

MPUC Docket No. E-6472-/M-05-1993
OAH Docket No. 12-2500-17260-2

BEFORE THE
MINNESOTA OFFICE OF ADMINISTRATIVE HEARINGS
100 Washington Square, Suite 1700
Minneapolis, Minnesota 55401-2138

FOR THE
MINNESOTA PUBLIC UTILITIES COMMISSION
127 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

In the Matter of the Petition of Excelsior Energy Inc.
and Its Wholly-Owned Subsidiary MEP-I, LLC For Approval of Terms and
Conditions For The Sale of Power From Its Innovative Energy Project Using
Clean Energy Technology Under Minn. Stat. § 216B.1694 and a
Determination That the Clean Energy Technology Is Or Is Likely To Be a
Least-Cost Alternative Under Minn. Stat. § 216B.1693

**SUPPLEMENTAL TESTIMONY AND EXHIBITS OF
EXCELSIOR ENERGY INC.**

Thomas A. Lynch

June 19, 2006

1 EXCELSIOR ENERGY, INC.

2 BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

3 PREPARED SUPPLEMENTAL TESTIMONY OF

4 THOMAS A. LYNCH

5 **Q Please state your name, current employment position and business address.**

6 A Thomas A. Lynch. I am a Project Development Manager for ConocoPhillips
7 Company, the third largest integrated energy company in the United States.
8 Headquartered in Houston, Texas, ConocoPhillips Company and its subsidiaries operate
9 in more than 40 countries. The company has approximately 36,000 employees
10 worldwide and assets of \$160 billion. ConocoPhillips, the parent company, has its
11 stock listed on the New York Stock Exchange under the symbol "COP."

12 I have been one of the ConocoPhillips Company representatives who has been
13 working with Excelsior Energy Inc. ("Excelsior") and Fluor Corporation over the past
14 24 months in connection with preliminary engineering and design work for the Mesaba
15 Energy Project. My business address is 444 W. Sanford Ave, West Terre Haute,
16 Indiana 47885. My resume is attached as Exhibit TAL-1 to this testimony.

17 **Q Would you please describe your educational and professional background?**

18 A In addition to being a Project Development Manager, I also provide technical
19 support at the 262 MWe (net) Wabash River Coal Gasification Repowering Project
20 ("Wabash River") in Terre Haute, Indiana. The Wabash River facility utilizes
21 ConocoPhillips E-Gas™ technology for gasification of solid feedstocks, the same
22 technology ConocoPhillips has licensed to Excelsior for use in the Mesaba Project.

23 Professionally, I have been involved with the E-Gas™ technology and the
24 Wabash River Project for 13 years. I was originally assigned to the Wabash River

1 Project in 1993, where I had owner's representative responsibilities for the syngas
2 conditioning processes as well as water treatment and electrical systems at the facility.
3 I managed operations for the Wabash River Facility through start-up, and led the effort
4 to hire, train, and develop the plant operations group.

5 After the Wabash startup in 1995, I was assigned to manage the plant
6 improvement effort. I then continued to manage plant improvements, but added
7 operations management responsibilities and contract administration until being named
8 to my current position as Principal Engineer, which involves supporting the
9 development of gasification projects. In particular, I have led the effort for
10 ConocoPhillips with respect to our ongoing support of the Mesaba Project.

11 I earned a Bachelor of Science degree in Chemical Engineering from
12 Northeastern University (Boston MA) in 1983.

13 **Q On whose behalf are you testifying?**

14 A I am testifying on behalf of Excelsior Energy Inc.

15 Scope and Summary

16 **Q What is the scope of your testimony in this proceeding?**

17 A The primary purpose of my testimony is to confirm that I have been directly
18 involved on behalf of ConocoPhillips in connection with all design and engineering
19 work to date relating to the E-Gas™ technology for the Mesaba Project, and to note that
20 I am available to answer questions related to the E-Gas™ technology as currently used
21 at Wabash River and which will be used in the Mesaba Project.

22 **Q Do you have any additional remarks?**

23 A Yes. As previously noted, the process that the Mesaba Project will use to supply
24 fuel to its combined cycle power station is based upon ConocoPhillips E-Gas™

1 technology for gasification of solid feedstocks. This is a proven technology that has the
2 benefit of a long operational history and experience.

3 The Mesaba Project's design is based on the 262 MWe (net) Wabash River
4 Facility. The Wabash River plant was built under the Department of Energy's (DOE)
5 Clean Coal Technology Program and has been operational since 1995. Following its
6 construction, the DOE funded studies of potential performance and technological
7 upgrades, and hundreds of design and operational lessons learned from Wabash River
8 have been identified. Based in part on the DOE studies and the lessons learned from the
9 Wabash River facility, the Mesaba Project will integrate numerous design
10 improvements that represent a substantial advance in the original Wabash River
11 technology, design, and systems integration.

