances related to this or other pending projects. For assistance, contact FERC Online Support.

o. Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of

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ATTACHMENT 2
AFFIDAVITS OF PUBLICATION

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PUBLISHER'S AFFIDAVIT

STATE OF TEXAS
COUNTY OF JACKSON

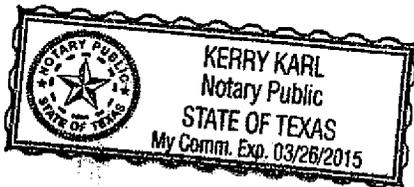
Personally appeared before the undersigned, a notary public within and for said County and State, Chris Lundstrom, Managing Editor of THE JACKSON COUNTY HERALD-TRIBUNE a newspaper having general circulation in Jackson County, Texas, who, being duly sworn, states on oath that the foregoing attached notice was published in said newspaper on the following date(s), to wit:

11/16/11
11/30/11

Chris Lundstrom

Chris Lundstrom, Managing Editor

Subscribed and sworn to me before this 1 day of Dec, 2011
to certify which witness my hand and seal of office.



Kerry Karl

NOV 16

**DOT-NETL ANNOUNCES
PUBLIC SCOPING
MEETING**

The U.S. Department of Energy (DOE) and its National Energy Technology Laboratory (NETL) recently issued a Notice of Intent to prepare an Environmental Impact Statement (EIS) for its proposed action to provide financial assistance for a project proposed by NRG Energy, Inc.

(NRG). NRG's project would design, construct, and operate a commercial-scale carbon dioxide (CO₂) capture facility and a new 80 MW natural gas-fired power plant at the W.A. Parish Generating Station in Fort Bend County, Texas; deliver the CO₂ via a new 80-mile pipeline to the existing West Ranch oil field in Jackson County, Texas, for use in enhanced oil recovery (EOR) operations; and demonstrate monitoring techniques to verify the permanence of geologic CO₂ storage. DOE selected the W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project for a financial assistance award through a competitive process under the Clean Coal Power Initiative Program.

DOE will host two public scoping meetings to present an overview of the proposed project and offer the public opportunities to comment and ask questions. The meetings will be held at the following locations:

**Wednesday,
November 30, 2011**
Needville High School, 100
Fritzella Rd., Needville, TX
77461

**Thursday,
December 1, 2011**
Jackson County Services
Building, 411 N. Wells St.,
Edna, TX 77957

**DOE-NETL ANNOUNCES
PUBLIC SCOPING MEETING**

The U.S. Department of Energy (DOE) and its National Energy Technology Laboratory (NETL) recently issued a Notice of Intent to prepare an Environmental Impact Statement (EIS) for its proposed action to provide financial assistance for a project proposed by NRG Energy, Inc.

(NRG). NRG's project would design, construct, and operate a commercial-scale carbon dioxide (CO₂) capture facility and a new 80 MW natural gas-fired power plant at the W.A. Parish Generating Station in Fort Bend County, Texas; deliver the CO₂ via a new 80-mile pipeline to the existing West Ranch oil field in Jackson County, Texas, for use in enhanced oil recovery

(EOR) operations; and demonstrate monitoring techniques to verify the permanence of geologic CO₂ storage. DOE selected the W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project for a financial assistance award through a competitive process under the Clean Coal Power Initiative Program.

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Wednesday, November 30, 2011
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Needville, TX 77461

Thursday, December 1, 2011 Jackson
County Services Building, 411 N. Wells
St., Edna, TX 77957

The schedule for each meeting will be as follows:

5:00 – 7:00 pm Open House
7:00 – 7:30 pm DOE/NRG presentation
7:30 – 9:00 pm Public comment session

Comments or requests for additional information may be submitted by letter to Mr. Mark Lusk, NEPA Document Manager, DOE NETL, 3610 Collins Ferry Road, PO Box 880, MS B07, Morgantown, WV 26507-0880; submitted by e-mail to Parish.EIS0473@netl.doe.gov; or faxed to (304) 285-4403. Envelopes, subject lines of e-mails, and faxes should be labeled "Parish EIS Comments."

The Notice of Intent is available on the DOE-NETL website at <http://www.netl.doe.gov/publications/others/nea/index.html>.

NOV 30

AFFIDAVIT OF PUBLICATION OF NEWSPAPER
NOTICE OF PUBLIC HEARING

THE STATE OF TEXAS

COUNT OF Wharton

BEFORE ME, the undersigned authority, on this day personally appeared Jay Strasner, publisher of El Campo Leader-News, who, being by me duly sworn, upon oath deposes and says:

That the attached NOTICE OF PUBLIC HEARING was published in El Campo Leader-News, a newspaper published in the English language and of general circulation in the City of El Campo, Texas and in the territory proposed to be annexed, which said territory is described in said NOTICE OF PUBLIC HEARING, in the following issue: 11-16 and 11-26, 2011, and that the attached newspaper clipping is a true and correct copy of said published notice.

Signed: 

SWORN TO AND SUBSCRIBED BEFORE ME, this the 28 day of November, 2011.


Notary Public in and for Wharton County, Texas



(SEAL)

(AFFIX NEWSPAPER CLIPPING HERE)

DOT-NETL ANNOUNCES PUBLIC SCOPING MEETING

The U.S. Department of Energy (DOE) and its National Energy Technology Laboratory (NETL) recently issued a Notice of Intent to prepare an Environmental Impact Statement (EIS) for its proposed action to provide financial assistance for a project proposed by NRG Energy, Inc. (NRG). NRG's project would design, construct, and operate a commercial-scale carbon dioxide (CO₂) capture facility and a new 80 MW natural gas-fired power plant at the W.A. Parish Generating Station in Fort Bend County, Texas; deliver the CO₂ via a new 80-mile pipeline to the existing West Ranch oil field in Jackson County, Texas, for use in enhanced oil recovery (EOR) operations; and demonstrate monitoring techniques to verify the permanence of geologic CO₂ storage. DOE selected the W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project for a financial assistance award through a competitive process under the Clean Coal Power Initiative Program.

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The Notice of Intent is available on the DOE-NETL website at <http://www.netl.doe.gov/publications/others/nepa/index.html>.

DOT-NETL ANNOUNCES PUBLIC SCOPING MEETING

The U.S. Department of Energy (DOE) and its National Energy Technology Laboratory (NETL) recently issued a Notice of Intent to prepare an Environmental Impact Statement (EIS) for its proposed action to provide financial assistance for a project proposed by NRG Energy, Inc. (NRG). NRG's project would design, construct, and operate a commercial-scale carbon dioxide (CO₂) capture facility and a new 80 MW natural gas-fired power plant at the W.A. Parish Generating Station in Fort Bend County, Texas; deliver the CO₂ via a new 80-mile pipeline to the existing West Ranch oil field in Jackson County, Texas, for use in enhanced oil recovery (EOR) operations; and demonstrate monitoring techniques to verify the permanence of geologic CO₂ storage. DOE selected the W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project for a financial assistance award through a competitive process under the Clean Coal Power Initiative Program.

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The Notice of Intent is available on the DOE-NETL website at <http://www.netl.doe.gov/publications/others/nepa/index.html>.

PUBLISHER'S AFFIDAVIT

Scoping Meeting

THE STATE OF TEXAS §
COUNTY OF FORT BEND §

Before me, the undersigned authority, on this day personally appeared Stan Woody who being by me duly sworn, deposes and says that he is the Publisher of *Fort Bend Herald* and that said newspaper meets the requirements of Section 2051.044 of the Texas Government Code, to wit:

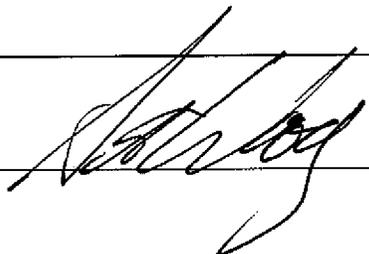
- 1. it devotes not less than twenty-five percent (25%) of its total column lineage to general interest items;
- 2. it is published at least once each week;
- 3. it is entered as second-class postal matter in the county where it is published; and
- 4. it has been published regularly and continuously since 1959.
- 5. it is generally circulated within Fort Bend County.

(CLIPPING) (S)
ON Back

Publisher further deposes and says that the attached notice was published in said newspaper on the following date(s) to wit:

11-27

_____, A.D. 2011



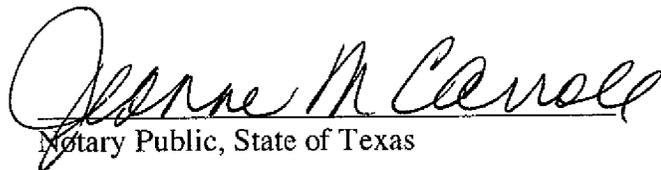
Stan Woody
Publisher

SUBSCRIBED AND SWORN BEFORE ME by Stan Woody who

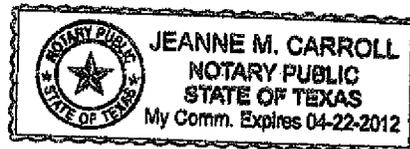
X a) is personally known to me, or

_____ b) provided the following evidence to establish his/her identity, _____

on this the 28th day of November, A.D. 2011 to certify which witness my hand and seal of office.



Notary Public, State of Texas



DOT-NETL ANNOUNCES PUBLIC SCOPING MEETING

The U.S. Department of Energy (DOE) and its National Energy Technology Laboratory (NETL) recently issued a Notice of Intent to prepare an Environmental Impact Statement (EIS) for its proposed action to provide financial assistance for a project proposed by NRG Energy, Inc. (NRG). NRG's project would design, construct, and operate a commercial-scale carbon dioxide (CO₂) capture facility and a new 80 MW natural gas-fired power plant at the W.A. Parish Generating Station in Fort Bend County, Texas; deliver the CO₂ via a new 80-mile pipeline to the existing West Ranch oil field in Jackson County, Texas, for use in enhanced oil recovery (EOR) operations; and demonstrate monitoring techniques to verify the permanence of geologic CO₂ storage. DOE selected the W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project for a financial assistance award through a competitive process under the Clean Coal Power Initiative Program.

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Thursday, December 1, 2011

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Comments or requests for additional information may be submitted by letter to Mr. Mark Lusk, NEPA Document Manager, DOE NETL, 3610 Collins Ferry Road, PO Box 880, MS B07, Morgantown, WV 26507-0880; submitted by e-mail to Parish.EIS0473@netl.doe.gov; or faxed to (304) 285-4403. Envelopes, subject lines of e-mails, and faxes should be labeled "Parish EIS Comments."

The Notice of Intent is available on the DOE-NETL website at <http://www.netl.doe.gov/publications/others/nepa/index.html>.

11-16

URS Corporation

PUBLISHER'S AFFIDAVIT *Scoping Meeting*

THE STATE OF TEXAS §
COUNTY OF FORT BEND §

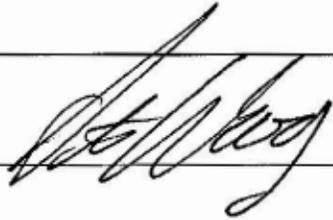
Before me, the undersigned authority, on this day personally appeared Stan Woody who being by me duly sworn, deposes and says that he is the Publisher of *Fort Bend Herald* and that said newspaper meets the requirements of Section 2051.044 of the Texas Government Code, to wit:

- 1. it devotes not less than twenty-five percent (25%) of its total column lineage to general interest items; (CLIPPING) (S)
- 2. it is published at least once each week;
- 3. it is entered as second-class postal matter in the county where it is published; and
- 4. it has been published regularly and continuously since 1959.
- 5. it is generally circulated within Fort Bend County.

Publisher further deposes and says that the attached notice was published in said newspaper on the following date(s) to wit:

11-16

_____, A.D. 2011



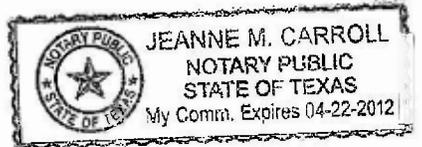
Stan Woody
Publisher

SUBSCRIBED AND SWORN BEFORE ME by Stan Woody who

- a) is personally known to me, or
- b) provided the following evidence to establish his/her identity, _____

on this the 16th day of November, A.D. 2011 to certify which witness my hand and seal of office.

Jeanne M. Carroll
Notary Public, State of Texas





Affidavit of Publication

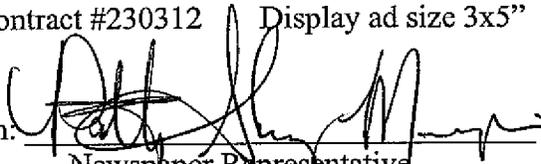
The State of Texas

County of Harris

Before me, the undersigned authority, on this day personally appeared Patty Alvarez-Marroquin who being by me duly sworn, deposes and says that he is the Account Executive of **La Subasta Newspaper** this said newspaper is weekly in Houston, Texas, Harris County. An advertisement for **URS Corporation** was published in the said newspaper in the following date(s), November 17, 2011 and November 24, 2011 in the Legal/Avisos Publicos Section of La Subasta Newspaper.

Customer # 111514 Contract #230312 Display ad size 3x5"

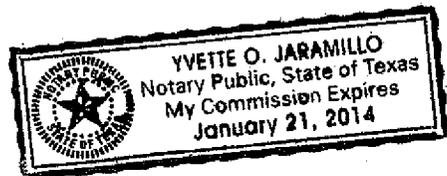
Patty Alvarez-Marroquin:


Newspaper Representative

Subscribed and sworn before me this 29th day of November , 2011, to certify which witness my hand and seal of office.



Yvette O. Jaramillo
Notary Public in and for the State of Texas
My commission expires: January 21, 2014



Legales / Avisos Públicos

DOT-NETL ANUNCIA UNA JUNTA PÚBLICA

El Departamento de Energía de Estados Unidos (DOE) y el Laboratorio Nacional Tecnológico de Energía (NETL) recientemente emitió una Noticia de Intento para preparar una Declaración de Impacto al Medioambiente (EIS) para su acción propuesta para proveer asistencia financiera para un proyecto propuesto por NRG Energy, Inc. (NRG). El proyecto de NRG diseñaría, construiría y operaría una instalación de escala-comercial de dióxido de carbono (CO₂) y una planta de energía natural de 80 MW de gas-lumbre en WA Parish Generating Station en el Condado de Fort Bend, Texas; el CO₂ se va a entregar por la vía de un nuevo conducto de 80 millas a West Ranch Oil Field en el Condado de Jackson, Texas, para usar en operaciones de recuperación de aceite mejoradas; y demostrar técnicas de monitoreo para verificar la permanencia de alojamiento geológico de CO₂. El DOE seleccionó y otorgó al Proyecto WA Parish Post-Combustion CO₂ Capture and Sequestration una asistencia financiera por medio de un proceso competitivo bajo el Programa Iniciativo Clean Coal Power.

El DOE va a ofrecer dos juntas públicas para presentar una información general del proyecto propuesto y ofrecer al público oportunidades para comentar y hacer preguntas. Las reuniones se llevarán a cabo en las siguientes ubicaciones:

Miércoles, 30 de Noviembre, 2011
Needville High School, 100 Frizella Rd., TX 77461

Jueves, 1 de Diciembre, 2011
Jackson County Services Building, 411 N. Wells St.,

El horario para cada reunión será de la siguiente manera:

5:00 – 7:00 pm Open House.
7:00 – 7:30 pm Presentación de DOE/NRG
7:30 – 9:00 pm Sesión de comentarios públicos.

Comentarios o peticiones para obtener información adicional pueden ser sometidos por carta al Sr. Mark Lusk, Document Manager de NEPA, DOE NETL, 3610 Collins Ferry Road, PO BOX 880, MS B07, Morgantown, WV 26507-0880; Someter por correo electrónico a: Parish.EIS0473@netl.doe.gov o vía fax al (304)285-4403. En los sobres, línea de "Subject" de correo electrónicos y fax deben de indicar "Parish EIS Comments".

