Waukesha County Environmental Action League E-newsletter-October 2015

"America's true history is not about 'Great Men' but about grassroots rebels and movements." *Jim Hightower*

Recent Failed Gasification Staged-Incinerator Projects

By: Charlene Lemoine

WEAL's "The Facts on Gasification" (1) exposes numerous environmental and economic consequences for communities and investors associated with pursuing gasification staged-incinerator projects. Although no commercial size gasification staged-incinerator has been constructed in the U.S. or Canada, various types of incinerator projects continue to be proposed.

A few projects have advanced beyond presentations causing significant financial losses for communities and investors.

Colorado - The Denver Zoo

On 9/25/2015, the Denver Zoo terminated plans to continue construction of a gasification project that would utilize animal waste along with trash. The Zoo has invested $3.7 million on the project but decided against moving forward because the technology was untested, air emission concerns and a growing opposition to the project. (2)

Multiple States - Mantria Corporation

On 9/03/2015, an article entitled "**3 charged in $54 million green-energy Ponzi scheme based on trash-to-fuel promise**" states "Three people were charged Thursday with running a $54 million Ponzi scheme built on promises of a green energy technology that would turn trash into fuel and "carbon-negative" housing developments….."(3)

The Federal Indictment cites Mantria (Corp.) as a Ponzi scheme in which new investor money was used to pay "earnings" to prior investors. The scam operated between 2005 and 2009 and raised more than $54 million through seminars and other programs which taught prospective investors how to liquidate assets and take loans to maximize investment opportunities in Mantria. (4)

Wisconsin- Green Box and Oneida Seven Generations Corporation (OSGC)

On 9/21/2015, forty-two enrolled members of the Oneida Tribe of Indians of Wisconsin sent a letter to the United States Attorney General Loretta Lynch asking the U.S. Department of Justice to investigate possible fraud against the Tribe by several companies including Ron Van Den Heuvel & Green Box and the Oneida Seven Generations Corporation (OSGC) and its subsidiaries. The Oneida Eye has extensive coverage regarding Green Box and the Oneida Seven Generations Corporation. (5)

There have been a number of lawsuits filed against Green Box including one filed by the Wisconsin Economic Development Corporation (WEDC). The Milwaukee Journal Sentinel reported on 7/10/15 that "after allowing Green Box in September 2014 to renegotiate the state's bad loan of $1.1 million, WEDC sued the company in Brown County Circuit Court in May for failing to make its payments and with two other creditors had the company put into receivership last month

OSGC was also a recipient of WEDC funding. Over the past couple of years Incinerator Free Brown County, The Oneida Eye, Clean Water Action Council of Northeastern WI and WEAL have raised issues regarding the status of the OSGC funding. To date, the question remains unanswered.

Plasco Energy Group, Inc. – Ottawa Canada

For more than a decade, Plasco Energy and the City of Ottawa had plans for a plasma arc gasification staged-incinerator to be built by 2016. A demonstration facility was initially constructed and was often called "the Plasco fiasco" because it was plagued with operational problems, exceeded emission standards, and when it was operational, produced very little energy.

Despite the poor track record of the demo project, the City of Ottawa signed a 20 year, $180 million contract for 300 tons of municipal solid waste a day with Plasco. The contract was contingent on Plasco securing financing by March 2013. The project was initially expected to cost more than $200 million. Although the deadline for financing was extended three times, Plasco was unable to acquire financing. The CEO of Plasco, Ron Bryden, left the company in January of 2014. In February of 2015, Plasco filed for bankruptcy.

Although numerous investors were impacted by the Plasco bankruptcy perhaps the hardest hit was the small town of Blind River (population 3500). According to an article in the Ottawa Citizen, Blind River has tax revenues of approximately $8.8 million a year and will be paying $1.1 million a year for 22 years as well as a $22 million dollar one-time payment in 2037 to settle an investment in Plasco. (7)

In an interesting twist, on 9/29/2015, the Ottawa Citizen reported Ron Bryden, founder and former CEO of

Plasco, was paying creditors $1 (one dollar) to buy back Plasco under RMB Advisory Services, Inc., another company controlled by Bryden.

"Under the deal, RMB gets what's left of Plasco, particularly the firm's patent and intellectual property, from two secured creditors: North Shore Power Group, Inc., a municipally owned electricity utility in the Town of Blind River, and another company called Canadian Water Projects Inc."

