

Borough President Comments on TGE Preliminary Scoping Statement and  
TransGas Energy Responses, Case 01-F-1276

**Borough President General Comments:**

The Borough President's office has reviewed the Preliminary Scoping Statement (PSS) submitted to the Public Service Commission by TransGas Energy LLC and offers the following comments and concerns. The Borough President's comments are arranged in a corresponding order to sections included in the PSS.

Since, there are several comments which are more general and may apply to more than one section, we have included them here.

- Statement notes that the project is a "Brownfield redevelopment opportunity." We agree. However, the scope should identify and the DEIS should describe the methodologies that will be used to mitigate the brownfield.
- The application makes a minimal reference to the "no –action (no build), build, alternate build" scenarios found in all EIS's that I've seen. We would like to see an expanded analysis of this given that the Greenpoint and Williamsburg neighborhoods are areas which are undergoing transition in terms of zoning and land use. It is our understanding that this would be required under the Article X procedure as it is for CEQRA and NEPA.
- Pursuant to Article X, the Application must include "a description and evaluation of alternative locations to the proposed facility."

**TGE Responses to Borough President General Comments:**

*The scope of the Article X Application (which fulfills the role of a DEIS in this case), will describe brownfield mitigation methodologies.*

*The Siting Board has required applicants to present a "no action alternative." TGE will be following that precedent and will consider the issues described in the comment.*

*Article X does not require an alternative sites analysis of "private applicants" – those without the power of eminent domain -- unless the applicant has a legal interest in a parcel of land that can serve as an available and reasonable alternative to the project. TGE is a private applicant and has no legal interest in any alternative sites. However, TGE will provide an explanation of the process that led to the selection of the proposed site.*

## **Specific Comments**

### **1.0 Summary and Introduction**

#### **1.1 Proposed Project**

#### **Borough President Comment:**

The third paragraph states that “The project is sited to avoid parcels on which community waterfront access is planned.”

Recommendation #'s 1 and 25 of the Williamsburg Waterfront 197-a Plan (as modified on September 14, 2001) and under consideration by the City Planning Commission state that “if land uses [such as the fuel oil facility on Bushwick Inlet] change and development opportunities arise... they should be rezoned to permit [high performance light manufacturing], with ample provision for waterfront access and public open space.” The Borough President recognizes that the preliminary scoping statement was prepared prior to the modifications of the 197-a Plan. Therefore, he recommends that the applicant stay informed about revisions to the plan as it proceeds through the approval process of the City Planning Commission and the City Council during the next three months.

#### **TGE Response:**

*TGE will follow this issue. When the City Planning Commission publishes the 197-a plan revisions, TGE will evaluate them.*

#### **Borough President Comment:**

The third paragraph states that “[a]s an alternative to the use of municipal water for water supply, TGE will study the treatment (and use) of wastewater effluent from the Newtown Creek Water Pollution Control plant, which is currently discharged into the East River, or non-potable groundwater from decommissioned wells.”

The applicant has indicated that they contacted DEP. The Borough President expects to see more information regarding the extent to which these ideas were explored with technical staff at the Newtown Creek Water Pollution Control Plant. Specifically, were the impacts of the current plant upgrade considered.

#### **TGE Response:**

*Information as to technical discussions with DEP will be provided. The analysis in the Application will consider the impacts of the ongoing plant upgrade.*

## **2.2 Project Site and Environmental Setting**

### **2.2.1 The Site**

#### **Borough President Comment:**

The application states that “The site...is in a portion of the waterfront that is as distant from primarily residential blocks of both Greenpoint and Williamsburg as the East River waterfront allows – approximately 1,000 feet in all directions.” In Section 2.2.2. (p. 2-3, 3<sup>rd</sup> paragraph.), it states that “The predominantly residential area is approximately 1,000 feet away from the project site.” This is repeated in Section 9.5.2 (p. 9-16, 5<sup>th</sup> paragraph).

