

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
ENERGY FACILITY SITING BOARD**

In re: RHODE ISLAND LFG GENCO, LLC

Docket No. SB-2009 - 1

**PRE -FILED TESTIMONY OF
STEPHEN GALOWITZ
ON BEHALF
OF
RHODE ISLAND LFG GENCO,
AN AFFILIATE OF
RIDGEWOOD RENEWABLE POWER, LLC
March 19, 2010**

1 **Q. Please state your name, title and business address**

2 A. My name is Stephen Galowitz. I am the Managing Director of Ridgewood Renewable
3 Power, LLC.

4 **Q. Are you the same Stephen Galowitz that testified at the previous hearing in held in**
5 **the Town of Johnston on April 1, 2009?**

6 A. Yes I am.

7 **Q. What is the purpose of your testimony?**

8 A. The purpose of my testimony is to update the Siting Board (“EFSB” or “Siting Board”)
9 with the status of the overall Ridgewood Waste-to-Energy project, of which this
10 transmission interconnection is an important part. I will provide and highlight the
11 importance of the project to Rhode Island, and mention some of the important benefits
12 that this project seeks to bring. I will also emphasize the importance of this EFSB
13 authorization to the financing required for the project.

14 **Q. Have you previously provided the EFSB with the required information in Rule 1.6**
15 **for a Notice of this transmission project?**

16 A. Yes. Our Notification documents provided the EFSB 1) the owners of the proposed
17 facility; 2) described the project in great detail; 3) assessed that there would be no
18 adverse impacts of the proposed transmission project on the physical or social
19 environment; 4) demonstrated the need for the project – with particular emphasis on the
20 need for this project to accommodate the required expansion of the Central Landfill
21 operated by RIRRC; and 5) pointed to reasons why the project does not constitute a
22 “major energy facility” or an “alteration of a major energy facility” as I understand the

1 meaning of these terms. These items are summarized in the EFSB Order released in May
2 2009.

3 **Q. Have you supplied any additional information with the EFSB?**

4 A. Yes. At the hearing held on April 1, 2009, I further testified about the project and its
5 critical need to the development and expansion of the Central Landfill. I produced artist
6 renderings of the new Waste-to-Energy facility and the project, not for the purpose of
7 EFSB approval, but to provide the EFSB with an overview and for background context as
8 to how the transmission line that is the subject of this Notice is related to the design and
9 construction of the new Waste-to-Energy Project. As we have consistently maintained,
10 the new Waste-to-Energy facility is statutorily exempt from the traditional requirement
11 that a generation project obtain EFSB licensure. This exemption is found at R.I. Gen.
12 Laws Section 42-98-3(d). I understand that the EFSB required Ridgewood to file the
13 System Impact Study and the Interconnection Agreement with National Grid, as well as
14 other plans and structural drawings, and these documents have been provided as
15 attachments to the Pre-Filed Testimony of Greg Klabon.

16 **Q. While the generation facility may be exempt, is the EFSB authorization for this**
17 **transmission line interconnection with National Grid important for you to obtain**
18 **financing for the new Waste-to-Energy facilities?**

19 A. Yes. Not only is this EFSB important, it is critical to our ability to attract and obtain the
20 necessary capital to finance this important project to the State of Rhode Island. The
21 project will cost approximately \$100 MM and receipt of all relevant permits and
22 approvals are standard conditions precedent to any project financing of this magnitude.

1 Construction of the project cannot commence until financing is received and financing
2 cannot be received until all relevant permits and approvals are in-hand.

3 **Q. Is the EFSB authorization important for other grants and funding sources?**

4 A. Yes. As a renewable energy project that helps support the Green Economy and its
5 importance to economic development in Rhode Island the Ridgewood project is one of
6 the few – if not the only – project that potentially qualifies for ARRA Stimulus funding,
7 contingent of course on the EFSB providing its support and authorization for us to
8 proceed. For example, as described in the Public Notice attached to my testimony as
9 Exhibit “A”, on November 3, 2009, Rhode Island’s Congressional delegation announced
10 that the U.S. Department of Energy is awarding a \$15 million Recovery Act grant to
11 Ridgewood, specifically to support the expansion of Ridgewood’s landfill methane-
12 capture electricity generation plant in Johnston.

13 I am proud to say that we received tremendous support from each and every
14 member of Rhode Island’s Congressional Delegation, testifying to the importance of this
15 project to the State’s welfare. The statements of Senators Reed and Whitehouse, and
16 Congressmen Langevin and Kennedy that are summarized in the public notice provide
17 further support and encouragement to the EFSB to allow this project to proceed. These
18 statements further support my belief that the project will benefit the public safety, health,
19 welfare and environment. This stimulus grant, as well as tens of millions of dollars of
20 U.S. Treasury grants (i.e. federal grants in lieu of investment tax credits) are predicated
21 on commencing the construction of the project shortly. If the construction is not
22 commenced soon, the project will be at risk of losing the grant funds.

