

## Comments to TCEQ on PM2.5 Designation and Sandow Lakes Energy

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The following comments on potential new PM2.5 non-attainment designations by the TCEQ are submitted by the “Move the Gas Plant” steering committee.

This steering committee is a group of landowners and residents of the unincorporated Blue community in northwest Lee County. We organized this summer in opposition to a proposal by Sandow Lakes Energy (SL Energy Power Plant I, LLC) to locate a 1,200-megawatt natural gas power generation plant in our community.

If built, the Sandow Lakes Energy plant would be among the largest such power plants in Texas. It likely would be considered a major new source under the Clean Air Act and be required to comply with an extensive air permitting process at the TCEQ, according to air permitting experts we have consulted.

We urge TCEQ to make special note of this proposed gas plant, since air emissions from it would not only affect the air quality of residents of Lee County, but likely would impact air quality in the Austin area.

According to the EPA and the TCEQ, Travis County, including the City of Austin, is on track to be nonattainment for PM2.5 (fine particulate matter).

Air emissions from the Sandow Lakes Energy plant likely would negatively impact the Austin-Travis County metro area ability to meet federal clean air standards for both PM2.5 and NOx (ozone).

The proposed location of the Sandow Lakes Energy gas plant would be less than 40 miles from downtown Austin. That location is near the intersections of CR 306 and 309 in Lee County.

Not surprisingly, rural Lee County typically is not considered part of the Austin metro area. *However, if you look at a state map, you will see that the northwest corner of the county, where the gas plant would be located, is closer to downtown Austin than are many portions of Hays, Caldwell, Williamson and Bastrop counties, whose air emissions are already considered to contribute to the Austin metro area.*

Lee County is identified as a rural county of Texas by the Office of Management and Budget and is currently not included in any nonattainment or potential nonattainment area under Environmental Protection Agency standards.

However, if this plant is built, Lee County may fit EPA's definition of a nonattainment area, if it contributes to Travis County-Austin nonattainment.

The EPA has determined that any area that does not meet national primary or secondary National Ambient Air Quality Standards *or that contributes to ambient air quality in a nearby area that does not meet those standards* is a nonattainment area. <https://www.epa.gov/green-book/ozone-designation-and-classification-information#:~:text=Nonattainment:%20Any%20area%20that%20does,not%20including%200.111%20ppm%20Serious>

As TCEQ has noted, Travis County is among the one percent of all counties in the nation that currently fails to meet the new PM2.5 standards set by the U.S. Environmental Protection Agency.

We believe it is imperative that the TCEQ conduct an extensive investigation of expected air emissions from the proposed Sandow Lakes Energy gas plant to determine their impact on the Austin area's air quality.

We also request that TCEQ permit engineers require Sandow Lakes Energy to provide projection, calculation and modeling of the expected NO<sub>x</sub>-PM<sub>2.5</sub> fine particle emissions. TCEQ should also consider requiring the company to install NO<sub>x</sub> controls.

As of the date of submission of these comments, Sandow Lakes Energy had yet to file its application for an air permit from TCEQ. (It did apparently file an application earlier this summer, but later withdrew that application.)

You might note that Sandow Lakes Energy also filed a letter of intent in May with the Public Utility Commission of Texas to seek \$295 million from the new Texas Energy Fund to help build its proposed plant. However, a company representative recently told us it decided not to seek TEF loans.

Among our concerns about the proposed gas plant is the effect of its air emissions on the health of our community's residents. Our immediate goal is for Sandow Lakes Energy to move the location of its proposed power plant from a populated area of Lee County to a location that is more remote.

A less damaging and certainly feasible location for its plant is the site of the old Alcoa smelter and coal plant in Milam County. That site is part of the 33,000-acre Sandow Lakes Ranch, owned by an affiliate of Sandow Lakes Energy.

Until an air permit application is submitted, we have little data on which our experts can evaluate those emissions and their impact on human health and their impact on the Austin area's ability to meet EPA air quality standards. However, there is extensive documentation, by governmental entities including the TCEQ and EPA, of the impacts on human health of air emissions produced by natural gas power plants.

We anticipate Sandow Lakes Energy will claim in its air permit application that air emissions from its proposed plant will have little or no impact on *any* human health or on the Austin area's air quality.

We urge the TCEQ to view those expected claims with great skepticism.

In July, more than 150 people attended a community meeting in Blue regarding the proposed Sandow Lakes Energy gas plant. (See news story from our local weekly paper at the end of these comments.)

A representative from Sandow Lakes Energy spoke at the meeting and was asked repeatedly by concerned residents about air emissions from the proposed plant.

His response to those questions was, "There will be no visible emissions."

After the meeting one member of our steering committee asked the company representative what he meant by saying there would be "no visible emissions."

The representative reportedly replied, "That's what they told me to say."

We are considering opposing Sandow Lakes Energy's application for an air permit from TCEQ, along with other possible legal challenges.

We also are working with several national and local environmental groups, including the Sierra Club and Public Citizen, concerning this gas plant, particularly regarding its impact on the Austin area's air quality.

Due to phenomenal growth, the Austin metro area has experienced a steady increase in ozone, fine particulate matter and other harmful air quality factors.

