



October 30, 2008

Mr. Barry Smitherman, Chairman
Public Utility Commission of Texas
1701 N. Congress Avenue
Austin, Texas 78711

Dear Chairman Smitherman,

Texas is currently competing with New Mexico to attract a large-scale Integrated Gasification Combined Cycle (IGCC) clean coal power plant that captures the bulk of the carbon dioxide it produces. If we succeed in attracting this project to our state, it will be the first project of its kind in the world and result in a \$3 billion investment in Texas.

The proposed project site in Penwell, Texas is just 15 miles west of Odessa and located at the exact site previously proposed for the FutureGen project, which the Texas Legislature overwhelmingly supported (HB 2608, 80R). The 500 MW IGCC clean coal power plant will guarantee a minimum of 60% carbon capture and could be operational as early as the fourth quarter of 2013.

Texas oil producers in the Permian Basin use CO₂ from naturally occurring underground domes in New Mexico and Colorado for Enhanced Oil Recovery (EOR). When the CO₂ is injected into depleted wells, it causes an additional 15 percent or more of an oilfield's original crude oil volume to rise to the surface. Up to 98 or 99 percent of all CO₂ used for EOR can feasibly be sequestered for many thousands of years in depleted oil fields.

The demand for the CO₂ is so high that two 600 MW IGCC plants could be built in West Texas tomorrow and find a robust market for as much CO₂ as they could capture, liquefy and pipe to the oil fields.

The Texas Conservative Coalition wholeheartedly supports energy diversification, and environmental protection. Toward that end, we believe that in order to attract a project with global implications, we must allow the plant to operate without being curtailed during periods of high wind generation in the newly-established Competitive Renewable Energy

Zones (CREZ). This is the most critical element in insuring the viability of alternative forms of generation; thus, securing our transmission stability and security.

The Texas Conservative Coalition respectfully requests that you give dispatch priority to these types of clean coal projects in the CREZ zones and give Texas the opportunity to be home to the first IGCC clean coal plant in the world that sequesters CO2.

Please accept our most sincere appreciation for your leadership on this issue and for your consideration of our request. If we may provide you with any additional information, please do not hesitate to contact us.

Sincerely,




State Rep. Wayne Christian
House District 9 – Center



State Rep. Ken Paxton
House District 70 – McKinney



State Rep. Leo Berman
House District 6 – Tyler



State Rep. Dan Flynn
House District 2 – Van



State Rep. Phil King
House District 61 – Weatherford



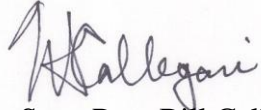
State Rep. Larry Taylor
House District 24 – Friendswood



State Rep. John Zerwas, M.D.
House District 28 – Richmond



State Rep. Betty Brown
House District 4 – Terrell



State Rep. Bill Callegari
House District 132 – Katy



State Rep. Jim Jackson
House District 115 – Carrollton



State Rep. Tan Parker
House District 63 – Flower Mound



State Rep. Charlie Howard
House District 26 – Sugar Land



State Rep. Kelly Hancock
House District 91 – North Richland Hills