1 **Q. Can you remind the EFSB of the public benefits that this project brings to Rhode**
2 **Island?**

3 A. I would be pleased to do so. Again, looking at this project from its full perspective, this
4 transmission project is an important component to the success of the overall efforts of
5 RIRRC and Ridgewood to accommodate the expansion of the Central Landfill. The main
6 impetus for this project is that Ridgewood's existing 21 MW Waste-to-Energy facility is
7 in the precise area where RIRRC requires for the next phase of the landfill. Indeed, the
8 EFSB could visualize this itself outside the window where the April 1st hearing was held
9 at RIRRC's offices. As a reminder to the EFSB, RIRRC and Ridgewood entered into a
10 long term agreement whereby Ridgewood would give up its existing rights to the facility
11 in the path of landfill expansion, and would lease two sites on either side of Shun Pike on
12 land which is not necessary for landfill operations.

13 As I described on the artist drawings that I brought with me to the hearing and
14 that were introduced as Exhibits, the new generation project will involve up-grades to the
15 existing gas collection system which Ridgewood will take over from RIRRC. There will
16 also be a gas treatment plant on RIRRC property to clean and purify the gas, principally
17 removing sulfur from the gas supplied from the landfill. The new combustion turbine
18 combined cycle electric plant will power turbines that will produce as a by-product
19 excess heat to feed steam-driven electric generators. Lastly, and the subject of the Rule
20 1.6(h) EFSB review, the electricity produced by the new Waste-to-Energy will be
21 conveyed to the transmission grid via a 115 kV interconnection loop on poles located
22 within an easement entirely on RIRRC land. The details of the interconnection and
23 transmission line arrangements with National Grid and the ISO –New England are

1 described in more detail by the testimony of Greg Klabon and in the documents that he
2 supplies to the EFSB (notably the System Impact Study and the Large Generator
3 Interconnection documents). The physical structures are further shown in the plans and
4 drawings supplied in response to the EFSB Data Request No. 1. As for the type of
5 energy produced, the new facility will bring significant benefits and alternative supply to
6 the energy needs of consumers. The project will be the second largest landfill gas to
7 energy plant in the country and will expand significantly the State's renewable energy
8 infrastructure.

9 **Q. Can you talk more about the economic benefits from this project to the Town of**
10 **Johnston and the State of Rhode Island?**

11 A. Yes. The entire Ridgewood project – of which this transmission line is a required part --
12 has significant economic benefits to the State of Rhode Island and the Town of Johnston.
13 It will result in the investment in Rhode Island of nearly 100 million dollars, at a time of
14 economic recession. It will save the RIRRC substantial costs. The Town of Johnston
15 will benefit by significant payments in lieu of taxes. Notably, there are no taxpayer
16 subsidies from either the State of Rhode Island or the Town of Johnston. As for jobs,
17 Ridgewood estimates that the project will produce 65 construction jobs and 18 to 20
18 permanent jobs from local labor.

19 **Q. Can you remind the EFSB about the environmental and other social benefits that**
20 **this project is expected to produce for the State of Rhode Island?**

21 A. As we have stated previously, this important project will further bring substantial health
22 and environmental benefits to Rhode Island, by capturing the landfill gases and turning
23 them into electricity. This will reduce greenhouse gases, because the alternatives to this

1 project would require burning the methane gas in flares at the landfill site. Creating
2 renewable energy also reduces the need to use fossil fuels for electricity production, and I
3 am aware of the importance of bringing more renewable energy resources to the region,
4 something that the Rhode Island PUC has been actively involved in as part of the
5 Renewable Energy Standard Rules and provisions. For the other environmental benefits I
6 point out that the new gas clean-up system will remove impurities, such as sulfur, from
7 the gas which are currently being emitted into the atmosphere.

8 **Q. What are you recommending?**

9 A. I am recommending that the EFSB grant its authorizations for this transmission project to
10 proceed in accordance with the provisions of the System Impact Study prepared and filed
11 at ISO-New England by National Grid, and upon provisions of the Interconnection
12 Agreement that was also submitted to ISO – New England and that will be finalized as to
13 the cost item by FERC. This will allow Ridgewood to move forward and obtain the
14 critical financing required to fund this project, and to obtain the U.S. Department of
15 Energy Grant that was announced, as indicated in the Public Notice in Exhibit A.
16 In the event that EFSB would like to have the final FERC approved Interconnection
17 Agreement supplied the EFSB should condition its authorization with a requirement that
18 Ridgewood file this document when it is FERC completed on the open item related to
19 cost recovery. As Mr. Klabon points out, since the open item that FERC will resolve
20 (related to cost recovery and true-ups and financial security) is not a matter that impacts
21 interconnection reliability and connection to the transmission grid this open item should
22 not hold up the EFSB from providing its expedited authorization in for this Notice of
23 Intent to construct a transmission line. Thus, the EFSB should be satisfied that

1 Ridgewood has performed all requirements requested with regard to these limited issues
2 that are the only matters remaining for review in accordance with the EFSB Order.

3 **Q. Does this conclude your testimony?**

4 A. Yes.

5

6 528566_1.doc