These statements imply that the project area is manufacturing in character. In fact, while the area is zoned for manufacturing, the land use is a mix of residential, manufacturing, warehousing and vacant land. The residential area comprises the vast majority of 21 blocks within one-quarter mile of the proposed project site. (Note: source Sanborn Map Atlas and the Loft Text Zoning Amendment prepared by the Department of City Planning and pending before the City Planning Commission). An examination of Census 2000 data reveals that the population of the area within one-quarter mile of the proposed Project is 12,645--an increase of 6.74% (almost 800 residents) since the 1990 Census. Much of this increase is believed to have occurred in areas that were developed for manufacturing, but are now occupied by persons living in loft-type dwellings (as identified in the New York City Department of City Planning’s Brooklyn Loft Legalization Text.) See attached map--“Residences Within ¼ Mile of the Proposed Transgas Facility.”

While the East River waterfront in Greenpoint and Williamsburg has historically been shared by water-dependent manufacturing uses, as its 1961 zoning attests, its current uses are now much more diverse. Community planning documents, recognizing the reorganization and potential relocation of industry, emphasize a balance of high-performance manufacturing uses coupled with commercial and mixed income residential development.

#### **TGE Response:**

*TGE is cognizant of the proliferation of loft-type dwellings, the general trends in land use in the area, and the goals outlined in community planning documents. In addition, the Application will consider the compatibility of the plant with areas identified in the proposed Loft Text Zoning Amendment. The statement that this site “is in a portion of the waterfront that is as distant from primarily residential blocks of both Greenpoint and Williamsburg as the East River waterfront allows – approximately 1,000 feet in all directions” – holds true, as may be evidenced both from a Department of City Planning map (2000) and the map provided with the comments. TGE will make sure that Year 2000 Census Data are used.*

**Borough President Comment:**

The Applicant states that this project represents a brownfield redevelopment opportunity and that the site is subject to remediation requirements imposed by the New York State Department of Environmental Conservation.

Replacing one heavy industrial use with another may not constitute a brownfield redevelopment. The Borough President would like to see this statement supported with a description of what remediation requirements will be met. There is no indication in the PSS that the applicant has even met with DEC. Furthermore, in some of the preliminary renderings of the proposed project, the applicant has shown public waterfront access areas. What remediation standards would these areas be subject to? How would that be decided? When will the applicant meet with DEC?

**TGE Response:**

*TGE has publicly stated that it will remediate the site to a condition that would permit potential waterfront access. Through this cleanup, TGE will provide a lasting environmental benefit. TGE had a preliminary meeting with DEC in the Spring of 2001, prior to optioning the site, and expects to work extensively with DEC in the months ahead, so that a remediation plan can be developed and presented in the Article X application.*

**2.2 Project Site and Environmental Setting**  
**2.2.2 The Greenpoint and Williamsburg Communities**

**Borough President Comment:**

The fourth paragraph states that “The Application will not only demonstrate consistency with City regulations and performance standards but will also analyze Project development in light of Borough and community planning documents including the Greenpoint and Williamsburg 197-a Plans.

As noted in his comments for Section 1.1, the Borough President recognizes that the preliminary scoping statement was prepared without benefit of the modified 197-a Plans. Therefore, he recommends that the applicant stay informed about revisions to the plans as they move through the approval process during the next three months.

**TGE Response:**

*As stated above, TGE will follow this issue.*

## 2.2 Project Site and Environmental Setting

### 2.2.3 Infrastructure

#### **Borough President Comment:**

In the second paragraph, the applicant states that “New York City is an electric load pocket – an area with severely constrained ability to import power”.

Although this statement is fundamentally correct, the Borough President believes that further analysis is warranted. Although the City is constrained in how much electricity it can import via the overhead transmission lines, the applicant does not account for new technologies which are currently being proposed to bring in electricity through underwater direct current (DC) transmission lines. These systems would import excess supply from the Northeast U.S. and Eastern Canada and would not require in-city power generation. If this proposed project was approved, it would bring up to 600 MW into the city by 2003. This, combined with an additional 300-400 MW being brought on by repowering and other new smaller projects, creates a different local supply and demand picture than that presented by the applicant. The applicant needs to do a more thorough job of demonstrating that additional supply will be needed given the average length of time taken for similar Article X proceedings. It is our understanding that although the Article X was positioned and developed for a 14 month turnaround, the recent Athens, New York application took almost twice as long.

