



July 2, 2018

Michael Hein  
County Executive  
Ulster County, New York

Dear County Executive Hein,

We at GlidePath Power Solutions, LLC (“GlidePath”), the company behind the Lincoln Park Grid Support Center (“LPGSC”), are grateful for an opportunity to address the misconceptions about our company and the proposed project that were articulated in your June 14 letter to the NYS Department of Public Service (“DPS”) and NYS Energy Research and Development Authority (“NYSERDA”) as well as during our June 27 meeting with you and your staff. We hope this response will serve as a forum to respectfully address and clarify these misunderstandings and will advance a productive dialogue about how Ulster County can further contribute to New York’s clean energy future.

- 1.) **Who We Are (and Who We Are Not)**: GlidePath was founded on core principles of developing cost-effective, reliable sources of low-to-no-carbon energy production and storage to meet today’s ever-changing demand for electricity. We share a common view that communities across the country must work diligently to reduce the carbon footprint of our electric system. We commend the community’s efforts and successes in moving toward this critical goal. Like you, we at GlidePath have dedicated our professional lives to achieving a sustainable future by designing and building energy storage (i.e. batteries) and clean and renewable power sources that have advanced this low-carbon transition both in the U.S. and around the world.
  
- 2.) **Why We Are in the Town of Ulster Today**: Your letter, unfortunately, makes several inaccurate assertions about the project. While we were disappointed to not have been invited to speak directly with the you about the County’s concerns, nor to have had the opportunity to provide you with accurate information prior to publication of your letter, we appreciate the subsequent meeting with you and your staff. GlidePath remains willing to work with the County and other stakeholders to address each of those stated concerns herein.
  - **There is a compelling need for the project locally.** The LPGSC Project is in direct response to market pricing signals and data published by the New York Independent System Operator (“NYISO”), both of which signal the need for additional resources in Zone G (Hudson Valley)<sup>1</sup>, among others, to meet regional energy demand and the grid stability requirements<sup>2</sup>. Zone G is comprised of Greene, Ulster, Dutchess, Orange, Putnam, Sullivan and Rockland Counties. Zone G does not include the more densely populated Westchester County, nor any of the metropolitan area of New York City or Long Island, as was implied in your letter. We

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<sup>1</sup> View this map online: [http://www.nyiso.com/public/webdocs/markets\\_operations/market\\_data/zone\\_maps\\_graphs/nyca\\_zonemaps.pdf](http://www.nyiso.com/public/webdocs/markets_operations/market_data/zone_maps_graphs/nyca_zonemaps.pdf)

<sup>2</sup> See NYISO publications 2017 Power Trends Report, 2014 Reliability Needs Assessment, and others.

understand that there is disagreement about the New York Independent System Operator's (NYISO) decision to include Ulster County in Zone G, but recent decisions by the NYISO board send a clear message that Zone G is here to stay<sup>3</sup>. GlidePath is therefore working toward solutions to reduce the costs to ratepayers through innovate, low-cost and low-carbon projects like the LPGSC.

