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Missouri Public
Service Commission

Dawson, Mark

From: Michael Fisher [mfisher@cityofpeculiar.com]
Sent: Wednesday, November 03, 2004 11:09 AM
To: Dawson, Mark
Importance: High

Mark:

This is basically follow-up to the previous message. First, the opposition will most likely be at the Air Quality permit hearing. I would suggest moving it to the Lion's Club for convenience. Secondly, it appears they will come prepared. Comments made at last night's meeting provided suggestions of what they will question. Council was questioned about whether they had seen or reviewed the permit application. If you could get me copies for Council, that would counter that point. It did not appear to be a concern with Council.

It does appear from feedback, not from the opposition, that the opponents are providing either false or mis-leading information. The FAQ's are meant to be the City's first response. I would like to add some pictures and layout information. I know none of us really want more meetings, but I thought maybe Terry, yourself and I could meet to discuss/plan a joint PR campaign to counter the negatives that are being circulated.

Call me at your earliest convenience so we can discuss this.

Michael J. Fisher,

City Administrator

City of Peculiar



Dawson, Mark

From: Michael Fisher [mfisher@cityofpeculiar.com]
Sent: Wednesday, November 03, 2004 10:52 AM
To: Dawson, Mark; DOUGLAS, SID
Subject: FAQ's
Importance: High
Attachments: FAQs.doc

Gentlemen:

There is a lot of misinformation circulating regarding the peaking facility. We thought one way to counter that would be on the City's website with some frequently asked questions and pictures. Attached are q & a's that we thought addressed many of the questions. I would appreciate your reviews to insure we have not overstated or provided mis-leading information.

Michael J. Fisher,

City Administrator

City of Peculiar

Michael Fisher

From: Hedrick, Terry [Terry.Hedrick@aquila.com]
Sent: Wednesday, November 03, 2004 3:14 PM
To: Michael Fisher
Cc: Dawson, Mark
Subject: FW: FAQ



FAQs.doc (44 KB)

The Q&A looks to be good and helpful. A few strike-outs and additions (highlighted in yellow) were made.

> <<FAQs.doc>>

FREQUENTLY ASKED QUESTIONS AQUILA'S SOUTH HARPER PEAKING FACILITY

1. *Where is the site?*

On South Harper Road, approximately 3.25 miles south of YY Highway.

2. *What type of fuel will it use?*

The peaking facility turbines will use clean burning natural gas.

3. *Can the turbines be converted to another fuel?*

No, the The three natural gas turbines ~~can~~ are designed to only burn natural gas.

4. *Can the proposed facility be converted to coal?*

No. Coal as fuel requires an entirely different facility with different infrastructure.

5. *Could a coal fired facility be built at the site?*

No. There is not a sufficient water supply and a rail line would be needed for the delivery of coal. Additionally, the site is too small.

6. *How often will the turbines run and when?*

The State of Missouri has permitted the turbines to operate 2,000 hours/unit per calendar year. They will generally operate when the peak load is high, for example, on very hot, high humidity days. All three turbines may not operate at one time.

7. *Will there be a lot of traffic to the site?*

Yes, during construction. Construction workers for the project will total about 90 at the peak of construction, plus material and equipment deliveries. No, after construction Aquila staff will only be on-site during operation or routine maintenance.

8. *Will it be highly lit all the time like the Pleasant Hill facility?*

No. Security lights will be installed. They will be focused downward. There is not a need to have the large number of lights like the Pleasant Hill facility, because it is a different type of facility.

9. *How much pollution will the gas turbines produce?*

~~The quality of the air emissions are the same as a gas furnace in your home.~~
The air pollution impacts generated by the project will be insignificant as defined by the US Environmental Protection Agency and Missouri Department of Natural Resources.

10. *How loud are the turbines?*

~~Aquila has worked with the design engineers to make the South Harper turbines more quiet than previous installations. The sound rapidly dissipates with distance. At 1,000 feet, the sound is barely audible outside. Inside your home or car, you cannot hear the turbines. The turbines are newer generation, which operate more efficiently and quieter.~~

The gas turbines are designed with sound enclosures and silencers in the stack section.

The sound levels will vary depending on the distance and terrain between the noise source and the noise receiver. Aquila has offered to evaluate noise levels at particular locations near the site.

11. *Why was this location chosen?*

~~The Southern Star natural gas compressor station is adjacent to the Aquila site. Natural gas is therefore available at the site in the quantities and pressure required. Also, Aquila's existing 69KV transmission lines cross the property.~~

The site provides the infrastructure required for this type of facility. Southern Star has two interstate natural gas lines and a compression station directly adjacent to the property. District 7 has water lines located on the site. The existing Aquila 69kV transmission line also intersects the property. The 74 acre site allows for a significant buffer zone.

12. *Will the noise or emissions affect my animals?*

Aquila's noise levels will not be harmful to local residences and we are not aware of any harmful affects to animals.

13. *Why is the City involved?*

Peculiar became involved for three primary reasons:

- ✓ Aquila's peaking facility will help attract business to the community.
- ✓ It will help insure reliable electrical power for the explosive growth in northern Cass County.

- ✓ Economic benefits for Ray-Pec School District, West Peculiar Fire Protection District will significantly help them financially.

14. *How will they benefit?*

By the City of Peculiar issuing Chapter 100 Tax Exempt Bonds, all of the tax type revenue from the peaking facility will be focused on the Ray-Pec School District, West Peculiar Fire Protection District and other jurisdictions on Peculiar's property tax bill. Ray-Pec's funding will is anticipated to increase roughly eight fold to approximately \$5,000,000.

15. *How will the peaking facility affect my land values?*

There should not be a negative impact. Most of the other peaking facilities are in residential areas or similar rural areas. Some of these developments are very upscale. A golf course community is being developed around an existing ~~KCP~~ Independence Power and Light peaking facility located in Independence.

16. *Since the City of Peculiar didn't annex Harper Road, how can they do Chapter 100 financing ?*

State of Missouri law gives Missouri communities the authority to finance economic development projects outside of its incorporated boundaries, if in the Board of Aldermen's opinion it will benefit the community. The Peculiar Board of Aldermen are empowered by Missouri State Statutes to issue the tax exempt bonds.

17. *Is a public vote required on the bonds and what risk does the City have for the bonds?*

In the opinion of the City's legal advisors, a vote is not required. The Chapter 100 bonds are non-recourse to the City, which means they are not reflected on the City's financial statements, nor would the City be responsible if Aquila defaulted on the bonds. The facilities financed with the Chapter 100 bond proceeds would be the collateral for the bonds.

18. *Will new transmission lines be installed?*

Yes, They will be installed on new, higher poles within the existing right-of-way that runs north/south through the Harper site. The poles will be approximately fifteen feet higher and similar in design.

19. *What will the South Harper site look like when completed?*

Each of the turbines will be fully enclosed. The enclosures are for sound dampening and safety considerations. The maximum height from ground level will be approximately seventy feet. However, due to site grading they will appear shorter when viewed from 241st Street. Aquila will landscape the areas visible to the public.

20. *How long will construction take?*

Aquila plans for completion by June 1, 2005.

21. *What is the cost of the peaking facility?*

Approximately, \$133,000,000.