"Those two creditors invested $40 million before Plasco sought protection under the Canadian Companies and Creditors Arrangement Act. Bryden said an agreement is in place to repay the $40 million, plus four per cent interest, to the secured creditors whenever his firm is in a position to pay those monies back. But said he could make no guarantee that any money will ever be repaid." (8)

(1) The Facts on Gasification - WEAL - http://www.weal.org/Docs/THE_FACTS_ON_GASIFICATION.pdf

(2) The Denver Post - 9/25/2015 – "Denver Zoo ditches plans to convert elephant dung for electricity" http://www.denverpost.com/news/ci_28877025/denver-zoo-ditches-plans-burn-elephant-dung-electricity

(3) U.S. News and World Reports – 9/03/2015 - "3 charged in $54 million green-energy Ponzi scheme based on trash-to-fuel promise" http://www.usnews.com/news/us/articles/2015/09/03/trio-charged-with-running-54m-green-energy-ponzi-scheme

(4) U.S. Attorney's Office, Eastern District of Pennsylvania - 9/03/2015 "Indictment Charges Three People with Running $54 Million Green Energy Ponzi Scheme" https://www.fbi.gov/philadelphia/press-releases/2015/indictment-charges-three-people-with-running-54-million-green-energy-ponzi-scheme

(5) Oneida Eye – 9/21/2015 – Letter to United States Attorney General Loretta Lynch http://oneidaeye.com/

(6) Milwaukee Journal Sentinel – 7/10/15 - "Jobs agency lent $1.2 million to businessman with troubled finances" http://www.jsonline.com/news/statepolitics/jobs-agencies-loaned-12-million-to-businessman-with-troubled-finances-b99535110z1-313434331.html

(7) Ottawa Citizen - 3/12/2015 – "Plasco-investing Blind River now faces 22 years of loan payments — plus $22M one-time sum" - http://ottawacitizen.com/news/national/plasco-investing-blind-river-now-faces-22-years-of-loan-payments-plus-22m-one-time-sum

(8) Ottawa Citizen - 9/28/2015 – "Rod Bryden buys back Plasco from creditors for $1" http://ottawacitizen.com/business/local-business/bryden-buys-back-technology-from-failed-plasco

WEAL Members Speak Out Against Unnecessary Great Lakes Diversion

By: Laurie Longtine

Public Hearings August 17 and 18

Wisconsin Department of Natural Resources (DNR) conducted a series of public hearings on Waukesha's latest plot to divert water in amounts up to 16.7 million gallons per day from the Great Lakes, over the subcontinental divide, to the City of Waukesha and surrounding communities.

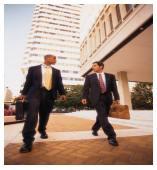
The hearings were held August 17 and 18 in Waukesha, Milwaukee, and Racine, during the dog days of summer, an inopportune time when Wisconsin families are preparing for back-to-school (in fact, most school open houses are held during that week), trying to squeeze in a last summer vacation or otherwise transitioning from summer to fall. Despite all the activities, hundreds of people turned out for these hearings, demonstrating the high level of interest there is in this issue. Overwhelmingly, most were opposed to the diversion

At the Racine hearing, State Assembly Representative Cory Mason correctly pointed out that Waukesha had a vote, Oak Creek had a vote, but Racine didn't get a vote on the return flow plan which will dump up to 17 million gallons per day of treated wastewater into the Root River which empties into Lake Michigan in the City of Racine. Many Racine residents were visibly upset at the prospect of becoming "Waukesha's toilet."

At the Waukesha hearing, public comments were focused on the enormous cost of the project—$305 million and rising, poor water conservation implementation, and the add-on of another 17 square miles of land outside the existing City borders, in the City of Pewaukee, the Towns of Delafield and Genesee, and the entire Town of Waukesha. Despite the Waukesha Water Utility's and City of Waukesha's insistence that the water diversion "isn't about growth", apparently it's apparent that it IS about growth. Proof is in the City's land use plan that shows a Bluemound Road-style industrial/commercial development corridor along Hwy 164 from Hwy 59 in Waukesha to I-43 in Big Bend. Five miles of road, both sides, none of the land currently within the City of Waukesha borders.

Prior to the hearings, the Greater Milwaukee Area Realtors Association sent an e-mail to its members, telling them to attend the hearings and speak in favor of the diversion, but not to mention "growth." Even the realtors seemed clued in this time.

Of course, there was a parade of Waukesha officials and former officials who testified in favor of the diversion, but



arguments were weak and overly focused on us whom they called "the opponents" and railed against the Non-Diversion Solution proposed by the Compact Implementation Coalition, or CIC. (WEAL is part of CIC.) Water Utility Manager Dan Duchniak told the Waukesha Freeman that he hoped "the DNR would consider the 'quality' of the comments over the quantity" in an attempt to dismiss what the public might say before the public said it.