- **The project will benefit local residents, not metropolitan NY.** It is simply inaccurate to assert that the LPGSC is proposed here in Ulster County only to serve the energy demands of NYC. The project will be connected to the low-voltage portion of the Lincoln Park substation, the same system to which numerous local businesses, homes and community facilities are currently connected. Because the grid operator is required to dispatch cheaper energy first, and LPGSC will provide cheaper and cleaner energy, it will be utilized before the older, dirtier, fossil fuel plants in the region. All electric consumers across Ulster County would use and benefit from the reliability of services provided by the project because the LPGSC will offer the same service at a lower cost. One should note, however, that New York operates a fully interconnected statewide grid, and thus, it is *technically possible* that the state system operator could call on the LPGSC project to supply power to the NY Metro area. Similarly, it is possible that projects like the Ulster Solar Plant could provide power to the NY Metro area. This would require an extremely unlikely scenario where there was no need for its services in the Ulster County region and there were no other resources available to supply services in the NY Metro area. The Lincoln Park project, quite simply, is designed to provide power and grid support services to Ulster County.
- **The project is in a suitable location and impacts will be minimized.** The project is proposed in the Town's "Office – Manufacturing" (OM) zone, whereby this type of use is expressly allowed. Uses in the immediate vicinity include a closed landfill, a solid waste facility, a privately-owned mine/quarry, and a gas measuring station. The proposed facility's state-of-the-art exhaust stack system will be no taller than 80 feet (not 100 feet, as stated in your letter). Moreover, we are working tirelessly with project engineers to decrease the stack's height to the existing 70-foot tree level to further reduce visual impacts. Similarly, we are working to find ways to reduce the amount of backup fuel stored on-site with a commitment to no more than 50,000 gallons of capacity while still maintaining required fuel redundancy levels. Please be reminded that similar types and quantities of fuel are safely stored by the County<sup>4</sup> government and numerous other agencies and businesses nationwide. Thankfully, today's rules and regulations place strict standards and multiple levels of redundant safety mechanisms to secure storage tanks and prevent system failures that could result in leaks or other hazards. LPGSC's storage systems would be no different.
- **Energy costs will remain the same or be lowered.** Every electric user in Ulster County relies on grid support services from fossil fuel plants today and, even with the addition of more renewable generation, such services will still be required. The Lincoln Park project will provide these necessary energy services with lower levels of pollution and at a lower cost than the sources currently in use. In addition, the project will do so within the competitive NYISO marketplace, meaning that such services must be provided at the same or lower cost than current

<sup>3</sup> See Decision of The New York Independent System Operator Board of Directors on Appeal Of Management Committee Action Regarding The Creation And Elimination Of Capacity Zones, April 24, 2018:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/appeals/Appeals\\_to\\_the\\_BOD/February\\_28,\\_2018/NYISO-Board-Decision-re-On-Ramp-Off-Ramp.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/appeals/Appeals_to_the_BOD/February_28,_2018/NYISO-Board-Decision-re-On-Ramp-Off-Ramp.pdf)

<sup>4</sup> NYS DEC Records, Site No. 3-601805, Ulster County Law Enforcement Center, 6 tanks in-service, 38,470-gallon capacity; Site 3-601823, Ulster County Area Transit, 6 tanks in-service, 21,240-gallon capacity; Site No. 3-601416, Ulster County Community College, 5 tanks in-service, 21,785-gallon capacity; Site No. 3-602137, Ulster County Resource Recovery Agency, 8 tanks in-service, 19,125-gallon capacity.

providers. Thus, the project will reduce the cost (and current carbon footprint) of the electric grid for Ulster County users by implementing a state-of-the-art hybrid engine-battery system that will burn less (and cleaner) fuel to provide the same services at the same or lower cost.

- **The project is a minor source of air emissions.** Title I of the federal Clean Air Act and Article 70 of the New York State Environmental Conservation Law both seek to ensure that no one is exposed to air pollution in excess of the National Ambient Air Quality Standards, which are designed to be protective of the health of even the most fragile populations. Federal and NYS air quality rules do not provide for any “greater ease” in obtaining the required air permits for the project in its proposed location. The project will be classified as minor source under federal and state clean air regulations<sup>5,6</sup> and not a major (Title V) source<sup>7</sup>. In fact, based on our current estimates, the project would be classified as a minor source even in the more heavily polluted non-attainment areas in the Lower Hudson Valley. It is inaccurate to claim that GlidePath has chosen the site because it is “easier to pollute.” We understand that the community is interested in fully understanding our project’s emissions and we have committed to sharing detailed data about our emissions, including sources, assumptions, and calculations, throughout the SEQRA review and DEC permitting processes.

- 3.) **New York State’s Energy Goals:** Governor Cuomo has set aggressive goals for New York, including sourcing 50% of the state’s electricity from renewables and a 40% reduction in greenhouse gas emissions both by 2030. The LPGSC helps fulfill both of these important goals. By providing a more efficient way to provide capacity and other ancillary services, the LPGSC will displace the current providers of grid support services, which are often older fuel-oil and gas-turbine generators. LPGSC will provide the same services with significantly less emissions. In addition, the use of batteries allows the project to provide critical frequency regulation services that are needed to balance the moment-by-moment variation in output from wind and solar caused by variations in the wind or sunlight. Right now, these services are generally provided by ramping fossil fuel generators up and down, which is inefficient and costly. The LPGSC will be able to provide these services with only the battery portion of the project and without burning any fuel or creating any emissions.

