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Item Number - 24

August 27, 2024

Chairman Thomas J. Gleeson Commissioner Lori Cobos Commissioner Jimmy Glotfelty Commissioner Courtney K. Hjaltman Commissioner Kathleen Jackson

Dear Chairman Gleeson and Commissioners.

My name is Haley Schulz and I am a lifelong resident of Fort Bend County. My husband and I each grew up in Sugar Land and decided to start our family in Richmond, just west of Sugar Land. I am writing to object funding to the natural gas rapid-start "peaker" power plant (Imperial Power Plant LLC) to be built at 1 Circle Drive Sugar Land, Texas 77498, under Project Control Number 56896, NOI Project Control Number 56455-71.

My childhood home and my parent's current residence is less than two miles away from the proposed site. While the City of Sugar Land claims the 148MW peaker plant would only operate at 30-35% capacity factor, peaker plants are still incredibly inefficient and pollute heavier per kilowatt-hour than a baseload plant. The pollutants from gas peaker plants include: nitrogen oxide, sulfur dioxide, particulate matter, greenhouse gases, and other volatile organic compounds known to cause organ damage, cancer, and attribute to a number of ailments that already impact the Fort Bend area. Fort Bend County is already in non-attainment for ozone and adding a gas plant (even with the claims of having to abide by stricter permitting due to being in non-attainment) will only hurt residents and our environment more. Based on the Fort Bend County Human & Health Services Community Health Assessment in 2022, the top two leading causes of death are heart disease and cancer. The exact same pollutants that come from peaker plants attribute to both cancer and heart disease, as well as other respiratory issues.

Based on the Senate Committee on Business & Commerce's <u>letter to the PUC</u> on August 7th, I want to highlight the committee's statement: "A determination of project feasibility must be based on regulations as they exist today." After personally attending the <u>community town hall event last week</u>, the City of Sugar Land was very clear that no financial analysis has been performed, an environmental impact study has not been completed, and Wärtsilä Development and Financials Services, Inc. was still working on a study of feasibility of the proposed project. Based on Executive Director Corona's testimony today at the Senate Committee hearing, I understand the due diligence process will take place after the awards are made known on Thursday. However, I don't know how a project can apply for or be awarded hundreds of thousands, if not millions, of taxpayer dollars for a simple proposal without any sound feasibility report or justification. And if this project did submit a feasibility review, it wasn't disclosed to the public last week and employees from Wärtsilä and the City of Sugar Land indicated one wasn't completed yet.

For some background on the project and the community's input, after waiting three months for the City of Sugar Land to engage with the public on this proposal, the New Territory HOA and surrounding residents were finally able to meet with the City of Sugar Land on August 21st, 2024. After hearing the presentation from the City and potential developer, over a hundred residents wholeheartedly voiced our opposition to the plant and received repeated comments from both the City and developer that there was no financial analysis performed, no environmental impact studies started, and they were "too early in the process" to have answers for the community. With TEF being a potential funder of this project, hearing answers like these would be worrisome to say the least. In my experience, projects would have needed to perform preliminary analyses, Front-End Engineering & Design (FEED) plans, and feasibility reviews to justify the request of funding in the first place. Overall, there is an extremely strong opposition to the plant within the community, there is a lack of sound argument supporting the plant at the proposed location, and adding a peaker plant will not assist in resolving the energy crisis we have in Texas.

As Texas' grid becomes more diversified in renewable energy, I agree we need to ensure there is dispatchable energy available to Texans, especially during peak demand. But thanks to fossil fuel-driven climate change, we cannot possibly think adding more fossil fuels to "enhance stability" will actually improve the lives of Texans. There are already solutions available to us to provide clean, dispatchable, and costeffective energy to consumers. But since solar, wind, and battery storage projects were exempted from receiving funding from the Texas Energy Fund, instead of approving gas-fueled peaker plants, the funds should be used to 1) transition coal plants into using more reliable, cleaner, and sustainable forms of energy, 2) improve and build out transmission and distribution lines across the state, and 3) adding energy storage to existing power generation facilities to create dispatchable sources of energy. Peaker plants are still incredibly inefficient and pollute heavier per kilowatt-hour than a baseload plant. So why would we add a 148MW gas peaker plant that will cost \$146M in the middle of populated Sugar Land that will supposedly run at 30-35% capacity factor, when Fort Bend County already has the W.A. Parish coal plant that requires modernization and transition away from coal? Adding gas peaker plants as a "solution" to improve grid stability is like putting a bandage on a flesh wound. It serves no purpose, it doesn't address the real problem, and will do more damage than good.

I strongly urge that the Public Utility Commission denies financing for the development of the Imperial Power Plant through the Texas Energy Fund. Rather, this funding should go toward the transition of coal plants into more reliable, cleaner, and sustainable forms of energy. The Texas Energy Fund should be awarded to projects that will actually support grid stability, present clear cases for feasibility, and are supported by nearby communities. As the Executive Director mentioned in testimony today, there will be a process to redistribute funds if any awarded applicants drop out. But I would hate for this process to be disrupted by projects like the Imperial Power Plant (Project Control Number 56896) that are not feasible, not credible, and not supported.

Kind regards, Haley Schulz