#### **TGE Response:**

*The Application will address the plant’s beneficial, and, if any, detrimental effects on transmission reliability. State policy, however, has shifted from a “need-based” approval process, where ratepayers financed new generation, to a competitive marketplace, where independent power producers shoulder the risk of building and operating the new power plants. Accordingly, the demonstration that TGE must make in its Article X Application is that the proposed plant will be a merchant plant that will promote competition. It is also noteworthy that while the Athens proceeding, the first Article X case, took longer than 14 months, recent in-City proceedings such as SCS Astoria or Keyspan Ravenswood Cogen have taken, or will take, less than 14 months.*

#### **Borough President Comment:**

In the final paragraph, the applicant discusses Keyspan as the supplier of its natural gas and that “system reinforcements are being planned by both Keyspan and Con Ed”

The applicant needs to discuss how these system reinforcements are related to the TransGas Energy project and demonstrate that both the Keyspan and Con Ed systems will be adequate to handle their requirements. At a meeting on May 30, 2001 at the Borough President’s Office, the applicant discussed the purchase of natural gas “futures” (e.g. purchasing natural gas at a contracted future price) to ensure adequate and a price stable natural gas supply. This was not discussed in the PSS. The

Borough President requires clarification on how the applicant would assure a reliable and cost efficient supply of natural gas given that the use of clean natural gas is the promotional cornerstone for the entire project. There is also no indication that the applicant has actually met with Con Ed or Keyspan.

**TGE Response:**

*The Applicant has met with Con Edison and KeySpan to have the utilities initiate studies for their respective systems. The results of the studies will be discussed in the Article X application, including relevant upgrades each utility may perform for its system independent of TGE and those upgrades related to TGE. With respect to gas supply, the air permits will effectively cap the amount of oil that can be used, thereby assuring that the Plant will principally use natural gas. The Article X Application will include a discussion of the various alternatives that TGE may pursue to secure gas supply.*

**2.3 Project Site and Environmental Setting**

**2.3.1 Industrial Processes**

**Borough President Comment:**

The applicant states in paragraph three, “the project will be equipped with infrastructure that will enable the production of steam replacing some of the electricity that would otherwise be produced through the steam turbines. The project envisions that the steam could be delivered to the Con Edison steam system.”

The applicant needs to clearly support the existence of a steam market. The presence of a steam market for the applicant would depend on negotiations and actions taken by Con Ed. This apparently has not taken place. There is also some questions of the viability and size of the steam market since the events of September 11<sup>th</sup>. The downtown area was a primary consumer of steam. The Borough President believes a more complete analysis of both steam and electricity markets is warranted at this time.

**TGE Response:**

*The Application will include an analysis of Con Edison’s steam system and the positive contribution TGE’s supply could make to steam customers. Furthermore, an analysis of the Project’s expected operation in the electric market will also be included.*

## **2.3 Project Site and Environmental Setting**

### **2.3.4 Water and Wastewater**

#### **Borough President Comment:**

In paragraph two, the applicant discusses the necessity of using a demineralization process to clean the influent water.

The type of demineralization process should be clarified. Based on experience with other power plants, the use of chemical demineralization processes in the past has resulted in unintended chemical releases. Using chemical demineralization processes at a plant of this size could potentially affect the surrounding community. The Borough President would therefore request full disclosure of this proposed process.

#### **TGE Response:**

*A full description of the demineralization process and all water treatment processes will be provided in the Application.*

## **3.0 Energy Planning**

### **3.1 Consistency with Energy Planning and Public Interest**

#### **3.1.2 Long Range Energy Planning**

#### **Borough President Comment:**

In paragraph two, the applicant references the New York State Energy Plan (SEP) as a guidance document for supporting the project.

Given the size of this project and the fact that there are several new generation, re-powering and other Article X projects which are further along in the approval process, the applicant needs to thoroughly demonstrate the need for an additional 1100 MW by 2005. There are currently seven "in-city" Article X power generation projects which total 4,250 MW. This is more than is needed to satisfy the long term requirement for an additional 2,000-3,000 MW needed by 2005. It should also be noted that this estimate was based on a projection derived from the robust downstate economic growth pattern of the last decade. The applicant states that New York is a growing economy, which at the present time and foreseeable future, is clearly not the case. Furthermore, the segments of the market (high technology and financial services) which are considered to be the fastest growing consumers of electricity have in fact, been hit the hardest by the faltering economy.