In addition to the renewable energy and greenhouse gas goals, Governor Cuomo announced in January a statewide target of 1,500 megawatts of energy storage by 2025. On June 21, DPS and NYSERDA released their Energy Storage Roadmap. This roadmap describes both near- and longer-term energy storage deployment opportunities that will enable the state to meet its goal. Hybridized projects, just like LPGSC, are cited as one of the near-term, economically attractive opportunities<sup>8</sup> that can be deployed to help New York meet its storage target. GlidePath is closely watching and participating in the stakeholder process and we are confident that the LPGSC can be one of the first success stories towards meeting the State’s energy storage goal.

<sup>5</sup> See NYDEC publication: Air Pollution Control Permit Program: Is This Project Major or Minor. Link: <https://www.dec.ny.gov/permits/6244.html>

<sup>6</sup> Example minor source permits: SUNY at New Paltz (New Paltz, NY), HVAC, DEC ID: 3-5138-00024/00012; Rock Mountain Farms (Accord, NY), Stone & Aggregate Processing, DEC ID: 3-5144-00065/00011; Deluxe Package Corp (Saugerties, NY), Printing & Paper Coating, DEC ID: 3-5148-000136/02002.

<sup>7</sup> Example major source permits: Cricket Valley Energy Center (Dover Plains, NY), Power Generation, DEC ID: 3-1326-00275/00009; Algonquin Gas Stony Point Compressor Station (Stony Point, NY), Natural Gas Compression, DEC ID: 3-3928-00001/00027; Northeast Solite Corp (Mt. Marion, NY), Aggregate Manufacturing, DEC ID: 3-5148-00084/00025

<sup>8</sup> NY DPS / NYSERDA Energy Storage Road Map, page 8.

Traditional thermal generators, cutting-edge energy storage and renewable sources like wind, water, and solar can be understood as a sort of energy ecosystem — these facilities all have their pros and cons. But at this point in human history and advancement of technology, we really need each and every type of energy producer active and online in order for the system to work well as a whole. GlidePath shares your vision for an environmentally sustainable, clean energy future. We have chosen to implement a hybrid plant at the proposed location because it advances the area's transition to a low-carbon grid. We have done our homework in designing this project and we firmly believe that there are no other technologies that can provide these services with the reliability any community would expect and at a cost that ratepayers would willingly accept. Happily, battery technology is rapidly evolving. In the future, it may be cost-effective and reliable to deploy the massive battery systems required to meet these needs, but that stage of battery technology isn't here yet. By using the technology available today, the Lincoln Park Project provides incremental progress toward a cleaner grid in its hybrid approach of using a lithium ion battery array as a means of zero carbon, rapid response energy supply, and as necessary, intermittently generating additional energy with the most efficient engines available, using a fuel that is significantly cleaner than coal or oil and minimizing emissions employing voluntary state-of-the-art emissions control systems. While we recognize that the project does not quite reach the zero-carbon goal we are all striving for, it represents substantial progress from where we are today, and we believe incremental progress is better than the status quo.

We invite you browse the LPGSC website<sup>9</sup> to learn about the project's benefits to the surrounding Hudson Valley communities and for the latest details on the project as we move through the SEQRA process. We are happy to further discuss the constraints of today's technology and why certain energy production and storage projects are required in particular regions. And finally, we welcome you to participate in this project's public process, ask questions, and provide your comments and feedback. We stand by to advance this discussion and look forward to continuing our open dialogue.

Sincerely,



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Anton Proter, FERC  
Brad Jones, NYISO  
Basil Seggos, NYSDEC  
Kenneth Ronk, Ulster County Legislature

James Quigley III, Town of Ulster  
Jim Maloney, Ulster County Legislature  
Mary Wawro, Ulster County Legislature  
Tracey Bartels, Ulster County Legislature  
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<sup>9</sup> Visit the LPGSC Project website: [www.LincolnParkGridSupportCenter.com](http://www.LincolnParkGridSupportCenter.com)