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From: Carrie

April 21, 2008

Chairman Barry Smitherman Texas Public Utility Commission 1701 North Congress Avenue P.O. Box 13326 Austin, TX 78711

Re: Docket #33672, 34577

Designation of Competitive Renewable Energy Zones

Dear Chairman Smitherman:

West Texas has long been a leader in domestic and state energy production by virtue of its oil and gas resources. Today, West Texas is a leader in wind-generated power and in environmentally friendly energy production. I understand that Summit Power, a Colorado-based developer of large-scale power generation projects has offered public comments in regard to the referenced docket numbers and the designation of competitive renewable energy zones.

Summit Power is looking to do one or more Integrated Gasification Combined Cycle (IGCC) power plants with 55-60 percent carbon capture.

We would like to bring Summit's project to Midland/Odessa. A project of the type described would be of tremendous benefit to our communities, our region, and to the State of Texas. The following are significant benefits for our area and for the generation of municipal, county, and state economic development opportunities:

- 1.) West Texas was a finalist for the United States Department of Energy's FutureGen initiative and millions of dollars were spent by the State to win the project. Although Texas did not win the competition for an IGCC clean coal research facility, the location of a Summit Power plant using IGCC technology would leverage the 3 years of regional effort that went into the initiative. An Environmental Impact Statement has already been completed at the formerly proposed FutureGen site in Penwell, Texas.
- 2.) The Permian Basin needs more CO2 for Enhanced Oil Recovery (EOR). Summit's proposed West Texas project will include carbon capture for EOR in the Permian Basin. There are more CO2 flooding projects for EOR in the Permian Basin than anywhere in the world. We have a ready market for CO2 and it is considered a commodity rather than

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a waste. Additionally, there is currently a shortfall of CO2 needed to increase production from mature Permian Basin oil fields.

- 3.) More CO2 to West Texas oil fields means more revenue for Midland/Odessa and Midland and Ector County mineral and oil interest owners. This revenue will be a stimulus for the local economy and generate additional tax revenues.
- 4.) A power plant located at the formerly proposed FutureGen site will bring new technology along with high-paying construction jobs. It will also add high-paying full-time plant employment opportunities once the plant is completed.
- 5.) There will be environmental benefits from the implementation of clean coal technology. And, West Texas will be seen as not only the nations largest oil-producing region, but as a leader in implementation of technology that lowers greenhouse gas emissions.

For these reasons, and more, I am in full support of Summit Power's recently filed public comments and request that ERCOT implement the 24-gigawatt transmission build out scenario in West Texas. The resulting transmission capacity will best accommodate the growing wind farms and provide the capacity needed for a clean coal facility to be built in West Texas.

Please enter these comments into the public record of the CREZ case. And, if you have any questions, please contact me.

Best regards.

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MR. MRDERRENOWAL

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