#### **TGE Response:**

*As stated above, the arguments presented by Borough President are reflective of a past regulatory regime where utilities were required to demonstrate the capacity need for a*

*facility, and ratepayers financed the facility. This requirement does not apply in a competitive marketplace to merchant facilities, which are not subject to cost of service regulation, under Article X. Here, the risk is TGE's, not the ratepayers. It should also be noted, however, that not all plants proposed become operational. TGE is studying the impacts the Project will have on providing low cost, reliable electric and steam energy to the State of New York and to New York City in particular.*

### **3.1.4 Construction and Operation in the Public Interest**

#### **Borough President Comment:**

In paragraph three, when addressing operation and public interest, the applicant states they will include “ a thorough cumulative air quality study with analysis of “all the Article X plants which have filed applications and the new York Power Authority (NYPA) in-city peaking turbines.”

The applicant needs to include **all** new re-powering and new non-article X projects (e.g. the NISA power barge (79.9 MW) approved for the Wallabout channel (approximately one mile from the TransGas Energy site). Cumulative air quality analysis should also account for particulate matter levels of both 10 microns and 2.5 microns. Finally, the applicant is in no position to conclude that the TGE plant will displace “dirtier” plants.

#### **TGE Response:**

*The PSS states that TGE will submit an analysis to support its claim about displacement. No conclusions have been reached. TGE will consult with the Dept. of Public Service Staff as well as with the Dept. of Environmental Conservation regarding all new power plants approved in New York City, not just those under NYPA ownership. PM-10 and PM-2.5 analyses will be conducted per EPA and NYSDEC guidance.*

### **3.2 No Action Alternative**

#### **Borough President Comment:**

Given the trend towards mixed use in this community, the Borough President would expect to see a thorough and multiple scenario analysis, not just based on current zoning but taking into account the trends for the area.

#### **TGE Response:**

*See response above to Borough President's General Comments.*

### **3.3 Cooling Technologies**

#### **Borough President Comment:**

Regarding the selection of air-cooling technology to be used for the basis of the plant's cooling system, the applicant states "[t]he application will include an analysis that shows why TGE is proposing an air-cooled system giving consideration to land requirements, visibility/aesthetics, water demand, etc."

The applicant does not include noise as one of the parameters in its proposed analysis. The Borough President requests that the applicant assess the noise differential between using air cooling and water cooling technologies.

#### **TGE Response:**

*Noise will be included in this analysis.*

### **3.5 Fuel Selection**

#### **Borough President Comment:**

The applicant does not address the length of time or percentage of time that back-up diesel fuel is expected to be used. The Borough President understands the need for back-up diesel, however he would expect a limitation to be part of the application/permitting process. The community will not be satisfied with an unspecified time frame.

#### **TGE Response:**

*A specific, enforceable permit limit will be written into both the air permit and the Article X certificate.*

### **4.0 Public Involvement Program**

#### **4.1 Community Involvement Process**

##### **4.1.3 Application Phase: Preparation and Submittal of Application**

#### **Borough President Comment:**

The applicant explicitly states that "[n]otices of meetings will be posted on bulletin boards of local community centers and libraries as well as on the website."

The open house held on October 11, 2001 in Greenpoint was not posted on the website and many community members did not receive notification.

**TGE Response:**

*The Applicant is expanding the list of mailers for its November 28<sup>th</sup> Town Hall meeting, by four fold to include Greenpoint/Williamsburg. Ads will be taken out in over ten newspapers and the notice will also be posted on the website.*

**5.0 Fuel Supply and delivery**

**5.1 Fuel Supply Setting**

**5.1.2 Gas Delivery**

**Borough President Comment:**

In paragraph four, the Applicant states “TGE has requested that Keyspan commence studies in order to determine what incremental system upgrades the demand caused by the project would require.”

Given the importance of the gas supply to the viability of this project, we would expect a more thorough description of the meetings that have taken place with Keyspan with some degree of reassurance that the needed gas supply and infrastructure would be available. Furthermore, the Borough President would like a description of the gas purchasing program which was presented at the May 30<sup>th</sup> meeting at Brooklyn Borough Hall.