The Sandow Lakes Energy gas plant, if built so close to Austin, will only exacerbate and worsen those air quality problems. And, it could force governmental, business and industrial entities in the Austin metro area to adopt economically burdensome steps to meet federal clean air standards.

Submitted by these members of the “Move the Gas Plant” Steering Committee:

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From the Lexington Leader:

Blue residents speak out against power plant

*July 17, 2024*

by Philip Concan



Lee County Judge Frank Malinak III addresses the crowd in Blue. PHOTO BY PHILIP CONCAN.

Last Wednesday, July 10, a capacity crowd of more than 150 residents of Blue came out to hear what Sandow Lakes Energy (SLE) had to say about the proposed 1200 megawatt power plant proposed to be built in Lee County. To help pay for the project, SLE is applying for \$295 million from the \$10 billion Texas Energy Fund, which the legislature created and voters approved last year to help private companies build new natural gas power generation plants in Texas.

Travis Brown, a Blue resident and an outspoken opponent to the project who organized Wednesday's meeting, said, "Taxpayer dollars should not go to gas plants that destroy rural communities when there are logical and feasible alternatives," Brown said. "In this case, Sandow Lakes Energy has a more suitable site readily available – at the old Alcoa site in Milam County."

The SLE power plant has been rumored to be built on a 33 acre site just west of Adina Church near the intersection of CR 309 and CR 312. Brown urged local elected officials to tell the Texas Public Utility

Commission it should not provide any Texas Energy Fund money to Sandow Lakes Energy unless it agrees to move the location of the plant from Blue to the old Alcoa industrial site.

Blue residents peppered SLE's Vice President Ned Ross with questions about air pollution and other negative impacts from the proposed plant. "There will be no visible emissions," Ross told the crowd. He stated that the only emission from the plant would be CO<sub>2</sub> and water and he would give no numbers on how much CO<sub>2</sub> would be pumped into the atmosphere in Blue nor how much water would be needed.

Ross also said the plant's noise, lighting and traffic impacts would be minimal. He said the noise from the facility would be 85 decibels 10 feet from the door. Eighty-five decibels is considered the maximum safe noise level for humans over an eight hour period.

Ross would not confirm or deny that the Adina/ Blue area is the proposed site for the project. When asked about specifics, Ross stated that it would have four power units generating 1200 megawatts of power and that the generators were two gas and two steam generators. When pressed, Ross said water usage would be minimal and that he was not at liberty to disclose how much water they would need.

Ross declined to answer many questions, saying he could not do so because the company is still preparing its application for a state air emissions permit.

Attendees complained that Ross would not explain why SLE could not build the plant at the old Alcoa industrial facility. Many people were fired up because the planning and placement of the proposed project was done

without any public input. SLE made the plans for the power plant and secured the land with no transparency as to what they were planning.

Residents spoke out loudly against the power plant, demanding that it be built at the site of the old Alcoa smelter, with the public arguing that the infrastructure was already in place to accommodate such a large endeavor. The response from Ross was that SLE was tapping into the just completed Matterhorn Pipeline, which is roughly two miles from the proposed power plant, minimizing other infrastructure built outside the SLE property.

Brown said, “ Blue residents spoke out with a loud and unified voice at the meeting. We demand Sandow Lakes Energy build this gas plant at the old Alcoa smelter and coal plant site in Milam County. Not in the Blue community. Our elected officials should insist Sandow Lakes Electric take steps to make sure that happens. Let rural Blue remain rural. Don’t turn it into an industrial area.”

“The most important thing right now is for our elected officials to stand up for their constituents in Blue,” Brown said. “We need them to publicly oppose putting this plant in our community.”

He said State Senator Louis Kolkhorst recently spoke out against a proposed wind farm in Fayette County, quoting her as saying, “This wind farm will have long term impacts to some of the most beautiful lands in Fayette County and could have negative financial impact to surrounding landowners due to potential property devaluation.” Mr. Brown added that Kolkhorst’s statement could be changed to Lee County and have the same impact. Brown told the crowd that if Kolkhorst was going to publicly oppose the wind farm, she should do the same for the proposed gas plant. Kolkhorst was invited to Wednesday’s meeting, but she did not attend, nor did she have a representative there.



Lee County Judge Frank Malinak III told the crowd that the county had little authority to stop the plant. But Brown said that if the county passed a resolution opposing the plant in Blue, that action could have an impact on whether the Public Utility Commission approves Sandow Lakes Energy's application on Texas Energy Fund dollars. He encouraged Lee Countians to contact their representatives and let them know it is not wanted in Blue and urge them to to oppose the construction.

Near the end of the meeting Judge Malinak spoke about the reclamation of the area around the Alcoa lakes and said that if they were to keep to their word, then trees should be transplanted as part of the reclamation of the land. He also said his opinion is that SLE didn't want the power plant at the old Alcoa site because Sandow Lakes Ranch wanted to make the lakes on the property a Woodlands style Riverwalk area.

Also in attendance was Sarah Ceraldi, a staffer for State Rep. Stan Gerdes.

The residents of Blue left feeling more betrayed by another large corporation that through their lack of transparency showed they didn't care for the residents or their well being.