La Nota de Intención esta disponible en el sitio Web de la DOE-NETL en: <http://www.netl.doe.gov/publications/others/nepa/index.html>

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ATTACHMENT 3

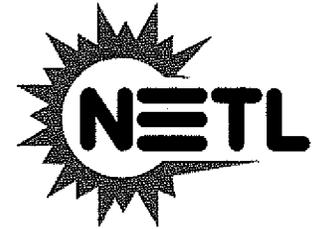
PUBLIC SCOPING MEETING ATTENDEE LIST

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SIGN-IN SHEET

W.A. Parish Post-Combustion
CO₂ Capture and Sequestration Project –
Southeastern Texas.
November 30, 2011



Name	Title	Address	Telephone	Fax	E-mail
Joshua Grable		Needville	979-418-1008		joshuagrable@gmail.com
RICHARD RAKERS		BRAZORIA			
Louis C REDD		Houston Tex 2927 Hopper	713 306 0951		
Michael Moore		12012 Wickdash	77079	281-668-8475	moore73@aol.com
MIKE TRAHAN					MIKET@PFLocal211.com
Mark Baker		1314 PALM LAMARQUE	TX-77568		markb@PFLocal211.com
Richard Lord		6906 Redwood Falls	713-906-3479		RickL-68@yahoo.com
Arun N. Naik	Sr. Policy Advisor	150 N Dairy Ash Blvd Houston 77079	832-337-1541		arun.naik@shell.com

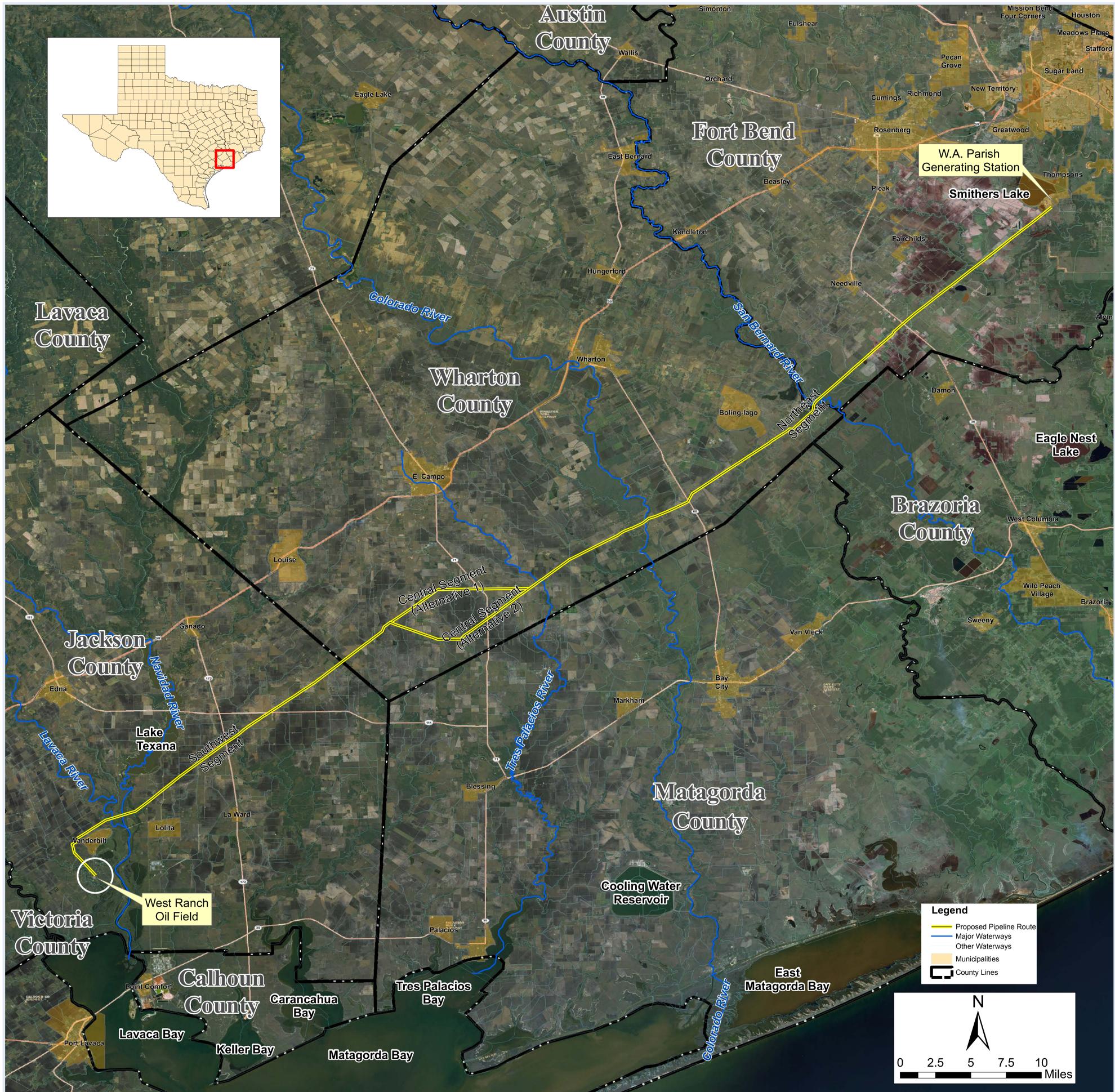
ATTACHMENT 4

PUBLIC SCOPING MEETING POSTERS AND HANDOUTS

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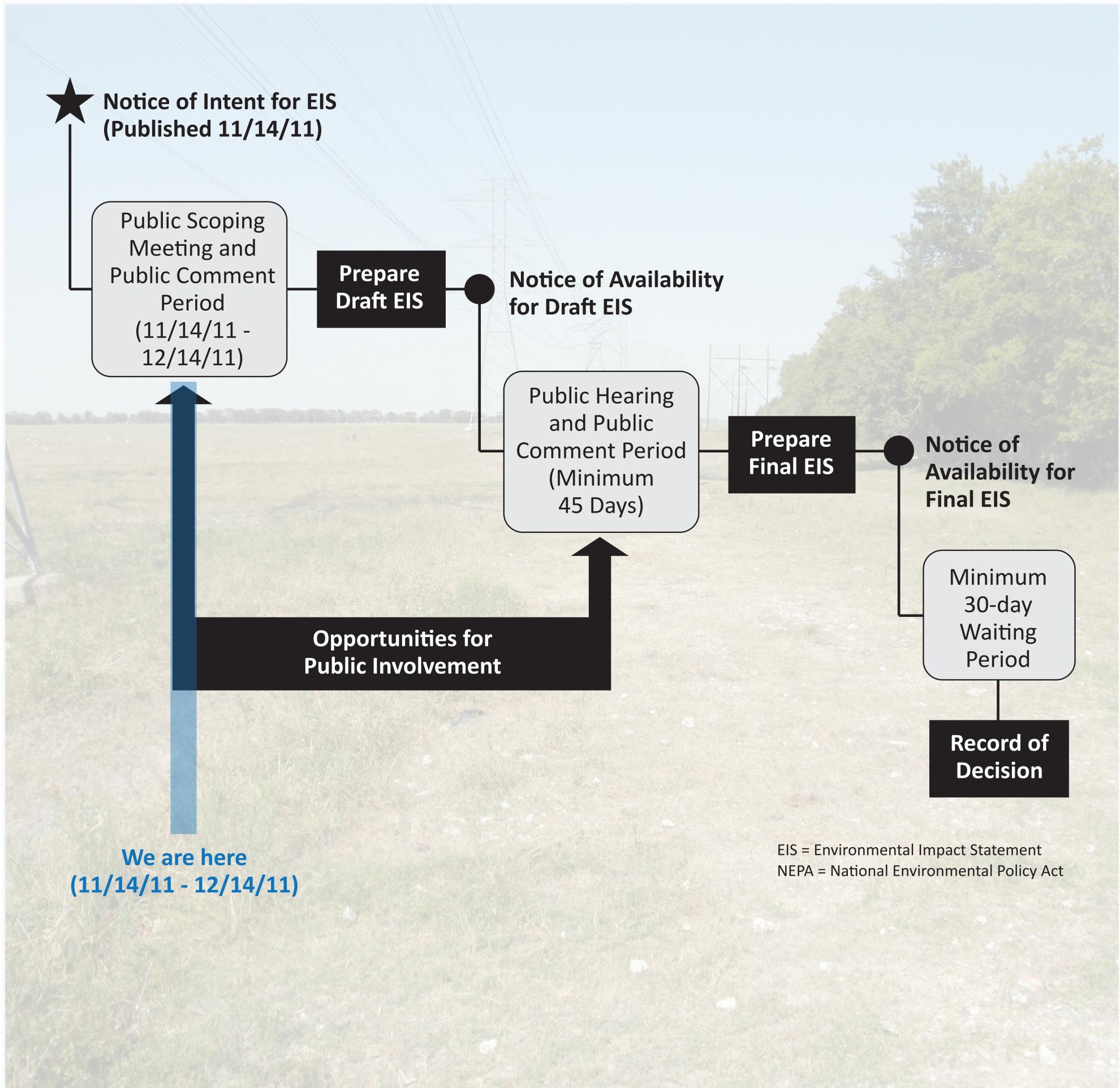
Project Location Map

W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project



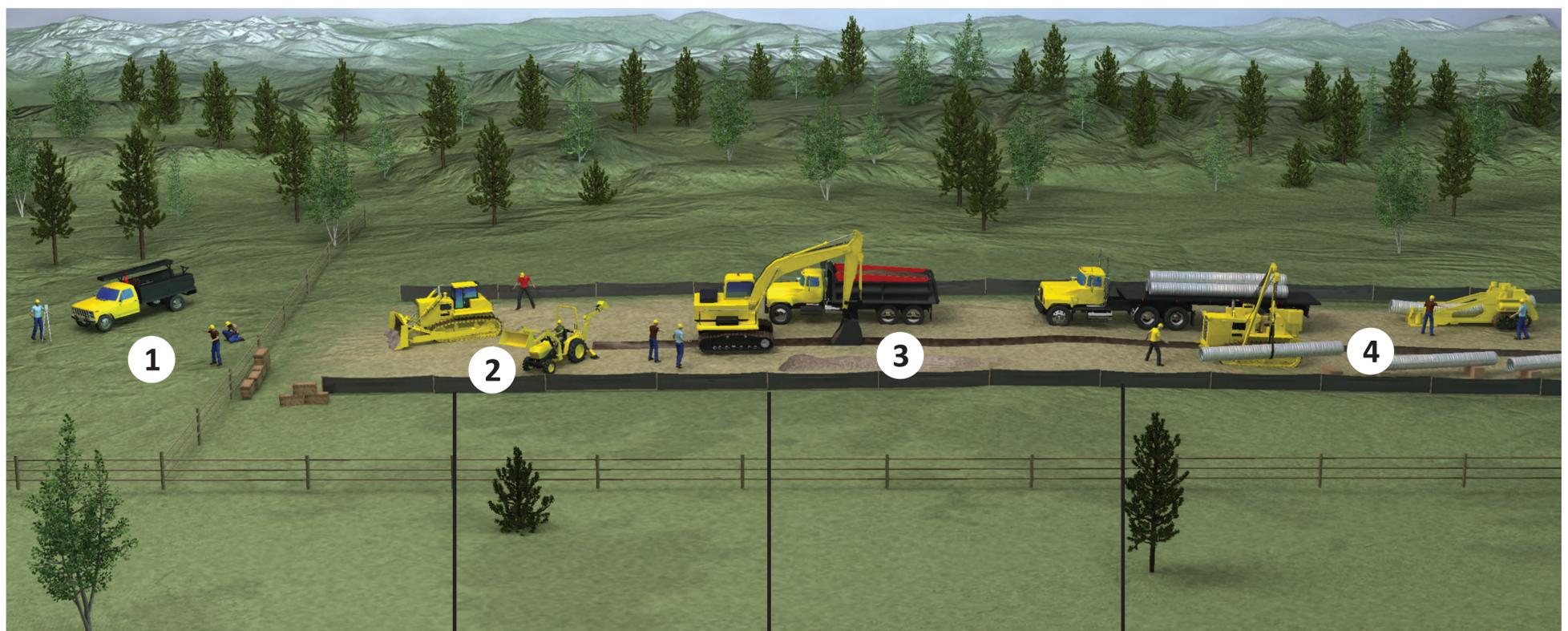
NEPA Process and EIS Milestones

W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project



Pipeline Construction Process

W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project



1. Pre-construction survey

2. Clearing and grading

3. Trenching

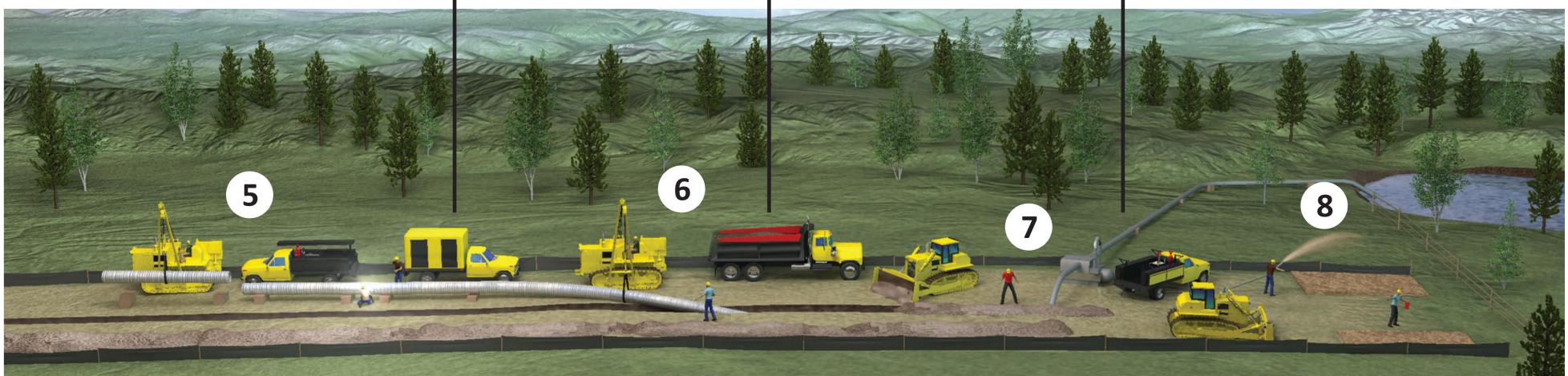
4. Pipe stringing and bending

5. Welding, pipe coating and weld inspection

6. Lowering pipe in and backfilling

7. Testing

8. Restoration



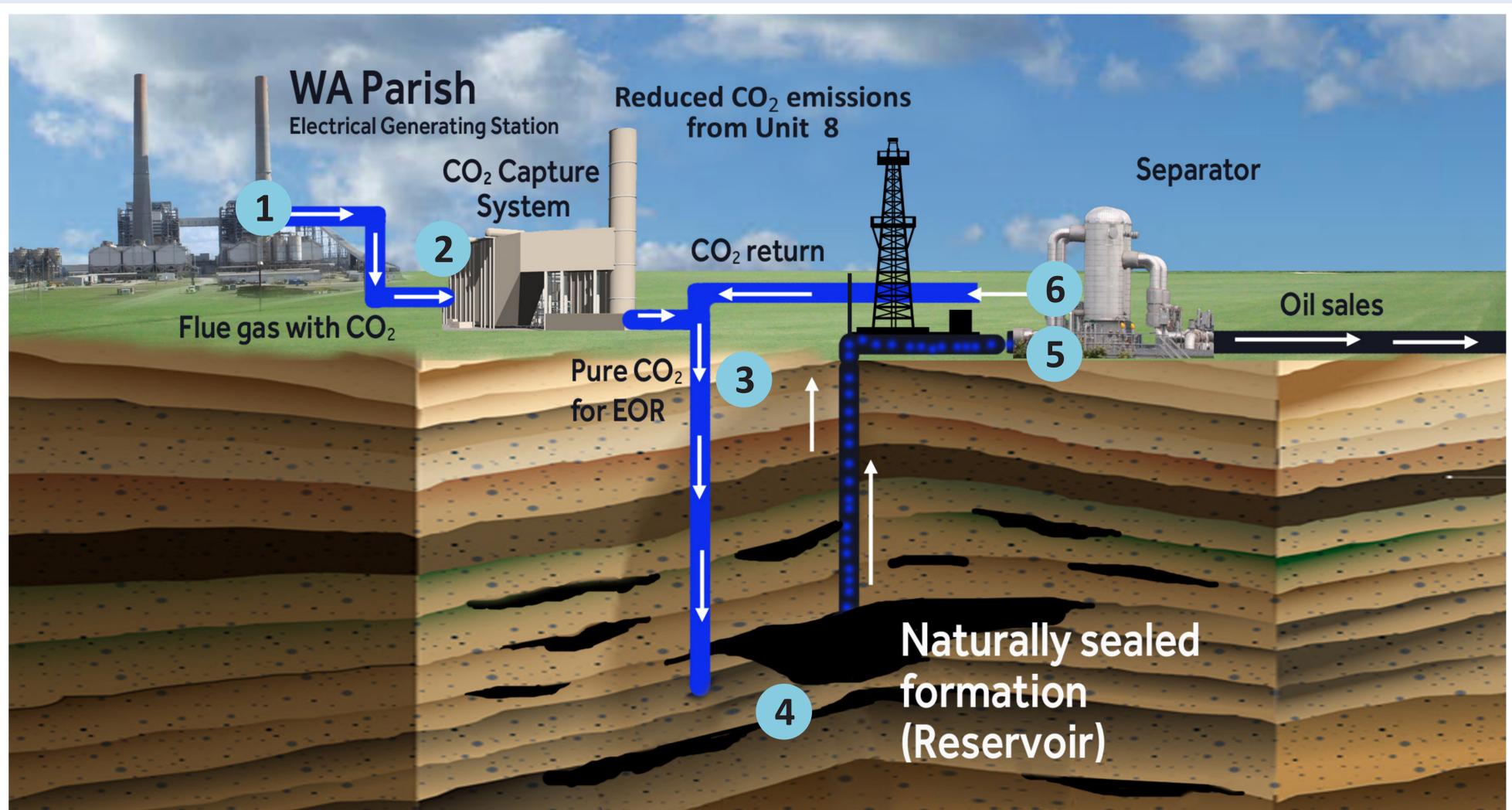
©Williams Partners L.P. Used by permission



petra novaSM
an NRG company

Carbon Capture and Enhanced Oil Recovery

W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project



- 1** Divert flue gas from power plant into CO₂ capture system
- 2** Capture system removes virtually all the sulfur and 90% of CO₂ from flue gas
- 3** CO₂ is compressed to 2,500 psi and piped to the oil field