**TGE Response:**

*See response to similar comment with respect to Section 2.2.3, above.*

**6.0 Electric Transmission and Steam Sendout**

**6.3 Information Requirements and Methodology**

**Borough President Comment:**

The Borough President has no specific comments on content in this section but will expect to see more details on the state of consultation with Con Edison regarding the electrical transmission interconnection plan.

**TGE Response:**

*This consultation will be documented.*

## **7.0 Air Quality and Meteorology**

### **7.2 Background Ambient Air Quality, Meteorology and Climatology**

#### **7.2.1 Background Ambient Air Quality**

The applicant lists 7 NYSDEC monitoring stations for various pollutants including PM<sub>2.5</sub>. None of the listed sampling stations provide addresses. Furthermore, it should be noted that the carbon monoxide (CO) monitoring station listed is located at PS 321 which is in the Park Slope area. This location is several miles from the TGE project site. Also, the nitrogen dioxide monitoring station is located at the Mabel Dean Bacon High School, of which the Borough President's office or the Board of Education database has no record. The Borough President would like documented reassurance that the DEC monitoring stations indicated in the PSS are the closest air monitoring stations to the site. If this is the case, the validity of the background data would have to be questioned.

#### **TGE Response:**

*TGE will confirm with DEC the location of applicable monitoring stations, and will follow DEC guidance on this issue. In response to Borough President's suggestion, the monitoring stations will be mapped.*

#### **7.3.1 National and New York Ambient Air Quality Standards**

In the second paragraph, the applicant discusses the validity of measuring PM<sub>2.5</sub> emitted directly from the stack based on the premise that PM<sub>2.5</sub> is formed in the atmosphere later. "It should be noted that a primary purpose behind the fine particulate rule promulgated by the EPA is the secondary formation of PM<sub>2.5</sub>."

The Borough President would like to see the EPA rationale for this conclusion.

#### **TGE Response:**

*In its publication of the proposed rule establishing an ozone and PM-2.5 standard (see Federal Register, Vol. 61, no. 241, p. 65640), the EPA noted that "fine and coarse fraction particles can be differentiated by their sources and formation processes and their chemical and physical properties, including behavior in the atmosphere," and further that PM-2.5 is similar in its properties to ozone (O<sub>3</sub>), in several ways:*

- *Atmospheric residence times of several days, leading to large urban and regional-scale transport of the pollutants;*
- *Similar gaseous precursors, including NO<sub>x</sub> and VOC, which contribute to the formation of both O<sub>3</sub> and fine particles in the atmosphere;*
- *Similar combustion-related source categories, such as coal and oil-fired power generation and industrial boilers and mobile sources, which emit particles directly*

*as well as gaseous precursors of particles (e.g., SO<sub>x</sub>, NO<sub>x</sub>, VOC) and O<sub>3</sub> (e.g., NO<sub>x</sub>, VOC); and*

- *Similar atmospheric chemistry driven by the same chemical reactions and intermediate chemical species that form both high O<sub>3</sub> and fine particle levels.*

### **7.3.4 Air Quality Monitoring**

The applicant refers to the use of a “refined modeling analysis (which) will be conducted using 5 years of meteorological data and receptor points placed along terrain elevations and at tall buildings.”

The Borough President would expect the applicant to factor in proposed zoning changes that would potentially allow taller residential developments in the area. The air quality modeling must take those potential developments into account. This might apply to sites at Greenpoint Terminal Market to the north and the old Schafer Brewery site to the south.

#### **TGE Response:**

*TGE will consult with DEC concerning the development of the receptor grid and will address this issue, in accordance with existing guidance.*

### **7.3.5 Environmental Justice**

The Borough President is pleased that an environmental justice analysis will be performed. He would like to know about the scope of this study and what framework would be used. It should be noted here that the Greenpoint/Williamsburg communities are the host to more than the fair share of environmental burdens. These include:

1. 23 Land based garbage transfer stations and the estimated 3500 diesel truck trips per day that they support. This neighborhood processes close to 60 percent of the commercial waste for the entire City.
2. The largest waste water treatment plant in the Northeast.
3. One marine-based waste transfer station which will become more heavily utilized with the implementation of the Long Term Solid Waste Management Plan.
4. The Exxon/Mobil oil spill which consists of 20,000,000 gallons of free product in the area aquifer. This has also leached out into Newtown creek for many years and has just recently been brought under control.
5. One low level nuclear waste disposal facility (Radiac).
6. 5 existing or permitted power plants totaling over 450 megawatts. Two of these plants (Con Edison and Domino burn diesel fuel).
7. 22 Toxic release inventory sites
8. Over 200 Right to Know facilities

9. Three sanitation garages
10. One state superfund site and one Federal superfund site.
11. Decommissioned Greenpoint Incinerator
12. Higher than city average childhood asthma and lead poisoning rates.