Speaking of quantity, in addition to the testimony given at the hearings, written "unique" comments, (Unique is DNR's term for comments that aren't form comments or a petition signed, even though commenters

may personalize their comment.), 3014 people signed form comments expressing their opposition to the diversion. That's right: 3014 against the diversion. We'll see how successfully DNR is able to ignore us.

Then This Happened . . . .It appears that the intense Wisconsin interest in diversion is shared as keenly around the Great Lakes region. A series of opinion/editorials and newspaper editorial board opinions appeared in papers from Buffalo New York to Anchorage Alaska, not a single one in support of the Waukesha diversion.

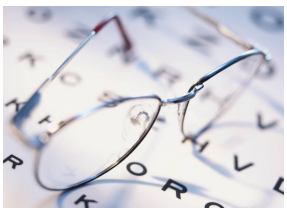
The Cleveland Plain Dealer's headline reads: **"Waukesha's Great Lakes water grab should sink without a ripple"**

From the Detroit News: **"It's a questionable request, and one that would violate a core principle of the Great Lakes Compact, the joint states and federal agreement forged to protect the region's most valuable resource."**

The Pittsburgh Post-Gazette says: **"Hands off: A water diversion plan threatens the Great Lakes"**

For more media coverage and editorials, visit www.ProtectOurGreatLakes.org, News and Updates tab, under Latest News and Press Highlights.

Next Steps



The DNR is reviewing comments and taking them "under advisement". They will revise the Environmental Impact Statement (EIS) accordingly. When this is done, DNR makes a final determination as to whether the application is "approvable", then sends the application to the other 7 Great Lakes states and the Council of Great Lakes Governors. These other states may hold their own hearings, but the Council will conduct a formal hearing in Milwaukee sometime after the diversion request is sent to the Great Lakes states. This could come in early 2016.

The Non-Diversion Solution Alternative

The Non-Diversion Solution Alternative is an alternate plan commissioned by the CIC and conducted by a globally respected engineering firm, GZA GEO Environmental, that engineers and builds water projects around the world. GZA developed this alternative solution using Waukesha's own numbers and studies.

To state it another way, GZA took Waukesha at its word, reviewed its studies, analyzed its numbers, and concluded:

- Waukesha can supply its residents' needs now and well into the future—until at least 2050, the same duration as the diversion plan—by simply eliminating the growth areas outside of its current borders. These areas don't need another water supply now or in the foreseeable future, but they have stated they don't intend or wish to be annexed into the City of Waukesha.
- The Non-Diversion Solution will save Waukesha ratepayers a total of $150 million. ($120 million in short-term construction costs and $30 million in long-term operational costs.)

- Water from the deep aquifer can be treated for radium, using safe, reliable methods. Over 40 communities across Wisconsin have handled their radium issues responsibly and successfully for years, some for decades and longer.
- The continued use of the deep aquifer is sustainable if used wisely.
- Better conservation practices can and should be implemented.
- No additional wells need to be drilled. This means no additional environmental impacts to surrounding surface waters, wetlands, or deep aquifer.
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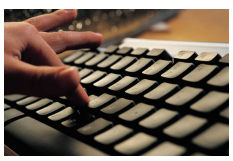
Myth vs. Reality

Twelve myths, or misinformation promoted by the City and Water Utility are busted in one document. Found at www.ProtectOurGreatLakes.org, Our Position tab, Myth vs. Reality.

For the real facts, check out the Fact Sheets at the same web address, same tab.

As always, stay in touch. Visit the website often and we'll post new information as it becomes available. We're also on Twitter: @protectGLwater and Facebook: ProtectOurGreatLakes.

Thank Yous All Around



WEAL and our partners at the Compact Implementation Coalition thank you for providing testimony, letters of comment, op eds, and letters to the Editor in support of a non-diversion solution. We're grateful for your continued dedication to this most important water issue of our times.

Climate Change

Source: Union of Concerned Scientists

Every day, on the airwave, online, and throughout the media echo chamber, the loudest, most misinformed global warming deniers spout their opinions and beliefs. But there is no believing or not believing in climate change---it is a matter of knowing the facts.

You can check the facts on claims you hear from global warming deniers, oil, gas, and coal industry lobbyists, and politicians, and learn more about climate change, its causes and effects and how you can help solve the problem at:

www.ucsusa.org/global_warming