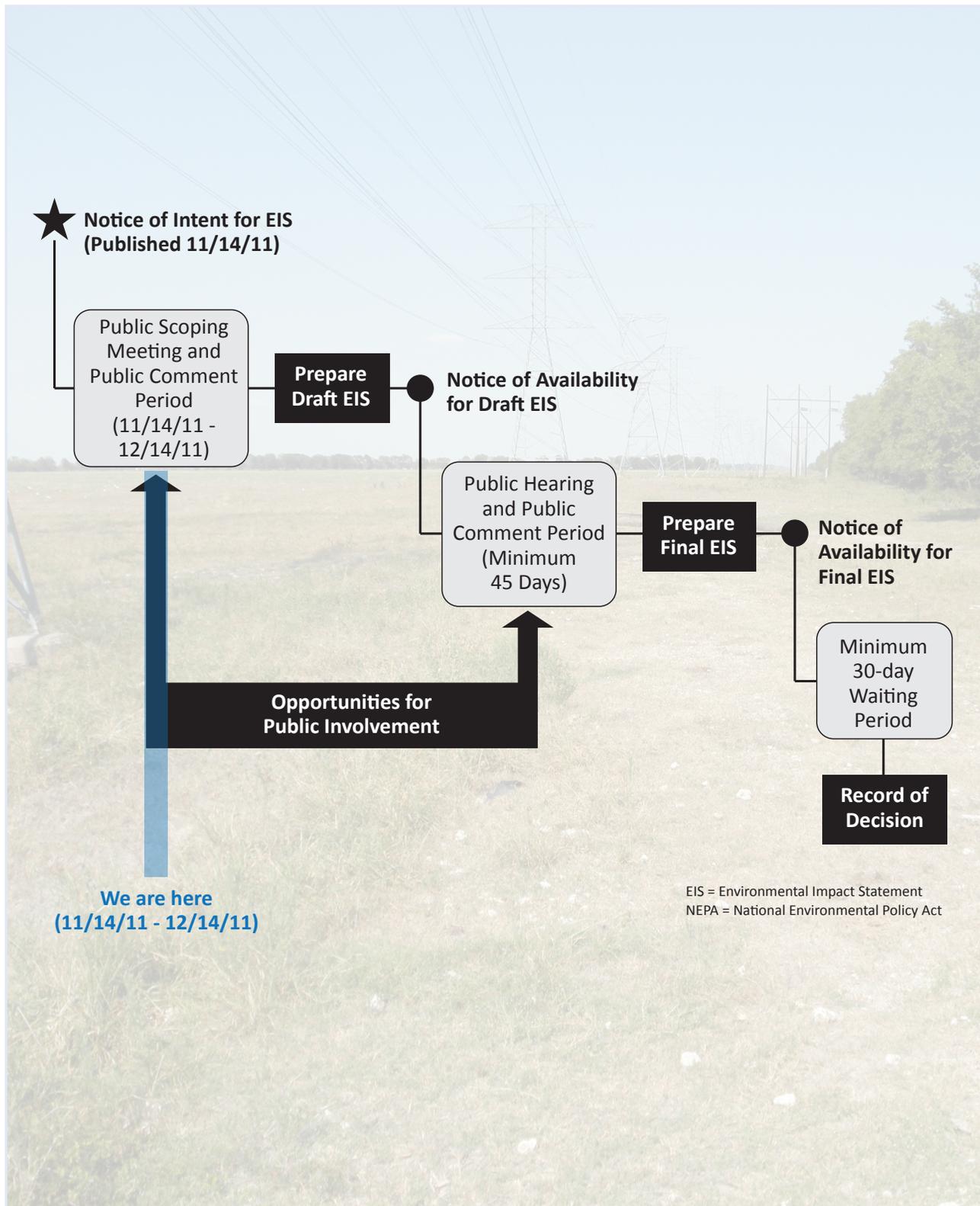
- 4** CO₂ is injected into the formation to re-pressurize and act like a solvent, mobilizing oil to producing wells, while some CO₂ remains within the formation
- 5** Once at the surface, special equipment separates CO₂ from the oil
- 6** CO₂ is then re-injected to mobilize more oil



petra novaSM
an NRG company

The NEPA Process and EIS Milestones

W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project



DOE CCPI Program Summary and NEPA Process

W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project

DOE'S CLEAN COAL POWER INITIATIVE (CCPI) PROGRAM

- The CCPI program was established in 2002 as a government and private sector partnership to increase investment in clean coal technologies. Through agreements with private-sector partners, the CCPI program advances innovative technologies to commercialization.
- These technologies include combustion improvements, control system advances, gasifier design, pollution reduction (including greenhouse gas reduction), and efficiency increases.
- Under the Energy Policy Act of 2005, CCPI projects must “advance efficiency, environmental performance, and cost competitiveness well beyond the level of technologies that are in commercial service.”
- DOE selects projects for its CCPI partnerships through open and competitive solicitations. Applications are reviewed according to criteria specified in the solicitation; these include technical, financial, environmental, and other considerations.
- After selection, DOE enters into a cooperative agreement with the applicant that sets out the project’s objectives and the obligations of the parties.
- Applicants must agree to pay at least 50% of their project’s cost; for most CCPI projects, the applicant’s cost share is much greater.

SELECTION FOR CCPI FUNDING

- **The CCPI program has conducted three rounds of solicitations and project selections:**
 - Round 1: Projects demonstrating advanced technologies for power generation and improvements in plant efficiency, economics, and environmental performance.
 - Round 2: Projects demonstrating improved mercury controls and gasification technology.
 - Round 3: Projects demonstrating advanced coal-based electricity generating technologies that capture and sequester carbon dioxide (CO₂) emissions.
- **Objective for Round 3 projects – to demonstrate technologies at commercial scale in commercial settings that:**
 - Operate at a target 90% capture efficiency for CO₂.
 - Make progress towards capture and sequestration at less than a 35% increase in the cost of electricity for post-combustion systems.
 - Sequester a minimum of 300,000 tons/year of CO₂. (Project will operate at approximately 1.6 million tons/year).
- The Project was one of three selected in the second phase of Round 3. DOE entered into a cooperative agreement with NRG on May 7, 2010.
- Much of the funding DOE intends to use for its contribution would come from the American Recovery and Reinvestment Act of 2009 (Recovery Act). Its objectives include job creation and preservation; infrastructure investment; and energy efficiency.
- Recovery Act funds expire on September 30, 2015.

THE NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) PROCESS

1. The NEPA process for competitive financial assistance awards starts with preparation of an “environmental critique” that assesses the environmental impacts and issues relating to each of the proposals that DOE considers for an award (10 CFR §1021.216). (October 2009)
2. Determination that the W. A. Parish project requires preparation of an Environmental Impact Statement (EIS). (July 5, 2011)
3. Preparation of the EIS:
 - A. Issue Notice of Intent to prepare an EIS in the Federal Register. (November 14, 2011)
 - B. Public Scoping Meeting. (November/December 2011)
 - C. Close of Comment Period for Scoping Process. (December 14, 2011)
 - D. Preparation and Issuance of the Draft EIS.
 - E. Period for Public Comment on the Draft EIS. (45 days)
 - F. Public Hearing (During the period for public comment)
 - G. Preparation and issuance of the Final EIS.
4. Issuance of DOE’s Record of Decision. (No sooner than 30 days after the Final EIS)

For additional information on the NEPA process see:

http://ceq.hss.dbe.gov/NEPA/citizens_guide_Dec07.pdf





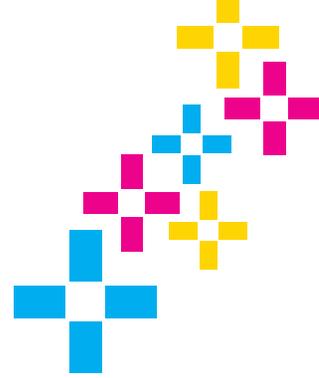
A traditional power plant.
An advanced solution.

How natural.

Compelling solutions can come from everyday places. At Petra Nova, that idea is being demonstrated at a coal-fired power plant where innovative thinking leads to wide-ranging benefits.

- ✦ **START WITH** ... a traditional coal-burning power plant
- ✦ **ADD** ... post-combustion CO₂ capture
- ✦ **BENEFIT** ... by capturing 90% of CO₂ emissions
- ✦ **EXTEND** ... the story and inject the captured CO₂ into mature oil fields
- ✦ **BENEFIT AGAIN** ... by revitalizing oil reservoirs and increasing domestic oil supply

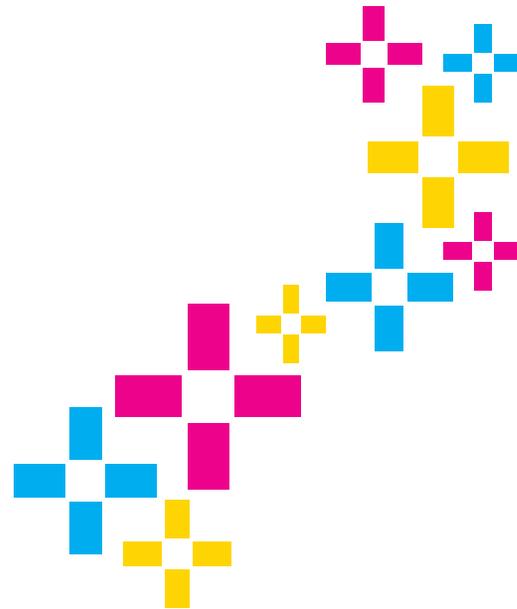
Innovation is a great thing. Innovation applied in ways that transform existing resources is even better. Welcome to a smarter energy future.



Intrigued by
innovation?

Let's get in touch.

1-713-537-2130



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NRG.10.523



You're looking at
the beginning of a
smarter, brighter
energy future.

Lower emissions and greater energy
independence start here.

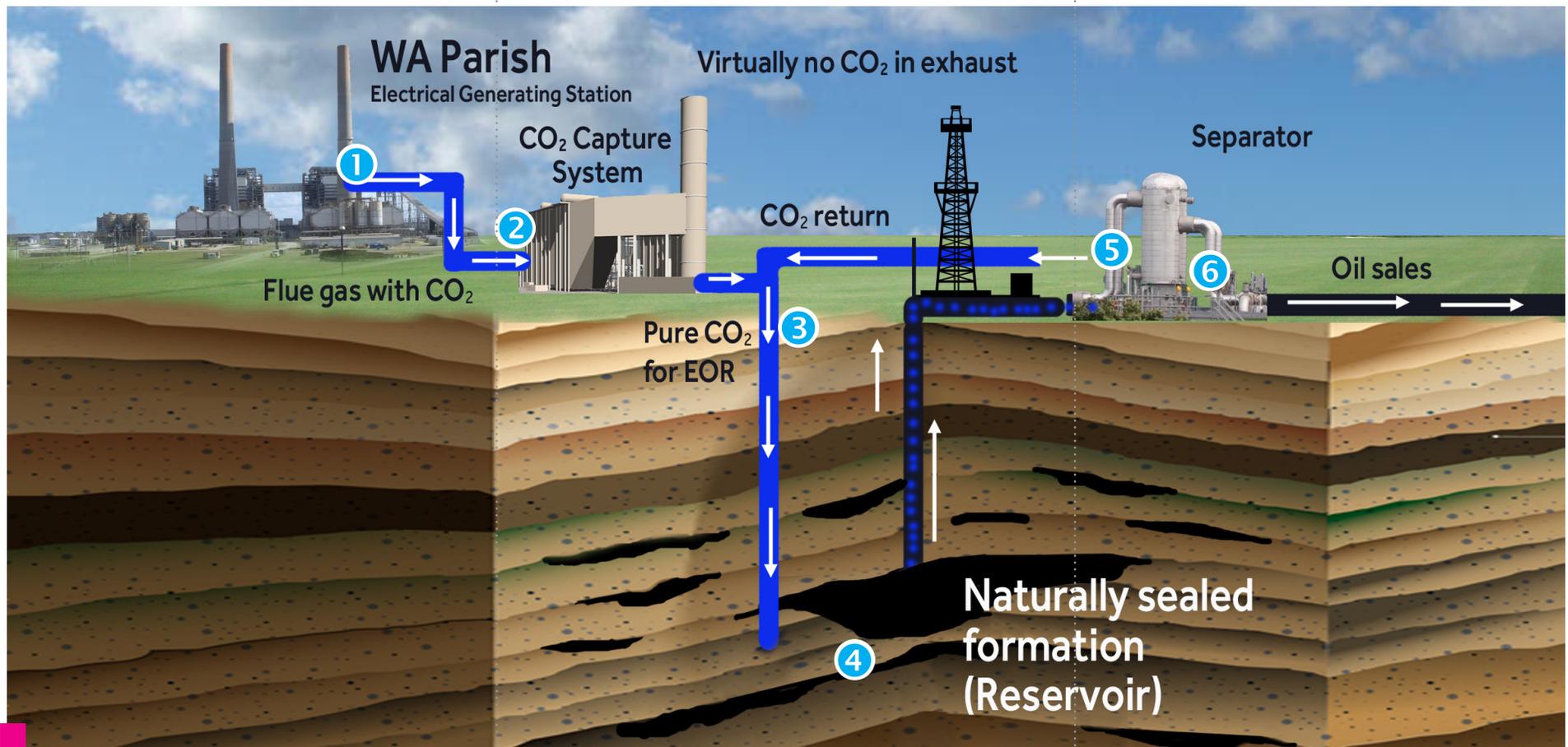
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A power plant is an ideal place to initiate a high-level solution.

- 1 Divert flue gas from power plant into CO₂ capture system
- 2 Capture system removes virtually all the sulfur and 90% of CO₂ from flue gas
- 3 CO₂ is compressed to 2,500 psi and piped to the oil field

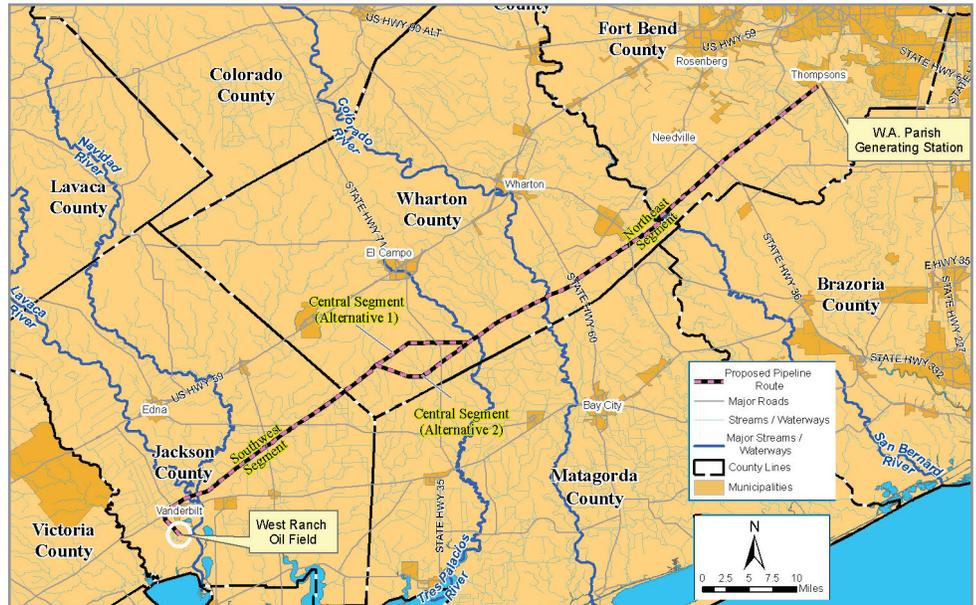
- 4 CO₂ is injected into the formation to re-pressurize and act like a solvent, mobilizing oil to producing wells
- 5 Once at the surface, special equipment separates CO₂ from the oil
- 6 CO₂ is then re-injected to mobilize more oil



The West Ranch CO₂-EOR Project

Quick Facts

- ✦ We will use proven Enhanced Oilfield Recovery (EOR) technology.
- ✦ The West Ranch Field is operated by Hilcorp Energy Company. It began operations in 1938 and has been in safe, continuous operation ever since.
- ✦ We will use existing wells to support CO₂ operations and do not expect to need to drill new wells.