**TGE Response:**

*Per EPA policy, the environmental justice analysis will separately assess two questions: whether the Project's impact is adverse and whether it disproportionately affects the community of concern. TGE will use as guidance both EPA policy and previous in-City environmental justice analyses, especially for Article X power plants. We will forward the EJ analysis to the Borough President's office.*

## **8.0 Archaeological and Architectural Resources**

No comments

## **9.0 Land Use**

### **9.2 The waterfront**

#### **9.2.3 Consistency with Coastal Policies**

Table 9-1, Policy One: Anticipated Degree of Consistency, Focus of Study.

The response is limited to a discussion of the site itself and ignores any comments pertaining to secondary effects. A discussion of secondary effects should answer the question of whether, based on documented and anticipated trends, residential development along the coastal area that is within one mile of the site would still proceed should the project be constructed.

**TGE Response:**

*Table 9-1 includes a very brief summary of coastal consistency, with analysis to be further developed in the Application. Compliance with the policy to "support and facilitate commercial and residential redevelopment in areas well-suited to such development" will address not only the site, but also adjacent areas.*

#### **9.2.4 Local Waterfront Revitalization Program**

The second paragraph states that "The [Williamsburg Waterfront 197-A Plan] does not extend to the ...Sanitation facility between North 11th and 12<sup>th</sup> Streets, or to the Project site.

According to recent modifications to the Williamsburg Waterfront 197-a Plan, the aforementioned blocks are included in a call to "[e]xamine the entire M3 district between

North 14<sup>th</sup> Street and Broadway to determine the nature and level of industrial activity in the area.” Pending changes in land use, this area is to be reconsidered for “high performance light manufacturing, contextual medium density residential, medium density commercial, and mixed use.”

**TGE Response:**

*See response to Borough President comment relative to Section 1.1, above.*

**9.4 Land use study and neighborhood character**

**Borough President Comment:**

The second paragraph lists the resources the applicant is to employ during a field survey to capture “all of the major land use types within the area.”

In addition to existing land uses and each publicly proposed change in land use, the qualitative assessment of the compatibility of the project must consider whether market based trends that have resulted in the conversion of vacant, underutilized and active industrial properties would be affected. It should be noted that these trends have been supported by public policy through approvals granted by the Board of Standards and Appeals, the finalizing of the area 197-A Plans and the Loft Zoning Text Amendment. Analysis should consider whether the secondary effect on land use is consistent with these public policies. In addition to those already listed, analysis should include interviews with likely developers, financiers and realtors to determine the implications of the project on the decision to proceed with possible developments.

If the consensus is that the redevelopment trend would be curtailed, then further analysis should be required to determine whether the level of investment in maintaining the residential core would be altered.

**TGE Response:**

*The compatibility of the Project with existing and approved proposed land uses is an integral part of this analysis.*

**10.0 Urban Design and Visual Resources**

**10.4 Initial impact assessment and mitigation**

**Borough President Comment:**

The bulleted list and the last paragraph on page 10-4 delineate mitigation strategies to be further explored in the Application.

The scope is vague. The scope should specify that each of the listed bullets be illustrated by graphic and photographic representation. Where feasible, these items should be depicted in a manner that would simulate their representation as they might appear at the given site. Each item cited in the text should have a graphic or pictorial representation included.

**TGE Response:**

*The visual mitigation strategies listed in the PSS are designed to give an indication of the kinds of considerations TGE will undertake. Proposed visual mitigation will be presented through drawings and renderings.*

**11.0 Noise**

No comments at this time

**12.0 Socioeconomics**

**12.2 Potential Impacts and Benefits**

**12.2.1 Community**

**Borough President Comment:**

The second paragraph states that "...TGE will study to what extent the Project will benefit Community District 1... the Borough, and the City by increasing local employment opportunities and expanding the local economy...."