12 **Q Does this conclude your prepared direct testimony?**

13 **A Yes.**

EXHIBITS

EXHIBIT NO. ____ (TAL-1)

Thomas A. Lynch
4309 South Willow Brook CT
Terre Haute, Indiana 47802

CAREER HISTORY:

ConocoPhillips, Downstream Engineering & Licensing Services
(07/2003 - Present)
Principal Engineer, Terre Haute, IN

Reports to the Technology Director – Gasification Technology Solutions, responsibilities include: gasification project management, providing technical support and managing Preliminary Design/ Feasibility studies. Managed and completed four Preliminary Design/ Feasibility studies and have been actively involved in others.

Global Energy Inc., Gasification Engineering Corp. (01/2000 – 07/2003)
Manager, GEC Strategic Projects, Terre Haute, IN

Reports to the Vice President Commercial Development, responsibilities included: project management, providing technical support and contract administration, and coordinating the Market-Based operations efforts for the Wabash River plant.

Dynegy Inc., Dynegy Power Corp. (07/1997 - 12/1999)
Manager, Wabash River Plant Improvements and Operations Support, Terre Haute, IN

Responsibilities included: evaluating and overseeing the implementation of plant technology improvements, operation of the Air Separation Unit, laboratory & research support, contract administration, site human resource support, site emergency operations manager, set and track department budgets, and administer various programs associated with site safety and employee development. Coordinated a Petroleum Coke Alternative Fuel test to demonstrate the capabilities of the E-GAS gasification process on petroleum coke.

Destec Energy Inc., 01/1993 - 07/1997

Wabash River Plant (02/1996- 07/1997)
Manager, Plant Improvement, Terre Haute, IN

Responsibilities included: evaluating and overseeing the implementation of plant technology improvements, providing technical and research support to the operations group, acted as site emergency manager, set and tracked department budgets, and administered various programs associated with site safety and employee development.

Wabash River Plant (05/1994 - 02/1996)

Manager, Operations, Terre Haute, IN

Responsibilities included: to hire, develop, and manage the operations group, commission and start-up the facility, ensure safe and efficient plant operations, implement technology improvements, acted as site emergency manager, set and tracked department budgets, administered various programs associated with site safety and employee development. Led the hiring effort and developed the training strategy for 36 operations technicians from a diverse background of industrial experience. Managed the operation of the facility, including the engineering support staff, operating shifts, and training functions through a successful plant commissioning and start-up.

Wabash River Plant (01/1993 - 05/1994)

Manufacturing Representative, Houston, TX

Responsibilities included: Provided technical support for the detailed design of the syngas conditioning process areas, the water treatment process areas, and site electrical systems, oversaw equipment layout and procurement, maintained P&IDs for respective areas, and provided technical support to field construction group, and audited the plant to ensure compliance with environmental, Industrial Hygiene, safety and loss prevention concerns. Provided leadership and direction to the Wabash River project detailed design team.

The Dow Chemical Company, 07/1983 – 12/1992

Michigan Division (1991 - 1992)

Production Supervisor, Magnesium Hydroxide Plant, Ludington, MI

Responsibilities included: direct supervisory responsibility for the operations personnel, production planning and scheduling, interfacing with outside customers, providing technical support to the operations group, participated in developing and implementing new techniques and designs to improve the plant performance, efficiency, and reliability, set and tracked budgets, ensured the plant was safely operated within compliance of all company and government rules and regulations.

Michigan Division (1990 - 1991)

Production Supervisor, Gas Treatment Plant, Ludington, MI

Responsibilities included: same types of responsibilities as stated above. Level of responsibility increased with change in facility.

Michigan Division (1988 - 1990)

Senior Production Engineer, Gas Treatment Plant, Ludington, MI

Responsibilities included: Planned and implemented engineering projects, developed new techniques and designs to improve the performance, efficiency, and reliability of the plant, wrote and/or revised operations and maintenance procedures, participated in equipment trouble-shooting, overhauls, and turnarounds, implemented operating discipline programs, and ensured the plant was safely operated within compliance of all company and government rules and regulations.

Michigan Division (1983 - 1988)

Production/Project Engineer, Gas Treatment Plant, Ludington, MI

Responsibilities included: same types of responsibilities as stated above. Level of responsibility increased through demonstrated proficiency. Provided technical support to Louisiana Gasification Technology Inc., or LGTI during the start-up phase of Dow's first commercial gasification plant.

EDUCATION:

Northeastern University (1983)

Bachelor of Science, Chemical Engineering