Proposed CO₂ Pipeline Route

Project Overview

For the West Ranch project we will use proven Enhanced Oilfield Recovery (EOR) technology to support continuing oil production at the West Ranch Oil Field in Jackson County. EOR uses carbon dioxide (CO₂), and Petra Nova will supply CO₂ captured from the flue gas of the WA Parish plant that previously would have been emitted into the atmosphere.

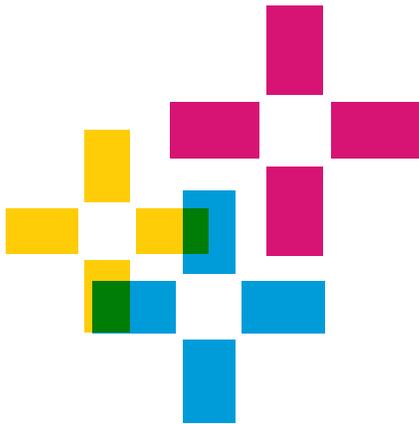
Petra Nova will safely move the CO₂ from the WA Parish plant to the West Ranch Oil Field through an 80 mile-long pipeline running through Fort Bend, Wharton and Jackson Counties.

The 12 – 16 inch pipeline will be buried in accordance with the Department of Transportation standards with a minimum of three feet of cover except at river and stream crossings where the depth of cover will be a minimum of five feet. The

only above ground facilities currently expected will be a meter station at the WA Parish plant and the West Ranch Field.

Hilcorp Energy Company operates the West Ranch Field, which was discovered in 1938 and has been in continuous operation ever since. Since then, it has produced approximately 390 million barrels of oil. The West Ranch Field covers approximately 11,500 acres, and the target zone for CO₂ injection is roughly 4,000 acres. The wells utilized for CO₂ injection are more than a mile deep. Under the Petra Nova partnership, the field will continue to be safely operated by Hilcorp.

Petra Nova anticipates using existing wells to support CO₂ injection and does not expect to need to drill new wells.



FOR MORE INFORMATION, CONTACT:

David Knox
NRG Energy
1201 Fannin, Houston Texas 77002
Office: 713 537-2130
david.knox@nrgenergy.com

WA Parish CO₂ Capture Project

Quick Facts

- ✦ NRG Energy's WA Parish plant is located near Richmond, Texas.
- ✦ Carbon capture demonstration will prevent 90% of the carbon in a 200+ MW slipstream of flue gas from entering the atmosphere.



Project Overview

NRG Energy has been selected by the Department of Energy to receive up to \$167 million to develop a commercial scale post-combustion carbon capture project at the Company's WA Parish generating station southwest of Houston, Texas.

This demonstration is designed to use an up to 250MW flue gas slipstream to capture approximately 90 percent of carbon dioxide (CO₂) in the flue gas and use or sequester 1.5 million tonnes (1.65 million U.S. short tons) of this greenhouse gas annually. The demonstration facility is expected to be operational in 2015.

At 200+ MW, this project can prove the ability to take coal-based carbon capture technology from a pilot program to a real-world, commercial-scale that can be applied to any existing coal-fired power plant in the U.S. and the world.

Captured CO₂ will be used to enhance production at mature oil fields in Texas's Gulf Coast region. Potential sites have been identified and reservoir analysis is already underway.

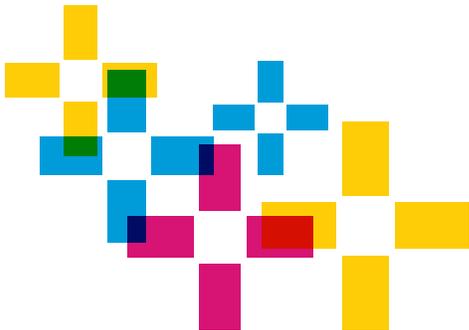
Background

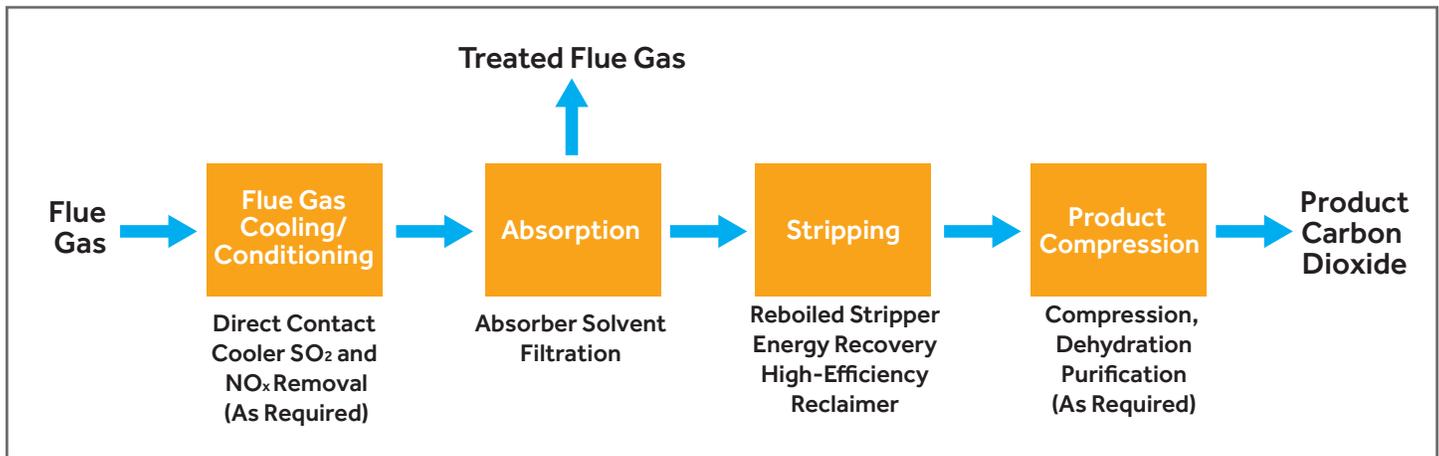
Coal is America's most abundant fuel resource, providing half of U.S. electricity generated, but it is also the most carbon intensive fuel. Approximately 85 percent of U.S. electric sector emissions and 40 percent of total U.S. energy-related CO₂ emissions come from coal plants.

Post-combustion carbon capture is essential in order for the U.S. to continue to use coal while reducing our carbon footprint. However, no CO₂ capture technologies have been demonstrated at commercial scale or are currently available for use on coal-fired power plants at the scale of the typical baseload plant. Additionally, existing CO₂ capture solutions have capital and operating costs that cannot compete with conventional power generation technologies without government assistance.

The two main goals of this demonstration are:

- To show that carbon capture will work at commercial scale when retrofitted on an existing coal plant
- To demonstrate other emerging technology advancements that will make post-combustion carbon capture more economically viable.





Department of Energy/ NRG Energy partnership

The WA Parish CO₂ capture project was selected under the third round of the Clean Coal Power Initiative (CCPI), a cost-shared collaboration between the federal government and private industry to demonstrate low-emission carbon capture and storage technologies in advanced coal-based power generation. The goal of CCPI is to accelerate the readiness of advanced coal technologies for commercial deployment, ensuring that the United States has clean, reliable, and affordable electricity and power.

Technology and Process Advancements

The demonstration will use an amine technology specifically designed to capture CO₂ from low pressure coal plant flue gas streams that also contain ash, sulfur dioxide and trioxide, nitrogen oxides, and oxygen. The primary amine solvent ingredient used in the process is readily available worldwide and inexpensive. The solvents have relatively low energy consumption properties and, in addition, the industry is developing more advanced solvents for even better performance. Existing and future solvents can be deployed in this project for testing with coal-fired flue gas.

NRG, together with its engineering partner, Sargent & Lundy, is also developing efficiency improvements in various balance of plant processes, including steam production and CO₂ compression, to reduce energy demands on units equipped with carbon capture systems.

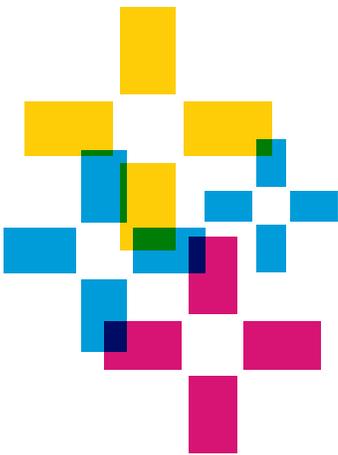
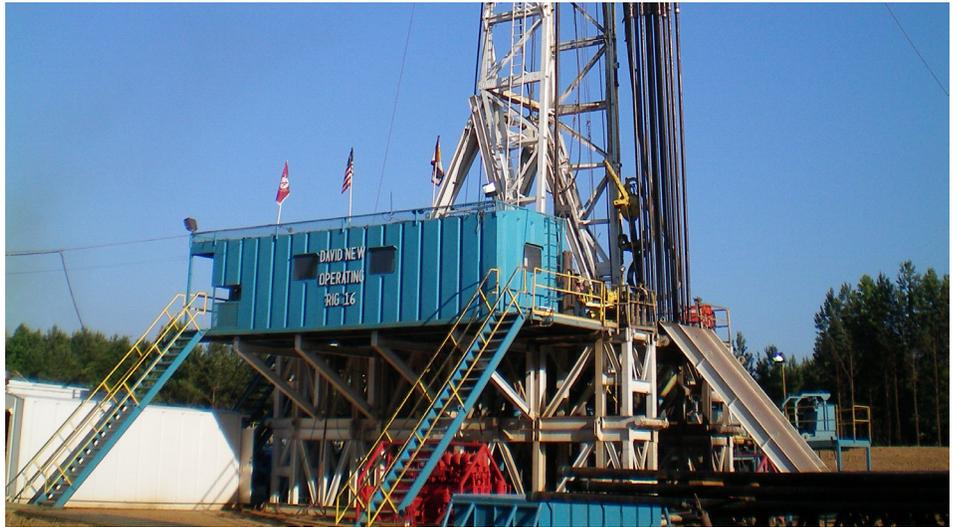
Partnerships

The project is working closely with the University of Texas (UT) to take advantage of the University's world-renowned expertise in CO₂ monitoring. The University of Texas Bureau of Economic Geology, with its globally recognized experience in monitoring enhanced oil recovery and other sequestration methods, will design and manage our carbon monitoring plans. We are also working with the scientists in UT's Chemical Engineering school on cutting edge solvent formulations.

CO₂ Enhanced Oil Recovery

Quick Facts

- ✦ CO₂-EOR has been a safe part of oil production in Texas for 40 years.
- ✦ Use of CO₂ for EOR will increase domestic oil supply and keep CO₂ out of the atmosphere.
- ✦ CO₂-EOR can revitalize older on-shore oil fields allowing them to produce significant more oil.



Background

- Significant volumes of conventional oil remaining in U.S. on-shore oil reservoirs could be produced by injection of carbon dioxide (CO₂).
- CO₂ enhanced oil recovery (CO₂-EOR) has been constrained by an inadequate CO₂ supply, and expensive pipeline infrastructure.
- Use of CO₂-EOR in more basins and reservoirs will increase domestic oil supply and trap CO₂ in deep rock formations.
- Current oil production from CO₂-EOR is approximately 237,000 Barrels/day.¹ (Figure 1)

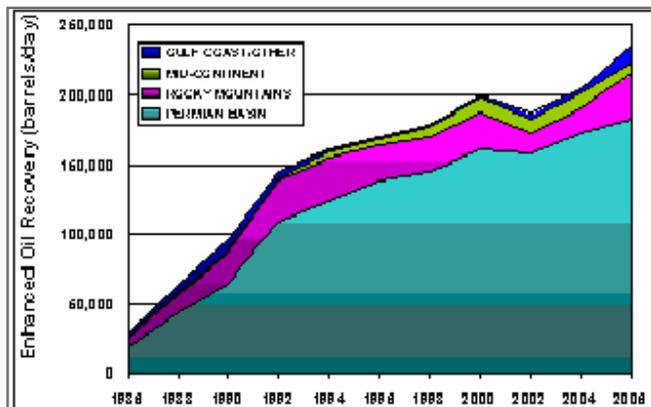


Figure 1 - U.S. CO₂-EOR Production is growing Most Production Comes from the Permian Basin

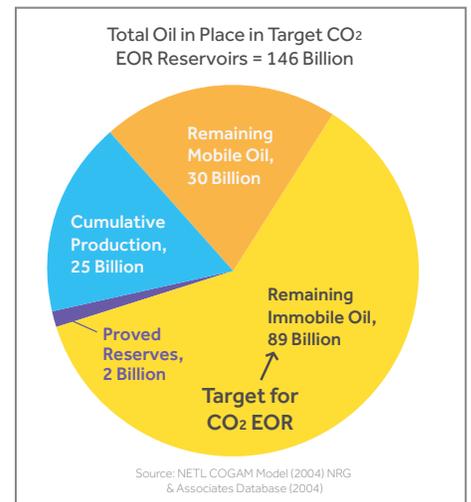


Figure 2 – Potential Target for CO₂ EOR

U.S. CO₂ EOR Resources

- Based on the information available in the DOE/NETL Comprehensive Oil and Gas Analysis Model (COGAM), a total of 1,673 fields/reservoirs have been identified as candidates for CO₂-flooding in the United States.
- These fields and reservoirs collectively have 65 billion barrels of remaining immobile oil that is the target resource for CO₂ flooding. (Figure 2)
- Application of CO₂-EOR in candidate reservoirs in other basins depends on the economic availability of CO₂ from industrial sources.

CO₂ EOR Economics

- Construction of new pipelines from CO₂ sources to target basins requires significant capital investments that must be supported by the long-term oil production potential of the target basin and by expectations of future oil prices.
- Oil price volatility is a significant deterrent to CO₂ pipeline and project investment by industry, particularly for smaller independent producers.

CO₂ EOR Technology

- CO₂ injection in oil reservoirs can produce oil unrecovered by primary production or secondary water-flooding. CO₂ acts as a solvent that reduces viscosity and enables the oil to flow to the production well. (Figure 3)²
- When production is complete, the CO₂ remains trapped in deep rock formations.

CO₂ Sources and EOR Market

- Natural sources of CO₂ now supply about 950 billion cubic feet per year for CO₂-EOR projects. Approximately 75 percent is used in projects in West Texas (the Permian Basin). Other states with CO₂-EOR projects include Colorado, Wyoming, and Mississippi. (Figure 4)³
- CO₂-EOR can provide a significant market for "EOR-ready CO₂", from industrial sources, such as coal-fired power plants.
- The potential market is about 380 trillion cubic feet or about 20 billion metric tons of CO₂. Future oil prices and CO₂ cost will determine how much of this market can be economically captured.⁴

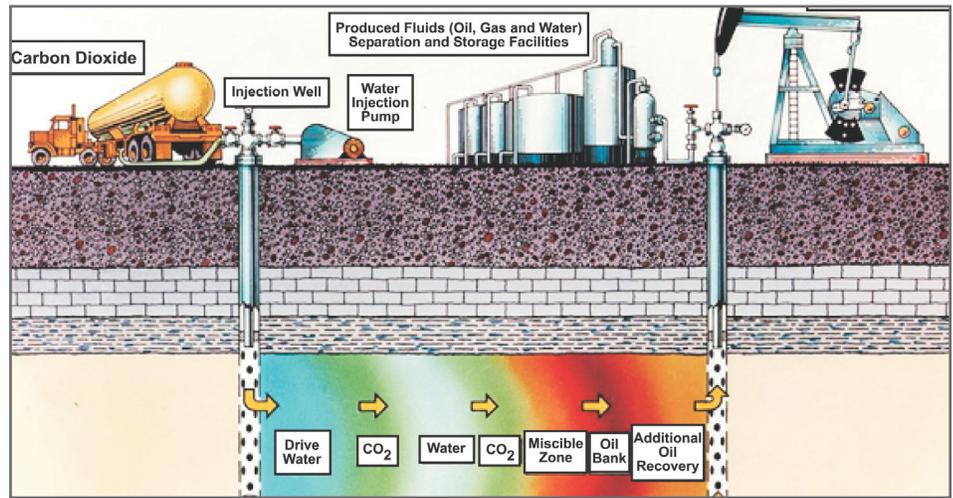


Figure 3 – What is CO₂ Enhanced Oil Recovery?

CO₂ EOR Environmental Factors

Environmental concerns associated with CO₂-EOR development differ from those of other unconventional oil resources.

- Most production potential exists in already producing oil fields. So, many environmental concerns are already addressed within the existing regulatory oversight framework for these fields.

- CO₂ captured from the production well is recycled, so CO₂ emissions are negligible.
- Most of the water needed for CO₂-EOR will come from saltwater already in the oil formation.