Since the job base for the construction period and operational phases may be drawn throughout the tri-state region, the DEIS should document the specific jobs that will be generated within Community District 1.

**TGE Response:**

*The Application will list the types of construction and operation job opportunities generated by the plant. The Applicant will attempt to identify whether unions can fill these jobs through members from Community District 1.*

**Borough President Comment:**

The scope further states that "...TGE expects to make additional payments through New York City's "Industrial and Commercial Incentive Program" (ICIP). In general, this program provides a mechanism whereby a portion of an industry's tax incentive is allocated to support desired community goals. The funds are meant to be used directly within the impacted community."

The statement reveals a misunderstanding of ICIP. The incentive aspect of this program is drawn from the fact that the owner of industrial or commercial property pays fewer, not more, taxes. Under ICIP, in the first two years (i.e., the construction period), TGE would pay real estate taxes only on the value of the land. In the first full year of operation, TGE would pay real estate taxes on the land but only five percent of the value of the improvements; in the second year, ten percent, etc. Thus, TGE, like any other new industry, would not pay full real estate taxes until 22 years after the project is completed.

No portion of these payments is used directly within the impacted community. New York City, unlike many municipalities, does not charge impact fees for any type of development. In fact, there is no legal mechanism by which the development would provide direct or indirect payment for impacts to the communities of Williamsburg and Greenpoint.

**TGE Response:**

*TGE agrees that the statement should be clarified. TGE is prepared to work with the appropriate NYC authorities to donate a portion of the tax savings that it would otherwise realize under the ICIP to community projects.*

## **12.2.2 Citywide**

**Borough President Comment:**

The first paragraph notes that “the Project will help to lower the cost of electricity and thus will indirectly contribute to the economy through these energy cost savings.”

Many factors contribute to consumer energy prices; energy supply is but one of these factors. Increased production of energy is no guarantee of lower cost. The DEIS should include an analysis of all factors that affect consumer energy prices in New York City, including but not limited to analyses of natural gas availability, the status and operating efficiency of the city’s power grid, and fluctuations in the New York Independent System Operator (NYISO) wholesale market as the number of competitors has expanded and contracted.

**TGE Response:**

*The analysis proposed in the PSS is a simulation of the competitive electric market routinely used for new power plants in New York in Article X proceedings. It considers the factors raised in the Borough President’s comment.*

## 12.2.4 Operation

### **Borough President Comment:**

The second paragraph states that “Once in operation, the Project is expected to continue to provide economic benefits to...the Greenpoint and Williamsburg neighborhoods.”

The scope of the DEIS should explain the methodology that will be used to determine the expected economic benefits to the immediate communities (i.e., what percentage of the direct spending, payroll and secondary economic effects will benefit these communities?).

### **TGE Response:**

*To the degree econometric models permit this analysis, it will be included in the Article X application. If no such quantification can be conducted practically and reliably, then this issue will be addressed qualitatively.*

## 12.3 Economic Analysis

### 12.3.2 Secondary Economic Effects

### **Borough President Comment:**

This section discusses a proposed methodology for measurement of secondary benefits.

The scope fails to provide for secondary impact in regard to projected tax revenues, including taxes on wages, sales and real property that might not occur should it be determined in the land use analysis that the new housing development trend would be adversely altered. Also, the possibility of reversing the trend of maintaining the existing housing stock could also have an effect. Any reversal would reduce the number of construction jobs and the population base that supports the local retail and service base. It would also have an impact on real property assessments.

To this extent, the scope should calculate the area’s assessed value and then prepare projections of likely increases or decreases to properties based on whether land use trends would proceed with or without the project or anticipated trends. Incremental increases or decreases of the value of construction should also be projected with and without the project. The anticipated construction wages/ employment taxes and sales revenue/sales taxes should also be compared.

**TGE Response:**

*Because of the uncertainties inherent in an assessment of future development trends and, the scope of the comment requires further discussion, and TGE expects to discuss it with DPS Staff, Borough President, and all interested parties.*

**12.3.4 Taxation of Real Property**

See comments for 12.2.1 above.

**13.0 Traffic and Transportation**

**Borough President Comment:**

It is not clear from the description, if the applicant has factored into their traffic analysis, any proposed Kent Avenue reconstruction projects that might be carried out during the project's construction period.

