



Environmental Myths

Myth: This plant will emit neurotoxins and carcinogens all over the region.

The Facts: Natural gas is the cleanest burning fossil fuel in existence and significantly reduces CO2 emissions and particulate matter in the air as compared to coal fired power plants. The plant will meet the stringent limits set by the New York Department of Environmental Conservation for VOC, NOx, SO2, PM and formaldehyde to protect human health and environment.

Myth: This plant is being built on “protected agricultural land.”

The Facts: The project is not located in a “protected agricultural area” because no such designation exists within the town or state code. The property is zoned mixed commercial. Portions of the property were previously farmed and received an agricultural tax exemption, however, the property is not restricted to agricultural use.

Myth: New endangered species were found on the site; therefore, a Supplemental Environmental Impact Statement should be performed.

The Facts: The site underwent a thorough endangered species review during the 4+ year State Environmental Quality Review Act (known as SEQRA) process. During that process, it was confirmed that there were no new endangered species found on the site. In fact, this claim was reviewed and subsequently rejected by the state supreme court.

Myth: Trees were cut during a prohibited period harming bat habitat.

The Facts: No trees were cut during a prohibited period. To the contrary, trees were cut during the permitted period and no potential bat roosting trees were cut.

Myth: There is a Native American Burial Ground on site of archeological significance.

The Facts: There are no Native American burial grounds on the project site. During the SEQRA process, the site was evaluated for potential cultural resource of any archeological significance, and specifically for any Native American resources. This evaluation included consultation with the NY Office of Parks, Recreation and Historic Preservation, as well as local historians. The results of the evaluation were made public for review and comment. No Native American Burial Ground was found on the site.

Myth: The city is giving water to the project, and if they run out, CPV can take water from the Walkkill River.

The Facts: CPV will be purchasing and using wastewater the City is currently discharging to the Walkkill River. This is a demonstration of CPV's commitment to environmentally responsible energy generation. This wastewater will now have a productive industrial use and provide a new revenue stream for the City. CPV is NOT permitted to make water withdrawals from the Walkkill River. A cursory review of CPV SEQRA documents will show that CPV does not have a permit to withdraw water from the Walkkill.

Myth: Once CPV runs the water through their system, they can put it back through the treatment center with all of the pollutants.

The Facts: The water discharged back to the City of Middletown must meet the requirements of the Industrial Pretreatment Program established by the city. This program ensures that the city only receives water of a quality that the wastewater system is designed to treat. In addition, the energy center is equipped with its own water purification system to provide the clean water mandated by the energy production process.

Process and Public Input Myths

Myth: NYDEC wasn't allowed to be the lead agency.

The Facts: The NYSDEC was given the opportunity to be lead agency, but the town asserted its right to be lead agency to keep the process at the local level to ensure that local concerns and sensitivities were addressed during the SEQRA process. This was in compliance with state law that allows for the role of the lead agency to be assumed by local agencies, including a local planning board, or the

DEC. As required under SEQRA, the DEC was designated as an involved agency and identified as such in the Environmental Impact Statement (EIS). The DEC received copies of all the EIS documents and provided comments during the SEQRA process.

Myth: The town wasn't capable of doing the environmental review.

The Facts: The Town Planning Board was intimately familiar with SEQRA and the obligations of acting as Lead Agency under SEQRA. The Town Planning Board retained expertise in the required disciplines to conduct the SEQRA review, develop a Final Environmental Impact Statement and issue its Finding Statement. Experts in the field of air quality, water, ecology, socio-economics, and visual were retained to approve the evaluation methods used to perform the study, as well as to review and approve the results of the various evaluations contained in the Environmental Impact Statement. This process took over 4 years to conduct the volume of studies required and to apply scrutiny of the results and conclusions.

Myth: There was not enough opportunity for public input.

The Facts: The entire approval process of the Valley Energy Center has been an open and public process. *There were over 100 public meetings, numerous public hearings, newspaper articles, and presentations from 2008 to 2015.* Input from the public was collected throughout the process.

Myth: The Federal Energy Regulatory Commission (FERC) rubber stamps gas projects.

The Facts: FERC's role is to review natural gas infrastructure related applications and ensure that only those projects that comply with agency regulations and conditions are approved. As of November 2014, FERC had approved 451, or only 56%, of 803 applications for pipelines, compressor stations, gas storage, and liquefied natural gas export facilities dating back to 2006.

Necessity Myths

Myth: The New Capacity Zone was never needed; it was created to pay for this plant.

The Facts: Project development was started well before the New Capacity Zone process began and was supported by market dynamics that signaled the need for a new

power generation resource. The New Capacity Zone was created to address issues regarding system reliability in, and power deliverability to, the Lower Hudson Valley zone due to the limitations of the transmission system and the needs that arose after several generators in the lower Hudson Valley discontinued service, specifically the Danskammer and Bowline power stations. Once the CPV Valley Energy Center comes online, the markets will adjust to the additional capacity within the zone, to the benefit of consumers. This is how a market is supposed to work; supply and demand dictate market activity. The capacity zone has also spurred other activity including the Energy Highway and a number of other generation resources that are currently evaluating their entry either through repowering or new construction.

Myth: CPV isn't needed as a replacement for Indian Point given that Indian Point only runs 40% of the year and the power isn't used by New York.

The Facts: Indian Point's capacity factor, i.e. the percentage of time it runs, for the past 3 years has been over 95% and over 93% for the past 7 years. Of that output, Indian Point is under contract to supply 50% to Con Edison, which serves New York. Given those contracts, the loss of Indian Point will have a direct impact on the reliability of New York's electric system.

Myth: CPV's electricity is not designed to be used by the county. CPV is creating a market that doesn't exist.

The Facts: Any electricity generated by CPV will be delivered to the NY electric system. Electricity will flow to serve the nearest connected load. The electricity from this facility can be used locally or regionally depending on the system operating conditions and demand at any given moment. To the extent the local load requires electricity to meet its demand, the electricity generated from CPV Valley can be used locally. To the extent the local load is being met, but there is need for electricity elsewhere on the system, the electricity can be used to meet that load.

Economic Myths

Myth: Taxpayer dollars are subsidizing this project.

The Facts: There are no state tax subsidies for this project. The investment to build this plant is borne completely by CPV and its partners. The taxpayers will not make any payments to the project. The project receives its revenue from producing and selling electricity into the market, where it is purchased by retailers for sale to customers.