REFERENCES

- 1 Oil & Gas Journal Vol. 105.15, April 17 2006 p.40.
- 2 Advanced Resources International, 2006.
- 3 Oil and Gas Journal, April 2006.
- 4 U.S. DOE Office of Fossil Energy,



Figure 4 - Natural CO₂ Sources and Pipelines

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ATTACHMENT 5
PUBLIC SCOPING MEETING PRESENTATION

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**W.A. PARISH POST-COMBUSTION
CO₂ CAPTURE AND SEQUESTRATION PROJECT**

**W.A. Parish Post-Combustion CO₂
Capture and Sequestration Project
and the National Environmental
Policy Act**

Public Scoping Meetings –
November 30 and December 1, 2011



Program Overview and NEPA Process

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

Mark Lusk

NEPA Document Manager

U.S. Department of Energy



National Environmental Policy Act (NEPA)

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

- U.S. Federal Law - effective January 1, 1970
- Applies to all Federal agencies
- National charter for protection of the environment
- Promotes environmental considerations in decision-making



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NEPA Mandate

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

- Environmental information must be available to public officials and citizens before Federal decisions are made and before Federal actions are taken
 - High quality information
 - Accurate scientific analyses
 - Expert agency comments
 - Public involvement



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NEPA Process for the W.A. Parish Post-Combustion CO₂ Capture & Sequestration Project Initiated

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

- EIS Determination – July 5, 2011
 - Official DOE decision that an EIS is needed
- Notice of Intent – November 14, 2011
 - Official announcement to stakeholders
 - Begins the 30-day public scoping period



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Content of Typical Environmental Impact Statement (EIS)

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

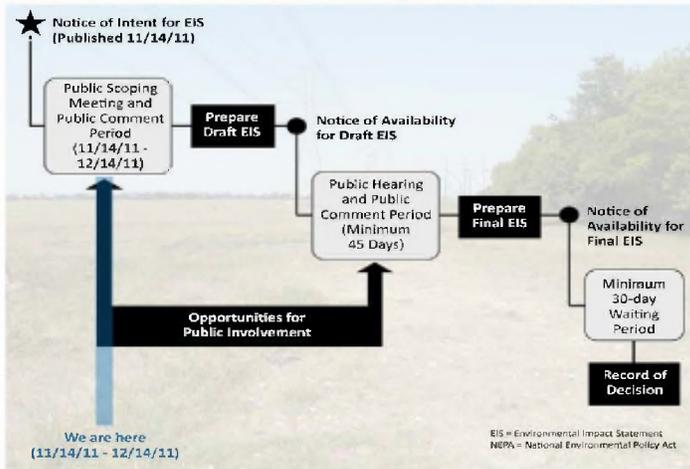
- Purpose and Need for agency action
- Proposed agency action and reasonable alternatives
- Proposed project and project alternatives
- Description of the affected environment
- Analysis of potential environmental consequences
- List of agencies, organizations, and persons contacted
- Public participation and responses to public input



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NEPA Process and EIS Milestones

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT



Anticipated Schedule

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

		SCHEDULE
NEPA Site Visit & Kickoff Meeting		Sep. 14-15, 2011
Notice of Intent (NOI)		Nov. 14, 2011
Draft EIS		Mar 2012
Public Hearing(s)		Apr 2012
Final EIS		Oct 2012
Record of Decision (ROD)		Dec 2012



Purpose of Public Scoping Meeting

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

- Invite comments and input from all interested people on:

Scope of the EIS

- Issues to be addressed in the EIS
- Data to be collected
- Analyses to be performed
- Stakeholder concerns



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Program Overview and NEPA Process

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

Ted McMahon
Project Manager
U.S. Department of Energy



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DOE's Clean Coal Power Initiative (CCPI)

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

- The CCPI program was established in 2002 as a government and private sector partnership to increase investment in clean coal technologies. Through agreements with private-sector partners, the CCPI program advances innovative technologies to commercialization.
- These technologies include combustion improvements, control system advances, gasifier design, pollution reduction (including greenhouse gas reduction), and efficiency increases.
- Under the Energy Policy Act of 2005, CCPI projects must "advance efficiency, environmental performance, and cost competitiveness well beyond the level of technologies that are in commercial service."



DOE's Clean Coal Power Initiative (CCPI) (cont.)

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

- DOE selects projects for its CCPI partnerships through open and competitive solicitations. Applications are reviewed according to criteria specified in the solicitation; these include technical, financial, environmental, and other considerations.
- After selection, DOE enters into a cooperative agreement with the applicant that sets out the project's objectives and the obligations of the parties.
- Applicants must agree to pay at least 50% of their project's cost; for most CCPI projects, the applicant's cost share is much greater.



Selection for CCPI Funding

W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project

- The CCPI program has conducted three rounds of solicitations and project selections:
 - Round 1: Projects demonstrating advanced technologies for power generation and improvements in plant efficiency, economics, and environmental performance.
 - Round 2: Projects demonstrating improved mercury controls and gasification technology.
 - Round 3: Projects demonstrating advanced coal-based electricity generating technologies that capture and sequester carbon dioxide emissions.



W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project - Selection for CCPI Funding

W.A. Parish Post-Combustion CO₂ Capture and Sequestration Project

- Objective for Round 3 projects – to demonstrate technologies at commercial scale in commercial settings that:
 - Make progress toward a target 90% capture efficiency for CO₂.
 - Make progress towards capture and sequestration at less than a 35% increase in the cost of electricity for post combustion systems.
 - Sequester a minimum of 300,000 tons/year of CO₂.
- The NRG W.A. Parish PCCS Project was selected in the second phase of Round 3. DOE entered into a cooperative agreement with NRG on May 7, 2010, that calls for DOE to contribute \$167 million.
- Much of the funding DOE intends to use for its contribution would come from the American Recovery and Reinvestment Act of 2009 (Recovery Act). Its objectives include job creation and preservation; infrastructure investment; and energy efficiency.
- Recovery Act funds expire on September 30, 2015.



Project Summary

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

Jon Barfield
Engineering Manager,
Environmental and Pipeline
Petra Nova LLC



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W. A. Parish Post-Combustion CO₂ Capture and Sequestration Project

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

- Project Overview
- Project Details
- Timeline
- Carbon Capture System
- CO₂ Transport and Use for Enhanced Oil Recovery



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Project Overview

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

- Why is NRG Petra Nova conducting this project?
 - Reduce carbon emissions; help with climate change
 - Modernize coal; maintain its viability as an established energy source, including coal-related jobs.
 - Drive the development and deployment of integrated commercial scale CCUS (Carbon Capture Utilization & Sequestration) solutions; combining CO₂ Capture with commercially proven Enhanced Oil Recovery (EOR) technologies



Project Overview

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

- Why is NRG Petra Nova conducting this project? (cont.)
 - Use EOR to produce stranded oil following primary production; generating revenue stream to help offset cost of CO₂ capture, which by itself, is currently uneconomic under existing legislation
 - Integrated CCUS solutions deliver significant economic and environmental benefits, increases domestic energy security and growth, and ushers in new era of American innovation, entrepreneurship, competitiveness.



How will this project benefit the community?

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

- Greenhouse gas reduction
 - Improved air quality, health benefits
- Economic Development
 - Extends/preserves a large, valuable community asset, occupancy rates, local services, and private investment
- Job Creation
 - Preserves and extends over 100 existing jobs at the power plant and oil field
 - Upwards of 500 construction jobs
 - Nearly 50 permanent jobs
- Local opportunities
 - Texas Gulf Coast will become the world leader in CCUS

Provides jobs, economic green energy, reduced emissions, and lasting community benefits



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Project Details

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

- **Purpose:** Demonstrate how two distinct sectors of the energy industry can work together to meet common goals of GHG reduction and enhance domestic oil production by adding Carbon Capture System to an existing coal plant and using CO₂ for EOR.
- **Location:**
 - Capture System - W. A. Parish Generating Station in Fort Bend County
 - Transport System (Pipeline) – through Fort Bend, Wharton, and Jackson Counties
 - EOR Operations – Jackson County
- **Preliminary Cost Estimate: ~\$ 845 million**
 - Department of Energy may provide a grant of up to \$355 million
 - Private investment will cover the rest



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Project Details

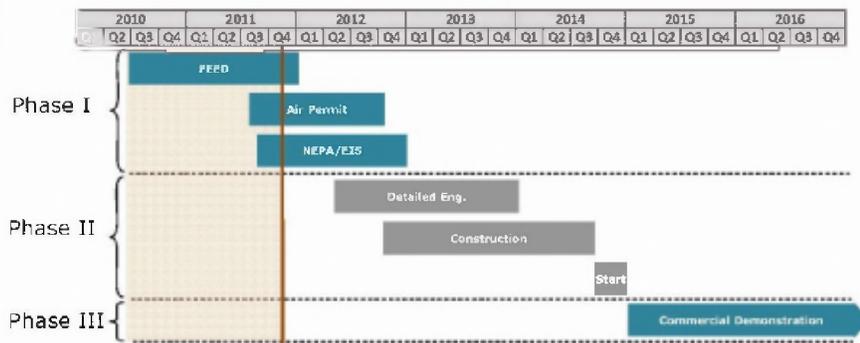
W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

- Capture, use, and sequester up to approximately 1.6 million tons of CO₂ annually (equivalent to 500,000 cars) through 90% CO₂ removal of treated flue gas.
- Demonstrate how commercial-scale carbon capture system can be fully integrated to existing coal plant with minimal impacts/disruptions to cost and production of electricity.
- Utilize, protect, and modernize existing energy infrastructure to deliver significant economic, environmental and social benefits.
- Success of project will establish repeatable template for future CO₂-EOR projects involving existing coal-fired power plants and mature oil fields.



Timeline

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT



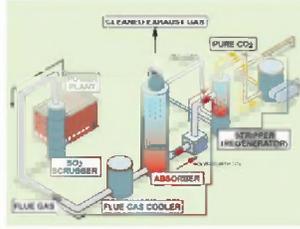
- CO₂/EOR Offtake Arrangement Established– October, 2011
- Air Permit Application Submittal – September, 2011
- Completing preliminary design study – December, 2011 Target
- NEPA – December, 2012 Target



Carbon Capture System

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

WA Parish



General Capture Process

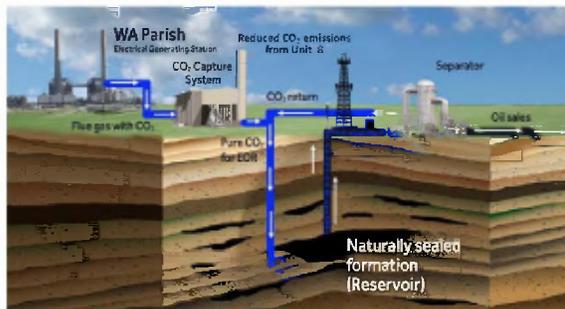
- NRG's W. A. Parish facility is located in Thompsons, Texas, 25 miles southwest of downtown Houston. The plant provides approximately enough power to serve over 3 million homes.
- The CO₂ capture plant for the NRG site will use a post-combustion chemical amine process technology to capture the equivalent up to a 240MW unit.
- At 240 MW, the capture plant would recover 90% or more of the CO₂ contained in that gas, resulting in ~5,000 tons per operating day (largest in the world).
- The project plans to also install a cogeneration facility to supply the energy requirements to the carbon capture facility.
- Existing plant performance will not degraded or disrupted by installation of Carbon Capture system.



CO₂ Transport and Enhanced Oil Recovery

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

- Divert about 35% of Parish Unit 8 flue gas into CO₂ capture system
- CO₂ capture system removes virtually all the sulfur and 90% of CO₂ from treated flue gas
- CO₂ then compressed to 2,100 psi and piped to oil field



- CO₂ injected into formation to re-pressurize and act like a solvent, mobilizing oil to producing wells
- Once at surface, special equipment separates CO₂ from the oil
- CO₂ is then re-injected to mobilize more oil



Pipeline Corridor

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT



Program Overview and NEPA Process

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

Opportunity for
Public Comments



Scoping Meeting Logistics for Verbal Comments

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

- Five minutes per speaker, please
- Additional opportunities to speak, time permitting
- Selected government officials & pre-registered speakers will go first – sign up to speak
- An official transcript will be made
- Speakers should state their name and speak clearly
- Comment forms are also available



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DOE Wants Your Participation!

W.A. PARISH POST-COMBUSTION CO₂ CAPTURE AND SEQUESTRATION PROJECT

- Send written comments to:
 - Mark W. Lusk, NEPA Document Manager
DOE - National Energy Technology Laboratory
MS B07, P.O. Box 880
Morgantown, WV 26507-0880
 - Email to: Parish.EIS0473@netl.doe.gov
 - Fax to: (304) 285-4403
 - Envelopes, subject line of emails, and faxes should be labeled "Parish EIS comments"
- Comments due by: Wednesday – December 14, 2011



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ATTACHMENT 6

PUBLIC SCOPING MEETING TRANSCRIPTS

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W.A. PARISH POST-COMBINATION CO2
CAPTURE AND SEQUESTRATION PROJECT

PUBLIC SCOPING MEETING
NEEDVILLE, TEXAS
NOVEMBER 30, 2011

PUBLIC SCOPING MEETING, was taken in the on the 30th day of November, 2011, from 6:58 p.m. to 7:40 p.m., before Cindi L. Bench, Certified Shorthand Reporter in and for the State of Texas, reported by computerized stenotype machine at the Needville High School, 100 Fritzella Road, Needville, Texas.

1 P R O C E E D I N G S

2 MR. LUSK: Well, let me introduce myself.
3 My name is Mark Lusk. I'm from the U.S. Department of
4 Energy. And we're here tonight for our public scoping
18:58 5 meeting for a public project that we have at NRG Energy
6 and project. And this is a project that is going to be
7 proceeding at this stage. Thanks for letting us propose
8 the project to us. And we're selected for the financial
9 award for the Department of Energy.

18:58 10 MR. LUSK: Can you hear me?

11 THE COURT REPORTER: A little louder.

12 MR. LUSK: Closer?

13 THE COURT REPORTER: Yes.

14 MR. LUSK: Is that better? Can you hear
18:59 15 okay?

16 THE COURT REPORTER: A little louder.

17 MR. LUSK: I'll try.

18 THE COURT REPORTER: Yes, that's fine.

19 MR. LUSK: Anyway, we're here to talk
18:59 20 about the proposed project going on with the energy
21 folks, and it's big coming down the road, and we've
22 agreed to give them a grant for carbon capture plant.
23 I'll talk about it in more detail as we go through the
24 slides.

18:59 25 Basically, it's a carbon capturing piping

18:59 1 to the plant, pipes it into the plant. Pipe it 80 miles
2 down to the West Ranch oilfield, which is probably about
3 70 miles from here. And we'll use this there for
4 tracking, it is right here already.

18:59 5 Tonight, really the purpose of the
6 meeting is to present to you some information about the
7 project, but for mostly the hearing, too, and we want to
8 hear you through you coming up and talking to us and
9 give us some oral comments, tell us what your concerns
19:00 10 are, what you'd like to see us address from it and we
11 will be prepared to answer shortly.

12 You can also send comments if you don't
13 want to speak to us tonight. We have comment forms and
14 will give it out to some folks. Just take one of the
19:00 15 forms with you. Fill this out and send it to me. My
16 address is on the bottom. It's a good way to make sure
17 your comments are received and we have a record of it.

18 There's also an e-mail set up. Send
19 those directly to me. And they both have my name and
19:00 20 e-mail. It comes to me.

21 And there's also a phone you can call and
22 ask questions. And if I can't answer the questions,
23 I'll get with my colleague with your questions.

24 But at this point, we're going to go
19:00 25 through the short slide presentation. First I'm going

19:01 1 to talk about the NEPA process, National Environmental
2 Policy Act process.

3 This case is a federal activity that will
4 give you grants that specific energy required to
19:01 5 announce it.

6 After I speak about that process, my
7 colleague Ted McMahon will speak to you about how the
8 project is selected very briefly. And then Jon Barfield
9 from Energy will talk to you about the project in
19:01 10 specific details and for that and many.

11 It's still early in the project, in the
12 development, but we'll give you a snapshot of the
13 project as it's being detailed at this time.

14 One of the things on this comment form is
19:01 15 if you'd like to receive a copy of it when it's done.
16 If you could let us know if you want a full copy -- a
17 full copy. It probably would be an inch or so, or 2
18 inches thick. And especially when it comes time, comes
19 in a couple of different volumes. So it will be a big
19:02 20 document.

21 Or you can opt for the -- this is an
22 example -- much smaller summary. But in the back of the
23 CD of the back, and see and produce it.

24 So if you will, we'll go ahead and do the
19:02 25 slides. It will give you a little bit better idea.

19:02 1 Again, my name is Mark Lusk, and comments
2 will be referred to me, so feel free to let us know
3 what's going on in your mind.

4 Basically, the National Environmental
19:02 5 Policy Act is a federal requirement. Federal agencies
6 who are going to be building something on their own
7 first and at few storage facility, or in this case,
8 (Inaudible)special and do built project (Inaudible)
9 building.

