



Engineers and state agencies demolish the latest St. Lawrence Cement attempt to avoid state-of-the-art pollution controls for Hudson Valley plant

- ▶ **Report from engineers at Camp, Dresser & McKee shows that SLC wrongly rejected an advanced pollution control technology, called SCR**
- ▶ **Massachusetts DEP, Connecticut DEP and Attorney General file comments supporting opposition experts' position**
- ▶ **SCR could reduce greenhouse gas emissions by 1,999 tons per year**
- ▶ **Engineers find that cement industry application of SCR is now commercially available—and twice as effective as St. Lawrence claimed**

ALBANY, N.Y.

After extensive study, experts from one of the largest engineering firms on the East Coast have concluded that St. Lawrence Cement inappropriately rejected state-of-the-art pollution control technology for its coal-fired Greenport proposal, according to a lengthy scientific report filed yesterday with the New York State Department of Environmental Conservation (DEC).

Engineers Frank Sapienza and Gabriel Miller led the Friends of Hudson study, which thoroughly debunk SLC's claim that it can't use an advanced technology well-known as effective in controlling power plant pollution, called Selective Catalytic Reduction, to reduce the 20 million pounds of pollution it seeks permits to emit.

CDM's comments were echoed in separate filings by regulators at both the Massachusetts and the Connecticut Departments of Environmental protection, as well as by Connecticut attorney general Richard Blumenthal.

COMPANY PROVIDED 'DECEIVING INFORMATION'

The Executive Summary of the report, written by Friends lead counsel Jeffrey S. Baker, finds that the company's position on SCR

"represents a continuation of SLC's past practice of providing deceiving information with respect to the state of current technological developments. ... SLC compounds its technical misrepresentations by providing a legal analysis that does not reflect the requirements of the Clean Air Act; in addition, SLC's lawyers continue their shameless practice of citing legal authority for propositions that the cases do not support."

In January 2003, research by CDM engineers discovered a successful adaptation of this technology for a cement plant in Solnhofen, Germany, and DEC officials decided to require SLC to explain why it hadn't been considered. The NYS Department of State's Division of Coastal Resources also recently called on SLC to supply an analysis of SCR technology in a March 9, 2004 letter to the company.

Friends of Hudson executive director Sam Pratt commented on Thursday: "This report shows once again how plant opponents have brought top industry experts to the table to protect health of our community. Thanks to our members' generosity, we have been able to sponsor cutting-edge scientific research that not only exposes SLC's slippery rhetoric, but also has broad applications throughout the cement industry."

Pratt added that "activists and scientists alike around the country, for example in Missouri and Texas, have been calling us for copies of this groundbreaking study."

ENGINEERS DEMOLISH SLC CLAIMS POINT-BY-POINT

The CDM report analyzes in depth each of St. Lawrence's reasons for rejecting this advanced technology, and finds each of them sorely lacking. CDM found that:

- 1) **SCR could reduce a key pollutant by 1,999 tons per year.** The report finds that SLC "miscalculated the nitrogen oxide reductions being achieved" at the German plant. Rather, CDM engineers concluded that if applied to its plant design, this technology would reduce emissions of this greenhouse gas from 3,718 tons to 1,729 tons per year, nearly a 2,000 ton (4,000,000 pound-per-year) difference. The company had said that SCR would only achieve a 40% reduction in NOx, but in fact "Solnhofen is achieving 82%."
- 2) **SCR is, in fact, commercially available.** Perhaps most devastating for SLC, the CDM report discloses that an industry leader in catalyst design, KWH, has stepped forward to say that it can offer this technology commercially, and can provide guarantees of its effectiveness. The company had argued that SCR was not yet available from any of the four vendors it approached, including KWH. But opponents' engineers noted that SLC had deliberately designed the bid process "to discourage suppliers from working with SLC" on this matter, and found KWH more receptive.
- 3) **SCR can be applied to the Greenport plant design.** CDM also takes to task the company's claim that this technology would not work in Greenport, even if effective in Germany. Instead, the engineers find that each of the technical obstacles SLC said it faced (such as catalyst poisoning, plugging and fouling) were actually quite easily overcome. Moreover, Unfortunately, the company did not make a good faith effort to work through relatively simple design issues in its haste to reject the technology.

MASSACHUSETTS AND CONNECTICUT ALSO TAKE COMPANY TO TASK

The substance of the CDM report was mirrored in comments filed concurrently by DEC's peers at the Massachusetts and Connecticut Departments of Environmental Conservation, and also by Conn. Attorney General Blumenthal, who wrote to DEC on March 18th that SLC

"ignored and excluded information necessary to proper analysis... There is simply no possible justification for approval of this plant."

In a March 1st departmental memorandum which Blumenthal attached to his letter to Michael Higgins of New York's DEC, Connecticut DEP air analyst Jude Catalano concluded that SCR is not, as St. Lawrence had claimed, an "innovative technology" too new to employ. Catalano also confirmed reasonable bids from KWH and another vendor, Alstom Power, which SLC said could not deliver the technology. Like CDM, Catalano independently found that

"the bid specifications developed by SLC should also be scrutinized because some of these specifications appear unreasonable."

Meanwhile, in a 16-page memo filed yesterday (March 24th), officials at Massachusetts DEP told New York DEC that "the matter before you is a difficult but crucial decision that would affect air pollution control on this industry type throughout the nation, including areas upwind of New York," expressing concern that "the facility would be a significant source of NOx emissions." Like their Connecticut counterparts, Massachusetts officials questioned the thoroughness of SLC's efforts to assess this advanced technology, having ascertained that SCR is both commercially available and twice as efficient as SLC has claimed. Moreover, the memo chastises SLC for mischaracterizations of Clean Air Act regulations and precedents.

ALLIES THROUGHOUT THE NORTHEAST UNITE AROUND AIR ISSUES

Now with over 3,900 members, Friends of Hudson continues to work closely with its two main allies on the SLC issue, The Olana Partnership and the Hudson Valley Preservation Coalition (which is led by Scenic Hudson), as well as two groups with 'amicus' status, the Preservation League of New York State and the National Trust for Historic Preservation.

Speaking on behalf of HVPC, Scenic Hudson President Ned Sullivan said on Thursday that "I commend Friends of Hudson for its leadership on this important issue. An ever-growing number of top public officials and citizens throughout the Northeast are raising the alarm about the toxic air quality and health impacts of this industrial complex. This report demonstrates that St. Lawrence Cement isn't even willing to comply with the basic provisions of the federal and state Clean Air Act, so prompt permit denial by Governor Pataki is critical."

In addition to SCR, Friends of Hudson engineers have also presented evidence that the company could significantly reduce emissions of volatile organic compounds using yet another technology, called a regenerative thermal oxidizer (RTO). Two administrative law judges agreed with Friends' experts that there should be a trial ("adjudicatory hearing") on this issue, but as with SCR, St. Lawrence lawyers have argued that it should not have to consider such technology.

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For more information on this release, please contact Jeffrey S. Baker at Young, Sommer..LLC, (518) 438-9907 x227, or Sam Pratt at Friends of Hudson, (518) 822-0334.

A copy of the Executive Summary of the CDM report is available upon request.