**TGE Response:**

*TGE will describe all publicly announced construction projects affecting local streets and will incorporate these in the analysis, as appropriate.*

**14.0 Soils, Geology and Seismology**

No comments.

**15.0 Water Resources**

See comments for 1.1 and 2.3.4 above.

**16.0 Cumulative Impacts**

**Borough President Comment:**

The applicant states "TGE proposes to conduct certain analyses of cumulative impacts of the project and other nearby power plants."

The Borough President will expect to see a cumulative analysis which includes all six (additional) existing or proposed power plants for the Greenpoint/Williamsburg area. This includes the Con Edison Hudson Avenue plant, the Co-gen plant at the Brooklyn Navy Yard, the Domino Sugar plant, the NYPA plant, the permitted NISA barge plant, and the proposed Newtown Creek generator.

**TGE Response:**

*A private applicant under Article X who is selected pursuant to an approved procurement process is not required to address demand side reducing measures or alternative sources of power in an Article X application. See 16 NYCRR Part 1001.2(d).*

**Appendix B: Applicant's Proposed Stipulations**

**Stipulation No. 4: Project and fuel reliability and mitigation alternatives**

**7. Project Mitigation Alternatives**

The text states that the Application will address a no-action alternative.

The no action alternative should include a scenario that is based on power reduction measures (conservation). New York State has started in a small way with its low cost, energy-efficient, light bulb sales and appliance rebates. Other states and municipalities may have gone further towards reducing demand as a means to increase the unused increment between power demand and power produced. The scope should disclose state-of-the-art energy reduction measures and the possible effect of such techniques were local policy. The scope should disclose the level of such alternative strategy that would equate the power production potential of the project.

The no action alternative should also include a discussion of alternative energy production infrastructure suited to the New York City load pocket. One such example is solar-based infrastructure. For example, if infrastructure was comprehensively installed on rooftops by energy providers pursuant to easements on private property similar to utilities such as cable television, based on a specified investment, an amount of power could be supplemented to the area-wide power grid. The scope should disclose the level of such alternative strategy that would equate the power production potential of the project.

Finally, the no action alternative should look at the combination of the above. The scope should disclose the level of such alternative strategy that would equate the power production potential of the project.

**TGE Response:**

*See response to Borough President comment with respect to Sections 2.2.3 and 3.1.2, above.*

**Stipulation No. 5: Land uses and local laws**

**2. Land Uses (d) (page 22)**

The text cites the sources to be used in a study of the land uses in the vicinity of the project.

The qualitative assessments for the potential uses should be based on modifications of stipulation 5-2(e) to include interviews with sources referenced above with likely developers, financiers and realtors and stipulation 5-4 to add to the list of plans and requirements (1) variance applications filed with and/or approved by the Board of Standards and Appeals over the last three years for residential conversion of non residential buildings within one mile of the project site; (2) lists documenting the existence of residential lofts in non-residential buildings as derived by both the city and the Brooklyn Live-Work Coalition; and (3) the amendment to the city's Zoning Resolution regarding the legalization of residentially occupied lofts, inclusive of the illustration's depicting areas where lofts can be legalized within the one mile radius of the project site.

**TGE Response:**

*The land use analysis will take into account all approved proposed land uses, and will analyze the Zoning Resolution's Loft Text Amendment.*

**Stipulation No. 6: Noise**

**1. (page 24)**

The text states that the Applicant will provide "[A] map showing the location of the nearest sound receptors in relation to the Project site, including the nearest residential, school, and public open space receptor locations."

The map should include sound receptor locations along: the project site's waterfront yard at a location immediately adjacent to the noisiest component of the project, the westerly sidewalk of Kent Avenue at the project site, and along the shoreline of the north side of the Bushwick Inlet.

**TGE Response:**

*TGE will take this comment into account when drafting its noise modeling protocol, required by DPS Staff.*

**Stipulation No. 7: Socioeconomic**

**(page 25)**

This section should include an analysis of the potential for a curtailment of the expanding tax base based on the presence of the project and the possibility of the devaluation of the neighborhood-at-large. Details are noted above in the Socioeconomic section in regards to secondary effects.

**TGE Response:**

*See response to Borough President comment with respect to Section 12.3.2, above.*