19:02 10 The Department of Energy has to follow
11 not only the rules and policies of their own regulations
12 and (Inaudible)for do. Basically, it's not familiar
13 with the management involved. It caused us to take a
14 good hard look at all the various resources and
19:03 15 socioeconomics, you know, whatever, various places that
16 you hang your hat up in at brought Brock project. We
17 look at all that, wrap it up and send it to the public
18 for comment.

19 Let's go the next one.

19:03 20 Basically since we're saying it's going
21 to a larger standard, that's one of the larger and more
22 onerous reviews we can do because you have high quality
23 information. And experts like me here sitting here and
24 and have resonated and are awarded that's then before
19:04 25 us. It was reviewed by the department and reviewed to

19:04 1 make sure everything is done accurately, you know,
2 solicit experts when they can to serve Texas and
3 reorganize, and the EPA.

4 And of course, we will be excited. The
19:04 5 first stage in the process is to come to you and ask you
6 what your comments are, what your concerns are.

7 As I said, the Department of Energy made
8 a determination that an environment impact statement
9 would be necessary based on the nature of this project.

19:04 10 We made that determination last July. That kicked off
11 the whole process. I think most of the people here
12 today heard of the availability or saw the ad in the
13 paper. And that's kicked off what we call the Public
14 Scoping Period, which beginning on the 14th of November

19:05 15 will run for about 30 days. And we must ask you to
16 please submit your comments by December 14th.

17 Now, kind of alluded to the environmental
18 impact statement and what they are. I mean, basically
19 it's a very comprehensive look at the project. The
19:05 20 first firms for the project, and we do that two ways.
21 One is why the department's wanting to fund the project
22 and also why EPA (Inaudible)

23 Now we're moving to various alternatives
24 to consider. Will describe the environment that's
19:05 25 around, does it affect the environment at all. What is

19:05 1 there now? And then we'll describe the potential
2 environmental consequences of the project, and that's to
3 look at various resources areas. Also what impacts,
4 resource impacts, socioeconomics, things of that
19:06 5 concern.

6 And there will be (Inaudible)AC
7 contacting and also your input during the conference.
8 These are the public scoping meetings. And those signed
9 up do have comments

19:06 10 This is the snapshot of the process. As
11 you can see the blue line here, that's where we are now.
12 What we're really trying to show you is you're going to
13 have two opportunities to comment on the project.

14 At this point, it's early in the project
19:06 15 stages. You will be commenting on what your concerns
16 are now, what you want us to know, what the stage is, so
17 to make sure we cover everything that is covered by the
18 public's concerns.

19 And the second arrow, that is the stage
19:07 20 where we have Notice of Intent. At that point, we'll be
21 commenting on what's in the impact statement itself.
22 And we'll be back, you know, maybe here for another
23 round of public hearings or somewhere in the vicinity.

24 And then at that point we would then take
19:07 25 your comments and address it, and incorporate your

19:07 1 comments addressed initially to us, and be sure to be
2 honest with me today.

3 Final EIS, and then following the final
4 EIS, there's a 30-day minimum waiting period, and an
19:08 5 issue decision, which document the decision to fund the
6 project and making requirement at issue for
7 (Inaudible)in audible and in mitigating or minimized
8 (Inaudible) project before.

9 This is the dates. Here we are, November
19:08 10 the 30th in the scoping period. And you see down below
11 there.

12 So we're here to listen to you, what your
13 concerns are, in addition to giving you some more
14 information about the project which will follow shortly.
19:08 15 We want to really -- we really want to know what your
16 concerns are and what you think about it and it will
17 help us and get back with you.

18 So please use your comment forms.

19 I guess at this point I'll turn it over
19:09 20 shortly to Ted McMahon. Ted is from the Department of
21 Energy as well, and he's the project manager for the
22 project.

23 MR. MCMAHON: Thank you.

24 So the project that we're talking about
19:09 25 tonight want to talk about CCPI. CCPI was established

19:09 1 in 2002. It's a partnership between the federal
2 government and private industry to increase investment
3 in clean coal technology. And stress that's help --

4 MS. GATES: She can't hear you.

19:10 5 MR. MCMAHON: CCPI specifically refers
6 to -- applies to coal-fired systems that produce
7 electricity.

8 In some of the technology areas of
9 interest to us are listed up on the slide. But
19:10 10 primarily we're interested in systems that reduce
11 pollution and increase energy efficiency of the -- of
12 coal-fired power systems.

13 Projects that we fund must be better than
14 technologies that are commercially available. And so
19:10 15 what we're really doing is we're funding projects that
16 develop and demonstrate technologies that are going to
17 increase efficiency, reduce pollution, and increase cost
18 competitiveness of coal-fired power systems.

19 Next slide.

19:10 20 We select projects under the CCPI program
21 through open competitions. We look at technology
22 aspects, environmental, and financial aspects of
23 projects to select them for funding.

24 We then enter into what's called a
19:11 25 cooperative agreement -- which most people, in common

19:11 1 language, would call a contract -- with the -- with the
2 participant. And this cooperative agreement specifies
3 what the objectives of the project are and what the
4 responsibilities of each party are.

19:11 5 And one of the main aspects of the
6 project is that the applicant, or the participant, the
7 private sector has to fund at least 50 percent of the
8 project.

9 Next.

19:11 10 We've conducted three rounds of the CCPI
11 program since 2002, and we're currently in what's called
12 Round 3. And the focus of Round 3 is capturing and
13 sequestering carbon dioxide emissions from coal-fired
14 power plants.

19:11 15 The primary objective is to demonstrate
16 new technologies at commercial scale in a commercial
17 setting. That means -- commercial setting means having
18 and operating power plants. And -- and some of the
19 requirements of the program are listed here.

19:12 20 We're targeting processes that capture
21 CO2 at a 90-percent efficient rate. That increased cost
22 competitiveness of the capture systems, and that would
23 sequester a minimum of 300,000 tons per year of CO2.

19:12 24 We, the Department of Energy, entered
19:12 25 into a cooperative agreement with NRG on May 7th of

19:12 1 2010, and that cooperative agreement calls for DOE to
2 share \$167 million in -- of the total project costs.

3 And this funding that we're using, most
4 of it, it was appropriated under the -- what's called
19:12 5 the Recovery Act of 2009, and the main purposes of the
6 Recovery Act were to create and preserve jobs, to invest
7 in infrastructure, and to invest in energy-efficient
8 systems. So I think we're -- we're meeting those
9 objectives there.

19:13 10 And a final word is that the Recovery Act
11 funds actually expire on September 30th, 2015, so they
12 all have to be spent and utilized by that time.

13 And so, that's all I have. I guess I'll
14 introduce Jon Barfield who's with NRG and Petra Nova.

19:13 15 MR. BARFIELD: I probably don't have any
16 problem with you guys hearing me, right? You good?
17 Outstanding.

18 Okay. Let's go ahead and see the next
19 slide.

19:13 20 Briefly, we're going to talk a little bit
21 about the project, what it -- what it consists of, the
22 parts of it, the basic overview. We'll go into some
23 details of it, talk about the time line. And as you've
24 seen with what Mark and Ted have shown you, that basic
19:14 25 time line for going through the DOE process and ending

19:14 1 up with the final EIS and Capture System.

2 So that's what we're here to talk about
3 tonight, is what are the environmental impacts. We'll
4 talk a little bit about the carbon capturing system,
19:14 5 kind of in a big box way, so we're not going to go into
6 the nuts and bolts of it. Just kind of walk you through
7 the basics of it, because that's probably all I can do.

8 And then we'll talk about the use of the
9 carbon that we capture, the CO2 that we captured. How
19:14 10 we transport it through a pipe line and how we're going
11 to use it to -- in enhanced oil recovery.

12 So why are we conducting this project or
13 why are we doing this? Well, one thing is it reduces
14 carbon emissions. We're not adding anything new here.
19:14 15 We're taking stuff from the gas slip stream, we're
16 purifying it. Taking CO2 out of it. We're compressing
17 it, and we're going to put it in a pipeline to use in an
18 oil field that's approximately 80 -- 80 miles away from
19 the power plant.

19:14 20 It helps us do a couple of things here.
21 One, you hear about carbon dioxide and greenhouse --
22 greenhouse gas and how we need to reduce the CO2
23 emissions. Well, we're taking these existing CO2
24 emissions, and we're using them for another purpose.

19:15 25 We're putting them in the ground to try and make -- to

19:15 1 stimulate oil to come up out of the ground. The CO2
2 part of it stays in the ground, or comes up with the
3 oil. We try to recapture that, and put it right back
4 down into the ground, because it's it costs us
19:15 5 something to produce it, and because it does, we don't
6 want it to just slip away.

7 Modernize coal, maintain its viability as
8 an established energy source, including coal-related
9 jobs. Big coal-fired power plant, we got lots of coal
19:15 10 in the United States, well over a hundred years' supply.
11 So it's to the benefit of this country for us to use
12 coal, and use it responsibly and use it in a
13 environmentally-protected manner as much as we possibly
14 can.

19:15 15 And we're driving to develop it at the
16 point of integrated commercial scale. Carbon Capture
17 Utilization Sequestration -- that's a big mouthful to
18 say, isn't it -- solutions, combining carbon dioxide
19 capture -- so this is, again, pulling the CO2, purifying
19:16 20 it out of the slip stream, the flue gas in our Parish
21 plant and then purifying it, putting it in a pipeline,
22 sending it down the pipeline to use in oil recovery.

23 And hopefully, that will do another thing
24 for us as well, that is, we're trying to increase U.S.
19:16 25 production of oil, and -- and decrease our reliance on

19:16 1 foreign oil.

2 So, to continue, we use EOR to produce
3 otherwise unrecoverable oil. And I know I've talked
4 with several of you, and I know that you've talked to
19:16 5 several other folks from Petra -- where is she? There
6 she is over there from the URS. But a lot of the oil
7 that's in the ground is staying in the ground because
8 it's just not very easy to produce.

9 So what we do by putting the CO2 down
19:17 10 into the ground, it acts as a solvent and it gets in the
11 pores of the rocks. It forces that oil out. Oil comes
12 back up, and you get otherwise unrecoverable oil.

13 Again, we'll use the revenue from that
14 oil produced to offset the costs of this very expensive
19:17 15 carbon capturing system that we're putting on our power
16 plant.

17 So there's a lot of benefits here.
18 There's economic benefits because we're producing
19 domestic oil. There's environmental benefits in that
19:17 20 we're reducing greenhouse gases. And then it's also
21 helping us to maintain coal as the viable energy
22 resource in this country, of which, again, like I said,
23 this country has a very vast coal reserve. And so it's
24 in our best interest to try to utilize that.

19:17 25 UNIDENTIFIED SPEAKER: Question, where is

19:17 1 it physically (Inaudible.)

2 MR. BARFIELD: At this time, we are not
3 going to take questions otherwise.

4 But what he's talking about is it's not
19:18 5 economically recoverable in technology, other than get
6 it under pressure (inaudible)

7 I think we're ready for the next one.

8 So as I said, we have greenhouse gas
9 production, we hear all this talk about global warming
19:18 10 and climate change, and CO2 in the atmosphere is
11 causing, you know, global warming.

12 So we're taking CO2 that's otherwise
13 going to be going up out of our stacks, purifying it,
14 putting it in the ground and using it as a means to
19:18 15 recover oil.

16 Economic development, like I said, we're
17 going to continue to be able to operate our coal-fired
18 plants that provides jobs for people who mine coal. It
19 provides people to transport that coal. It provides
19:18 20 people who operate coal-fired plants, and it provides
21 jobs for people who work on pipelines. If they're built
22 by pipelines that use pipelines to transport CO2, it
23 provides jobs for oil field workers as well.

24 And so here we've just got some basic
19:19 25 numbers here. It preserves and extends over a hundred

19:19 1 existing jobs at the power plant and the oil field,
2 upwards of 500 construction jobs. And really, we're
3 talking about two different construction projects here,
4 because we have the work that's at the plant that's
19:19 5 going to be a carbon capturing system, and then we'll
6 have a pipeline project. And those will slightly
7 overlap, but really the plant work is going to come
8 first and the pipeline will come afterwards.

9 And so at any given time, you know, the
19:19 10 number may -- may increase above that 500 because we're
11 really looking at two different work forces there. And
12 nearly 50 permanent jobs that will be created.

13 Local opportunities, the Texas gulf coast
14 has a lot of target oil fields that will be great for
19:19 15 enhanced oil recovery, and it has the potential to start
16 building an infrastructure that will enable us to
17 become, as a state, and as a region, a world leader in
18 Carbon Capture and Sequestration.

19 So our purpose is to demonstrate how two
19:20 20 distinct sectors in the energy industry could work
21 together to meet common goals -- it's hard to read from
22 here -- of greenhouse gas reduction and enhanced
23 domestic oil reduction by adding our CCUS in our plant
24 and then using that CO2 that we capture for enhanced oil
19:20 25 recovery.

19:20 1 The capture system will be in the Parish
2 generating station, which is just a short ways from
3 here -- and if you don't know where it is exactly, I'll
4 be happy to talk to you afterwards and show it to you on
19:20 5 the map -- here in Fort Bend County.

6 The pipeline will run from that plant
7 down to West Ranch oil field in Jackson County.

8 The pipeline, as currently envisioned, is
9 about 80 miles. And what we did is we looked at several
19:21 10 different project corridors. Where could we put this
11 pipeline where it, one, minimizes the impact of the
12 environment, minimizes impacts of the land owners.

13 And then two, it's a straight shot. I
14 mean, because from an economic perspective, you don't
19:21 15 want to build, you know, a hundred miles of pipeline to
16 go 40 miles to deliver a product. And so what we did is
17 we looked at power line corridors. We looked at road
18 corridors. We looked at railway corridors. We looked
19 at combinations of those. We looked at existing
19:21 20 pipeline corridors.

21 What we came up with is a combination.
22 For about the first half of the project, we'll be
23 following, as currently scoped, the Centerpoint Energy
24 right-of-way.

19:21 25 Directly adjacent to that is a

19:21 1 right-of-way for an energy transport pipeline. Those
2 two rights-of-way together, I think, comprise of about
3 somewhere between 350 and 400 feet, and our pipeline
4 will actually lay within that existing corridor, or
19:22 5 those existing corridors, so there will be no new
6 impacts or no more clearing. We have pretty well-known
7 variables with respect to impacts on the environment
8 with wetlands, archaeological, historical resources,
9 endangered species, those sorts of things, land use.

19:22 10 And then for the second half of the
11 pipeline corridor, we're following South Texas Electric
12 Co-op. And again, it's an existing corridor, and we're
13 putting it in the existing corridor, and so we're not
14 creating any new impacts, because it will be subsurface
19:22 15 structures.

16 The EOR operations, like I said, were at
17 West Ranch oil field in Jackson County. It's an
18 existing oil field. It's been an oil field that's been
19 producing since the late '30s, early '40s. And -- and
19:22 20 it continues to produce even today.

21 You see some numbers here. These are
22 very preliminary cost estimates, approximately
23 \$845 million for the capture system, the pipeline.

24 The Department of Energy has granted
19:23 25 Petra Nova 167 million, but we may get up to

19:23 1 \$355 million, and then private investment will cover the
2 rest of the cost of the project.

3 So capturing CO2 approximately
4 1.6 million tons annually, which is equivalent to the
19:23 5 CO2 output or greenhouse gas output of a half a million
6 cars. And from that flue gas, that slip stream
7 recaptured 90 percent of the CO2 will be removed from
8 it. And that will, again, be purified and be put in the
9 pipeline.

19:23 10 Now, this is a flue gas that comes
11 from -- it already has a lot of pollution and reduction
12 already on it. So it's gone through a selective
13 reduction for NOX, remove nitrogen oxide, and flue gas
14 and I've got CO2. Mercury's knocked out and goes through
19:24 15 and back out and things like this.

16 All those things are primary pollutants.
17 Most of them are already knocked out, which makes this
18 an ideal candidate for this.

19 In partnership with the DOE and we're
19:24 20 trying to demonstrate how we can take this existing
21 technology for capturing carbon and really build it up
22 at a commercial scale. There's been some small scale
23 projects, but this is a very large scale project in
24 comparison.

19:24 25 Now, the technology of using CO2 for EOR

19:24 1 is not a problem. It's something that's been done in
2 west Texas for 40-plus years. Gates Oil Field, they
3 take CO2 that's naturally produced out of the Cortez
4 stone in Colorado. They pipe it down through
19:24 5 approximately 3- or 400 miles of pipeline infrastructure
6 and inject it and use that and have been doing that for
7 40 years. So that -- that piece of the puzzle is proven
8 technology.

9 While we're doing this, obviously, we're
19:25 10 attaching it to an existing power plant. We also want
11 to make certain that we balance that against not
12 increasing the cost of the electricity that is produced
13 at that power plant.

14 One of the goals of DOE's program and one
19:25 15 of our goals is, if we can -- if we could commercialize
16 this, if we can prove it on this scale, that will help
17 us in taking and move other projects like this, because
18 there is going to be a need for CO2, for enhanced oil
19 recovery, and there is going to be a need to reduce
19:25 20 greenhouse gases in the future.

21 So if we can improve this technology at
22 this larger scale, make sure that it's economically
23 viable, make sure that we can do it in a way that
24 protects the public, then we have a template that we can
19:25 25 then go forward and use in other coal-fired power

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plants.

Here's our timeline. We talked about it a little bit earlier, and I think Mark put some slides up on the NEPA process, but this has a little bit more.

Up in -- starting in the upper corner there, the feed is the front-end engineering design, so that's where the -- on the power plant side, looking at the carbon capture system, what's required there, how we're going to do that. We have technological difficulties that we have to overcome. Same with the pipeline.

So out of that feed, we'll produce output level and have that estimate and have some baseline assumptions on how we're going to do the work.

The air permit process, because we are modifying the emissions at the power plant, we have to get a new air permit for that. That air permit application has been prepared, and it's been filed. I think it has been declared, at least administratively complete, so it has all the pieces of the puzzle there. And now -- now it's just in the state's hands to review and process.

The next bar down you see is NEPA/EIS process, and that's why we're here tonight. We're here to talk about what the environmental concerns that the

19:27 1 public has, making certain we capture those concerns,
2 and then incorporating those into the environmental
3 impact statement.

4 We call this level a scoping meeting
19:27 5 because, even though we have a line on the map over
6 there, there may be environmental issues that I haven't
7 caught in my background and research in looking at all
8 the various grids, and so we need to hear from the
9 public, as well as what are their concerns. So we look
19:27 10 at a wide variety of things.

11 Then next year we'll be kickingn off
12 detailed engineering for the plant and pipeline. That's
13 where we'll get really refined estimates and start
14 talking about, okay, here's the type of equipment we're
19:27 15 going to have, here's where we need to purchase it, when
16 are we going to hire contractors to construct both of
17 those pieces, and what -- what things have to happen in
18 sequence to make that occur so that we go into
19 construction --

19:28 20 Go back a second.

21 Okay.

22 -- construction at the plant is currently
23 scheduled for the last part of 2012 for the pipeline.
24 There's a little bit more wiggle room there, and that's
19:28 25 simply because pipelines are a lot easier to build than

19:28 1 power plants and carbon capturing systems.

2 And then finally, our Phase 3 is going to
3 be the commercial demonstration. That's where we're
4 actually delivering CO2 to the field, and as part of
19:28 5 that, we have to have a MVA, or monitoring, verifying
6 and accounting for what's happening to the CO2.

7 We're putting it in the ground, it's
8 staying in the ground, part of it's staying in the
9 ground, and what's coming back up, and the oil and we've
19:28 10 recovered that, and we're re-injecting it.

11 So we want to know what happens to it,
12 what's the fate of the CO2 in the environment.

13 Okay. Next slide.

14 So here's a picture of the Parish plant,
19:28 15 and you can see the general process here where you have
16 the power plant and there's the flue gas regeneration,
17 the scrubber there. The flue gas is coming off, it's
18 cooled, it goes through an absorber and a stripper that
19 regenerates the insolvent that's used, and the CO2 gets
19:29 20 purified. All the -- all the stuff is knocked out of it
21 as best as possible. Then it is pressed into a
22 superficial state and then injected into a pipeline.

23 At that point, it will be metered going
24 out of the facility, and it will be metered when it's
19:29 25 delivered to the customer at the other end of the

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pipeline.

As we currently have it planned, we're looking at a 12-inch pipeline. It may go up to at least a 16-inch. Don't know yet because we're just running very preliminary hydraulic models as to whether we're going to have to have pumping stations or booster stations along that line. We're looking at a pressure leaving the plant of about somewhere between 21 and 2,500 pounds.

Again, we're still playing with that hard computer modeling in figuring that out. And then the delivery pressure in the field of about 15 or 1,600 pounds.

Let's see if there's anything else here.

At this -- one other point I'll point out here of all those bullet points is that -- the last bullet point is the existing plant performance will not be degraded and disrupted by the installation of the carbon capture system.

In other words, we're not going to rob any electricity to run the carbon capture system. Instead we're going to put a new unit in there that will produce electricity, that will be a natural gas-fired unit to run the Carbon Capture System. And there will be excess power produced. It's always a good thing.

19:30 1 I don't know if anybody was reading the
2 news over this last summer, but we had some days where
3 the Texas power grid was really pretty constrained
4 because it was so darned hot here. And if you're like
19:31 5 me, I run my air conditioner all the time. I'm one of
6 those people. And so any power that we can produce in
7 the back of the grids, that's a good thing.

8 So here, this is, again, one of the
9 graphs you've seen on one of our posters out here, but
19:31 10 it just shows, looking at the graphing itself, where we
11 have the plant, the carbon capture system where the CO2
12 is pulled out of that flue gas on our Parish Unit Number
13 8, and it's one coal-fired unit of four coal-fired units
14 at that plant, and there's also four natural gas units
19:31 15 there.

16 We purified the CO2, compress it, put it
17 in the pipeline, send it through the pipeline down into
18 the field. It's injected into the field. Some of that
19 CO2 will stay in the formation some of it will come back
19:31 20 up as oil is produced. When the oil is produced, the
21 CO2 will be separated out of the oil, re-injected back
22 in the field.

23 Okay. This is our preliminary corridor
24 where I was talking about where we looked at the two
19:32 25 power line corridors. And you will see there in the

19:32 1 middle that there's two different alternatives. And a
2 couple of people asked me why do you have two different
3 alternatives there? It's simply where do I come off of
4 one pipe -- one power line corridor and go to the other.
19:32 5 There's a couple of options there.

6 That's a random thing, and so it just
7 depends upon how we can get through that area with the
8 least amount of impact. Most of this is very rural.
9 That area has at least some development. If we look at
19:32 10 that Alternative 1 central segment, that's coming down
11 and we have the county road over to the south Texas
12 electric co-op corridor there. And if you look at the
13 lower one, that's coming all the way down into
14 Centerpoint, their substation, and then we'll be
19:33 15 following another local electric utility line over to
16 this corridor there. And then it comes all the way down
17 to the West Ranch oil field.

18 One of the things that we looked for when
19 we were siting these is, as I said, you know, reducing
19:33 20 impacts on creating new corridors, utilizing what was
21 already impacted, making certain that we don't have to
22 clear any new areas, making certain that we avoid known
23 areas of archeological or historical concern, the ranges
24 and threatening endangered species, wetlands impacts,
19:33 25 all those things were taken into account when we started

19:33 1 to site this. And this was the cleanest corridor that
2 we could come up with. And it's also designed to be as
3 short as possible as well.

4 And with that, I'm going to turn it over
19:33 5 to Mark.

6 MR. LUSK: Okay. At this point, we are
7 ready to hear your oral comments, and we only have two
8 people signed up to speak. I assume they're still here.

9 The first one I have is Mike Trahan.

19:34 10 Actually, I forgot, we need to go over the -- we kind of
11 have some rules here, but we only have two people who
12 are scheduled to speak, so we generally use five minutes
13 at a time. It is okay if one of you want more time,
14 since there is only two of you.

19:34 15 But please say your name. I will give
16 Cindi the list here when I'm done so she'll have the
17 names and spelled correctly. But basically you're going
18 to come up and let us know your name, issue identified
19 yourself. And then tell us what your concerns are.

19:35 20 When we're done, if anyone else wants to
21 come up afterwards, and put their comment in writing, I
22 probably have time for discussion about the project and
23 to ask question, if you want to ask questions. But we
24 can do this as an informal process. If you want to

19:35 25 speak, you can have a chance to do so.

19:35 1 MR. LUSK: If you like -- thank you --
2 you can come sit with Cindi up front by yourself if you
3 don't want to speak in front of everybody and you can
4 dictate your comment to her as well. Or you can, as I
19:35 5 said, simply make a comment in writing. That's just as
6 good. All count whatever you want to say.

7 So go ahead and do the next slide. We'll
8 leave -- we'll just leave this up while we're doing the
9 speaking. It's on the form here as well.

19:36 10 MR. TRAHAN: yes. I'm Mike Trahan, and I
11 am down in Houston. My concern is that -- or question
12 would be is -- will NRG solely own the pipeline? And
13 the other question would be, will they be able to use
14 imminent domain to obtain where they're making their
19:36 15 crossovers from one right-of-way existing to the other
16 right-of-way existing imminent domain, safe to obtain
17 that property?

18 MR. LUSK: Thank you. And I guess next
19 we have Richard Lord.

19:37 20 MR. LORD: yes, my name is Rick Lord, or
21 Richard Lord. I'm with the Gulf Coast District Council.
22 And I've been told that there's been difficulty getting
23 the payrolls from these DOE-funded projects. Will there
24 be a certified payroll and will it be ready and
19:37 25 available for us, or for anyone, to come check out the

19:37 1 payrolls on the project?

2 And also, DOE's part of the funding, what
3 percentage of the overall cost is -- I've seen the
4 numbers come up, but I'm just curious, is there a
19:37 5 certain magic number or how much it's funded will be
6 available for this project?

7 MR. LUSK: Would anybody else like to
8 provide oral comment at this time?

9 MR. GRABLE: Good evening. I'm Josh
19:38 10 Grable. I'm also here and as a member of the community.
11 And you all know we have a situation right now with the
12 water, there was a severe drought, and how much more
13 water, if any, would this expansion to the Parish
14 actually use?

19:39 15 MR. BAKER: Yes, my name is Mark Baker.
16 I'm a business agent for the pipefitters local, the
17 training program and stuff like this, and I'd like just
18 to express my concerns that I want to know that the
19 highest quality of workers is going to be available at
19:39 20 this job.

21 And also another concern of mine would be
22 if -- will this project have any kind of impact on the
23 cost of electricity to the consumer in any way, anything
24 like that, because what we have with the regeneration
19:39 25 process.

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MR. LUSK: Thank you, Mark.

Anybody else want to revisit something or additional comments from anybody?

Well, anybody have any interest in reconvening more informally and discussing some of these things or -- we can go by the posters and talk about it or -- that's what we've done in the past. If there's people interested, we can go discuss these things.

We have your comments on record. I thank you. And I do encourage you all -- I hate to repeat myself over and over, but if you do have comments, please submit the forms and there as good as oral, so send them in.

Hope to see you back in a few months and we can talk about the graph. Thanks for your participation.

Do you guys have any desire to leave a comment with Cindi? Okay. We are good to go? Okay.

(Proceedings concluded at 7:40 p.m.)

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REPORTER'S CERTIFICATE
PUBLIC SCOPING MEETING
November 30, 2011

I, Cindi L. Bench, the undersigned Certified Shorthand Reporter in and for the State of Texas, certify that the facts stated in the foregoing pages are true and correct.

I further certify that I am neither attorney or counsel for, related to, nor employed by any parties to the meeting in which the comments are taken and, further, that I am not a relative or employee of any parties employed by the parties hereto or financially interested in the action.

SUBSCRIBED AND SWORN TO under my hand and seal of office on this the _____ day of _____, _____.

Cindi L. Bench, CSR
Texas CSR 752
Expiration: 12/31/12
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W.A. PARISH POST-COMBUSTION CO2 CAPTURE AND
SEQUESTRATION PROJECT AND THE NATIONAL
ENVIRONMENTAL POLICY ACT
DECEMBER 1, 2011

COPY

1 MR. LUSK: We'll start with some
2 introductions. My name is Mark Lusk. I just met you
3 guys, and I'm the -- what we call the NEPA Document
4 Manger with the Department of Energy, and my role is to
5 guide the production of the Environmental Impact
6 Statement that we'll be preparing here in the next few
7 months.

8 At this point we're here to, you know,
9 generally get comments from the public, but, you know, we
10 don't have too many people showing up, so we're glad that
11 you're here, but we can introduce you to the project, you
12 know, introduce you to the people that are working on the
13 project, and let you know kind of what's coming down the
14 road.

15 At this point we will start production of
16 the Environmental Impact Statement. We'll take comments,
17 then, the next few weeks, I think until December 14th --
18 even later. If they come in a little later, that's fine
19 too, you know, we're not gonna ignore them.

20 There's various ways they can comment.
21 You can bring a stack of those forms with you, and they
22 can submit those to me directly, either by e-mail, or,
23 you know, put them in the mail. They can drop a note to
24 me on a -- on a phone number we've set up. All that is
25 in the Notice of Intent that I gave a copy to you. So

1 there's a number of ways they can comment and also
2 request a copy of the Environmental Impact Statement, if
3 they would like a copy.

4 With us today we also have Ted McMahon.
5 He's with the Department of Energy as well. Ted is the
6 project manager from our side of the -- of the
7 partnership, and his boss, Gary Stiegel, is here as well,
8 behind you -- Gary. And Steve Mascaro is also with the
9 Department of Energy. He is the project engineer and
10 will oversee a lot of the design and review things, make
11 sure it meets the requirements from -- from our side.
12 They were awarded this financial assistance grant, and
13 Ted can talk a little bit about that, how they got
14 selected, but basically they have to, you know, meet
15 certain requirements in order to get the grant.

16 And you've met David Greeson.

17 MR. GREESON: Yeah; David Greeson. I'm
18 the -- the commercial lead for the project for Petra
19 Nova, which is a subsidiary of NRG Energy, and then I'm
20 gonna let the rest of my team introduce themselves.

21 MS. STONITSCH: Devon Stonitsch, and I'm
22 the (inaudible) for the Petra Nova team.

23 MR. LUSK: Speak up so she can hear you.

24 MS. STONITSCH: Devon Stonitsch. I am the
25 finance and accounting lead for the Petra Nova team.

1 MR. GREESON: Okay. And you've met John.

2 MR. BARFIELD: John Barfield. I'm the
3 pipeline and the overall environmental lead for the
4 project.

5 MR. ARMPRIESTER: And I'm Tony
6 Armpriester. I'm leading the engineering and
7 construction efforts of the carbon capture facility
8 inside the plant fence line.

9 MR. KNOX: And David Knox, I do media
10 relations for NRG that support the Petra Nova group.

11 MS. ROSS: Peggy Ross, I'm the executive
12 assistant for Petra Nova.

13 MR. LUSK: And then also with us we have
14 U.T. folks.

15 MS. SMYTH: Becky Smyth. I'm with the
16 U.T. Bureau of Economic Geology, and we'll be looking at
17 the subsurface in the oil fields, designing and
18 monitoring plans and trying to figure out where the CO2
19 is going, tracking it.

20 MR. COMWELL: I'm Pete Comwell. I'm from
21 the URS Corporation, and I'm managing the preparation of
22 the EIS from I guess either subcontractor to DOE and NRG
23 Petra Nova, and then. . .

24 MS. GATES: Oh, I'm Nancy Gates, and I'm a
25 public involvement task leader for the URS project.

1 MR. DUPRES: And I'm Jason Dupres with
2 URS, and I'm involved with the permitting of the
3 pipeline.

4 MR. LUSK: So URS will be doing a lot of
5 the work on developing the EIS and looking at the various
6 impacts, and that document will probably go out, like I
7 say, in what, four or five months? Why don't you flip
8 the slides for the schedule.

9 UNIDENTIFIED PERSON: Is that --

10 MR. LUSK: Yeah, stay there for a minute;
11 yeah. Basically, we're at this first arrow that's
12 going -- going up here, at the public scoping meeting, we
13 call these, where we come out to the public, describe the
14 project, give them an idea of the schedule, tell them how
15 the public can get involved. Basically the public has
16 two points in the process where they get involved. One
17 is the scoping period where we are now, and we're asking
18 for input on what the concerns are. As the develop --
19 the document is developed, we make sure we address those
20 concerns.

21 Later, the second arrow that's pointing
22 up, after the draft of the Environmental Impact Statement
23 is released, well, there's another public comment period
24 where the public can then comment on the content of the
25 document itself. And we'll come out and do another

1 series of meetings, and people can let us know what they
2 thought of the document, if we missed something, if we
3 were inaccurate, you know, whatever they --

4 MR. GREESON: Late spring you expect?

5 MR. LUSK: Yeah, probably or, you know,
6 sometime this spring, I would think.

7 And you know, generally there's a 45-day
8 period where we accept comments and give everybody a
9 chance to review it, and like I say, we'll come out for a
10 public meeting. At that point we take those comments and
11 other comments we've received from, you know, EPA, the
12 State, whoever else has had a chance to look at it. We
13 send it to a lot of different agencies, and I'm -- I'm
14 sure we'll be sending it to a lot of local officials as
15 well. So, if you have a chance to review it, that will
16 be great.

17 We'll accept those comments, and we'll
18 prepare the final Environmental Impact Statement based on
19 the comments we receive, and not any other developments
20 that have occurred, and release the final Environmental
21 Impact Statement sometime late in the year next year.

22 And at that point, we would have a 30-day
23 waiting period to issue what we call the Record of
24 Decision, which is the agency's decision to, you know, go
25 forward with the project, and it might identify various

1 mitigation actions that we would, you know, place on NRG
2 Petra Nova to make sure that it minimizes the impacts
3 that we've sought. And at that point they'd be basically
4 turned loose to do their construction and carry the
5 project forward.

6 There is a tentative schedule we've lined
7 out curbing some of the dates I've mentioned, and like I
8 said, basically, you know, the reason we hold these
9 meetings is to get public comment. Some -- some projects
10 are more contentious and controversial, and you might get
11 a hundred people show up; some projects get -- you know,
12 we had like seven people last night, I think.

13 And then, Ted, if you want to give them
14 just a little background on the selection process, that
15 would be great.

16 MR. MCMAHON: Okay. I can make this
17 pretty brief.

18 The -- the project that we're talking
19 about today receives federal funding under what's called
20 the Clean Coal Power Initiative, or CCPI, which is a
21 program that was established in 2002 to increase
22 investment in clean coal technologies.

23 Some of the technologies that we're
24 interested in are listed in the second bullet, but mainly
25 the program focuses on reducing pollution and increasing

1 energy efficiency of coal-fired systems that produce
2 electricity.

3 We give funding to projects that are
4 better than what is technologies that are commercially
5 available. They have to make advancements in efficiency
6 performance and environmental performance and or cost
7 competitiveness received -- to receive federal funding.

8 We have competitions -- open competitions
9 for these pro -- to receive funding. We have specific
10 criteria that we look at to make selections from. We
11 look at the technology that's proposed, the finances of
12 the project, environmental performance of the technology,
13 in order to select which projects will receive funding.

14 When we select a project, we enter into
15 what's called a cooperative agreement. In common terms
16 that would just be known as a contract that specifies
17 what the objectives of the projects are and what the
18 obligations of both parties are. And one -- one of the
19 most important aspects of the project is that the
20 applicant or the participant, in this case, NRG Petra
21 Nova, has to agree to pay at least 50 percent of the
22 project costs.

23 This is the third round that we've done
24 since 2002. This particular round, Round 3, was focused
25 on projects that capture carbon dioxide emissions from

1 coal-fired power systems. And there are some specific
2 objectives that we had; the first is that the objective
3 is to demonstrate technologies at commercial scale and
4 commercial settings. So this is for big projects. This
5 is not for laboratory-scale work at all.

6 And we -- projects had to target a 90
7 percent capture efficiency for CO2. They had to make
8 progress towards reducing costs of these types of
9 systems, and they had to capture and sequester a minimum
10 of 300,000 tons a year of CO2.

11 We selected this project in early 2010 and
12 signed an agreement with NRG in May of 2010, and it calls
13 for DOE to contribute \$167 million to the project.

14 Much of this funding comes from the
15 American Recovery and Reinvestment Act of 2009. It's
16 called the Recovery Act or the Stimulus Bill -- and y'all
17 can hear about that in the news. And its objectives are
18 to create and preserve jobs, invest in infrastructure,
19 and invest in energy efficient technologies. And one
20 important point is that some -- the Recovery Act funds
21 will expire on September 30th, 2015. So they all have to
22 be spent by that date. I think this project won't have a
23 problem spending that money by that time.

24 So, that's really all I have to say. If
25 you have any questions, I'll be happy to entertain any;

1 otherwise, John -- I guess I will turn it over to John.

2 MR. BARFIELD: Sure. And we can -- that's
3 just kind of a list of kind of some of the things we'll
4 cover, so we'll just move on.

5 Something we talked about last week,
6 greenhouse gas reduction, economic development, job
7 creation, preserving and extending existing jobs at the
8 plant, in the oilfield, and creation of some new jobs as
9 well as jobs that will be during construction -- 500
10 construction jobs that will probably be -- what do we say
11 at the plant, Tony --

12 MR. ARMPRIESTER: It means 500
13 construction jobs for a two-year period, but there will
14 be peaks and valleys --

15 MR. BARFIELD: Right.

16 MR. ARMPRIESTER: -- along the way, so --
17 two-and-a-half-million man hours in construction at the
18 plant, so. . .

19 MR. BARFIELD: Okay. And then the
20 pipeline is gonna not be that many hours, because we will
21 build the pipeline. And by pipeline, we can do that in,
22 you know, be anywhere between three and six months, but
23 we will probably have, again, upwards of 500 jobs during
24 that time, and those are -- those are good -- good
25 quality jobs -- we're talking welders, equipment

1 operators, those sorts of things, so. . .

2 As you know, the plant is up in Fort Bend
3 County. The pipeline system goes through Fort Bend,
4 Wharton and Jackson County, and I showed y'all on the map
5 here where -- where it crosses into Jackson County.

6 In Jackson County we're following the
7 South Texas Electric Co-Op Corridor. The reason we chose
8 to do that -- we looked at several different options, we
9 looked at other pipelines, we looked at railroad
10 corridors, we looked at road corridors, we looked at
11 other power line corridors -- it's simply to minimize
12 impacts to landowners. We have known environmental
13 impacts where those corridors are, and beyond that, it's
14 trying to find the straightest line between two points to
15 do it and build it as efficiently as possible to the
16 least amount of impact.

17 We've got some preliminary cost estimates
18 up here -- approximately 845 million, and we're still in
19 engineering -- front-end engineering design phase, so
20 these are preliminary costs, and it says here -- you
21 know, Ted had mentioned we have a \$167 million grant from
22 DOE currently, but we may be able to get a grant up to
23 355 million, and then private investment will cover the
24 rest.

25 The carbon dioxide we're capturing is

1 approximately 1.6 million tons of -- I think Ted talked
2 about we -- the target was due at least 300,000, and the
3 system is going to be designed to capture 1.6 million
4 tons, which is the equivalent of the CO2 in the exhaust
5 of a half a million cars a year.

6 Again, just kind of building upon what Ted
7 said, we're trying to take it from -- we -- we've seen it
8 in the laboratory, we've seen a small scale, now we're
9 taking it a commercial scale, so a much larger
10 application with the -- the proviso that we don't want
11 to, you know, significantly increase the cost of
12 electricity at the plant, and, then, in fact, this --
13 this project could be separate and not tied to the cost
14 of electricity at that plant.

15 Go ahead and go on to the next slide.

16 This lays out a little bit -- in a little
17 bit more detail. They talk about the -- the EIS
18 schedule, and that's certainly a part of this, but where
19 we are now, we start up here in the -- in the far corner,
20 that's the front-end engineering design. That's for the
21 plant work, and that's the pipeline work, and that's
22 where we are right now, and the red line kind of shows
23 where, you know, where we are here today.

24 The Air Permit Application in Fort Bend
25 County has already been prepared. It's been submitted to

1 the State. It's been found to be administrative and
2 complete -- in other words, it has all the parts that
3 it's supposed to have, and so it's now under review
4 there.

5 The NEPA EIS process we're in now,
6 starting back when the decision was made to do an EIS in
7 July to when the Notice of Intent was published, and then
8 we start with these scoping meetings.

9 The next step for us as a company, Petra
10 Nova, is we'll actually get out in the field with civil
11 surveyors, put stakes on the ground, we'll have
12 biologists come out, archeologists; looking at are there
13 wetlands impacts, are there threatening endangered
14 species impacts, are we gonna hit any archeological
15 resources?

16 A good thing about if you are in the
17 existing corridors, you already know a lot of those
18 things, and so those are part of the process to filter
19 down where it makes sense to site a pipeline.

20 We'll be starting detailed engineering
21 soon, and -- and I'll say here I think that -- that may
22 be moving too -- a little bit earlier than 2012, because
23 we're -- we're trying to get a jump, but. . . And then
24 construction starting in -- in the fourth quarter of
25 2012, and that will be at the plant. The pipeline

1 construction is much easier, much more straightforward,
2 and so it will be pushed out towards, you know, the last
3 six or eight months of that construction schedule there.

4 The start is simply the startup where
5 we're gonna be testing all the systems, making certain
6 that the work that happens at the field has been done,
7 and everything is integrated and working together, and
8 then we'll start actually operating the system as the
9 commercial demonstration.

10 Becky talked earlier about the -- the MBA
11 activities, what happens to the CO2, how much of it is
12 staying down in the ground, how much of it is coming back
13 up that gets separated back out from the oil. That's
14 going to be part of that commercial demonstration period,
15 that two-year period or so.

16 MR. GREESON: John, when will you start
17 contacting landowners on the pipeline in Jackson County?

18 MR. BARFIELD: In Jackson?

19 MR. GREESON: Uh-huh.

20 MR. BARFIELD: We're contacting them now.
21 We've -- we've contacted everybody in Fort Bend. We have
22 been contacting the folks in Jackson County starting
23 Monday, and in Wharton County as well.

24 So, part of that, though, is the -- what
25 we started with was a list of landowners that we got from

1 STEC, when they built their line. Obviously some -- some
2 of those parcels may have changed over time, so they have
3 to take what we've given them, the maps we've given them.
4 They go to the county courthouse, they look at all the
5 titles, they figure out whose -- who -- who now owns the
6 properties, if they have changed. And then once we get
7 that, then we'll start contacting folks.

8 At this point, we're contacting them just
9 to ask permission to go on their property and do the
10 civil surveys, so the engineering surveyor will be out
11 there putting the stakes out on the ground, marking the
12 edges of where our post-construction right-of-way is.
13 And we're looking for -- for a 12 to 16-inch line, we'll
14 look at a hundred -- a hundred foot construction corridor
15 and somewhere between 30 and 50 feet of permanent
16 right-of-way, which will be overlapping with the STEC
17 right-of-way. So, for this, it just depends on how much
18 it is.

19 We're gonna lay at least five feet inboard
20 on the STEC right-of-way, so we will be in their
21 right-of-way. There will be five feet, and then we'll
22 have to get some additional permanent easement just
23 outside of that, and it will be somewhere between 15,
24 20 -- 20 feet. We will compensate -- we will compensate
25 landowners, of course, for temporary impacts as well as

1 the permanent easement.

2 MR. GREESON: And how wide is the STEC
3 right-of-way in that area?

4 MR. BARFIELD: Eighty feet, I believe.
5 Don't quote me on that. I'll have to go back and look,
6 because --

7 MR. GREESON: And we're gonna try to
8 live within that, right?

9 MR. BARFIELD: And we're gonna try to --
10 to live -- we're gonna try to, as much as possible, use
11 as much temporary right-of-way on that existing
12 right-of-way already. So, in other words, we'll overlap
13 as much as possible there, and -- but we will need a
14 little bit on the outboard side, and it's -- it's just a
15 decision on how much do we want from our center line,
16 which will be five feet in.

17 Typically, the -- the narrowest I've ever
18 seen is, you know, 15 foot outside the center line, which
19 would put us ten foot additional permanent easement that
20 we would be impacting landowners. Twenty foot is
21 probably more likely, but, again, it's gonna be a
22 negotiation, and we will talk with folks, and it depends
23 on how easy it is to get around on the STEC right-of-way.
24 We have access to it.

25 One of the things that we'll do, because a

1 lot of it is ag area, David, is that we'll segregate top
2 soils, so that we can put them back in place -- put the
3 soil profiles back in place. If we're in building during
4 a growing season, we'll compensate the crops. That's --
5 that's typical, and that's what everyone should do.

6 And then, you know, since we need access
7 to that right-of-way, STEC has some gates in there, but
8 we'll still have to negotiate with the landowners for the
9 rights to use those gates, put our locks in. And where
10 there's not any gates, then we'll put some gates in there
11 as well.

12 Some other impacts, in getting to some of
13 the Judge's and Commissioner's comments earlier, where we
14 have road crossings, before those road crossings, we'll
15 put fans (ph) out, or whatever the -- the county
16 engineering department says, "This is how we're gonna do
17 it," then that's how we'll do it, and do all of those
18 things, and then, you know, if we have to pull them out,
19 we'll pull them out; if it's a benefit to the landowner
20 and it's agreeable to the county, then we'll leave them
21 in place, but that's -- because they're county roads,
22 it's really their call. It's not the landowner's call.

23 So, this is -- this is kind of some
24 details about the plant and everything, and probably
25 I'm -- this is really up in Fort Bend County, so let's

1 move on to the next one, which is here at the field.
2 This is showing how -- just a basic schematic where it
3 will capture a slip stream of flue gas out of the
4 existing coal-fired plant up in Fort Bend County. So,
5 we're gonna pull it off at just one of the coal-fired
6 units there, and that's Parish Unit No. 8.

7 We're gonna pull about what, 35 percent of
8 that flue gas stream. We're gonna run it through a
9 system where there's a chemical solvent, an amine
10 solvent, then we'll purify the CO2. We'll try to recover
11 as much as that solvent as possible and regenerate it for
12 use, and then we'll compress that CO2, put it in the
13 pipeline. It will be metered as it goes out of that
14 facility, and then it will come all the way down here to
15 the West Ranch field, where it will be metered again, and
16 then -- and then put into the ground.

17 As it's used, of course, the idea is that
18 the CO2 acts as a solvent and gets into the interstices
19 or the pores in the rock and forces the trapped oil out,
20 so as the oil comes out, then it will -- it will still
21 have CO2 in it. The CO2 will be separated out, and the
22 oil will go into transport into existing pipeline systems
23 that already cross the field out there. That CO2 that's
24 recovered will be recompressed and reinjected into the
25 field.

1 It's a -- it's a valuable commodity. It
2 takes some money to produce it, to purify it, to get it
3 there, so we don't want to -- to lose it.

4 And this is just the basic route as we've
5 laid it out. And as I, you know, mentioned earlier in
6 some of the informal comments, we looked at a lot of
7 various ways to get down here, looking at combinations of
8 existing power line rights-of-way, road rights-of-way,
9 railroad rights-of-way, other pipeline rights-of-way, and
10 we believe that the route that we've chosen has the least
11 amount of impacts to landowners, the least amount of
12 impacts to the environment.

13 You will see here in the center where we
14 have two different alternatives -- and that's just a
15 decision of where do we come off of one power line
16 right-of-way and go onto the other one? And that's just
17 a decision when we get out there on the field and we're
18 looking at it, we'll make a determination which one looks
19 like it's the easiest route, the cleanest route.

20 Right now I can tell you, just based upon
21 the studies I've done, it looks like coming off on that
22 northernmost part there and -- and coming -- we have to
23 follow a county road, about four-tenths of mile, I think,
24 and then we'll pick up the STEC right-of-way. That looks
25 like the easiest -- easiest and cleanest route.

1 And I think that's my last slide. So,
2 I'll be happy to answer a few questions now.

3 MR. LUSK: At this point, we would, you
4 know, take public comments. They would have a chance to
5 speak if they wanted to. You guys are welcome to, you
6 know, ask questions just informally or provide a comment.
7 And then this last slide just gives all the various
8 options for sending me comments. You know, you're
9 welcome to take some of those forms back with you and
10 give it to some of your constituents. They don't have to
11 use the form, they can just send me an e-mail. That
12 e-mail I have direct access to, so it basically all comes
13 to me, and I'll funnel them to these guys to help me
14 answer questions, but that input would be helpful as we
15 start to develop the draft EIS. So if you have any
16 questions --

17 MR. DEYTON: No, I don't.

18 MR. LUSK: -- we'll take them.

19 MR. DEYTON: Not at this time.

20 MR. GREESON: Yeah, and feel free to call
21 us any time, you know, DOE or us.

22 MR. LUSK: You've got my card.

23 MR. GREESON: I'm sure we'll be back in
24 touch with you soon. We'll be -- we'll be getting more
25 folks together and come back down and talk a little bit

1 more about what the plans are for the field, so you guys
2 can know what's going on out there, and as John gets more
3 input or feedback from the landowners, we'll update you
4 on how that's going with the landowners on the
5 right-of-ways, so --

6 MR. DEYTON: Yeah. We really appreciate
7 that, you know, because that's the people we deal with.

8 MR. GREESON: I know, and we intend to
9 make them happy.

10 MR. DEYTON: All right.

11 MR. BARFIELD: And you know, you have my
12 card, and I'm the person who will be signing those
13 easement agreements, so I can't hide.

14 MR. DEYTON: Okay.

15 MR. BARFIELD: So I'll be around.

16 MR. LUSK: Anything else we can do for you
17 or questions on the EIS process or --

18 MR. SIMONS: No, I don't think. I think I
19 pretty well understand it. I just wanted to -- just
20 interested to see if anybody else was gonna be here to
21 make any comments.

22 MR. LUSK: We haven't generated a lot of
23 interest quite yet, but maybe later.

24 (Conclusion of hearing)

25

1 THE STATE OF TEXAS)

2 COUNTY OF JACKSON)

3 REPORTER'S CERTIFICATE

4 I, TAMMY C. WATKINS, Certified Shorthand Reporter in and
5 for the State of Texas, do hereby certify that the above and
6 foregoing contains a true and correct transcription of the
7 Public Hearing Meeting held on December 1, 2011 in Jackson
8 County, Texas, to the best of my ability.

9 WITNESS MY OFFICIAL HAND this the 4th day of
10 January, 2012.

11
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