



**ENCHANT ENERGY**



FOR IMMEDIATE RELEASE

FOR MORE INFORMATION CONTACT:

Peter Mandelstam, Chief Operating Officer  
Enchant Energy  
(917) 327-2273

Georgette Allen, Public Affairs Administrator  
City of Farmington  
[gmallen@fmtn.org](mailto:gmallen@fmtn.org)  
(505) 320-9757

Wally Drangmeister, Media Contact  
Enchant Energy  
[mediacontact@enchantenergy.com](mailto:mediacontact@enchantenergy.com)  
(505) 379-8274

**City of Farmington, Enchant Energy and Sargent & Lundy  
Present Details of San Juan Generating Station Carbon Capture  
Utilization & Storage Project to Finance Committee of New Mexico Senate**

**Santa Fe, New Mexico, February 4, 2020** – Today in Santa Fe, representatives of the City of Farmington, Enchant Energy Corporation (Enchant Energy) and Sargent & Lundy provided a presentation to the Finance Committee of the New Mexico State Senate describing details of the project to retrofit San Juan Generation Station (SJGS) with Carbon Capture, Utilization and Storage (CCUS) technology.

The senators were briefed on the technical and financial aspects of the project that will enable the plant's CO<sub>2</sub> emissions to be below the levels required by the New Mexico Energy Transition Act. Post-CCUS, SJGS will have CO<sub>2</sub> emissions 90% lower than under current operations. After this project is completed, SJGS's CO<sub>2</sub> emissions will be 70% lower than a typical, new combined-cycle gas plant, and 80% lower than a gas peaking plant.

According to an independent third-party review conducted by Four Corner's Economic Development, the closure of SJGS and the adjacent San Juan Mine will result in the loss of over 1,500 jobs, \$53 million annually in state and local tax revenues, and critical losses of property tax revenues to the Central Consolidated School District. Enchant Energy's project to add CCUS to SJGS will enable the plant to operate until at least 2035 maintaining jobs and tax revenues.

"SJGS is one of the best power plant sites in the world for the next CCUS project," said Sean C. McHone, P.E., Sr. Vice President and Project Director at Sargent & Lundy in summarizing his presentation. "SJGS is already equipped with the technology to capture sulfur dioxide, nitrogen oxides and mercury, the plant is near an existing pipeline to transport captured CO<sub>2</sub>, SJGS is a low operating cost plant, and once retrofitted the plant will qualify for the new IRS Section 45Q tax credits.

In his portion of the presentation, Hank Adair, Electric Utility Director, Farmington Electric Utility System explained, "This project through the months has matured and progressed. It has been validated by government and key players, and has attracted the upper echelon of the industry. Although there are many steps to go, every step to date has strengthened the viability of this project. A worthy endeavor for our schools, our jobs, and our community."

"We believe this project is a win for ratepayers, a win for workers and the communities near the plant, a win for students and schools, and a win for the climate," said Peter Mandelstam, Chief Operating Officer of Enchant Energy. "We appreciate the opportunity to present to the Senate Finance Committee and answer their questions on this project that will provide so many benefits to the Four Corners Region and New Mexico."

The presentation document is available at  
<https://www.enchantenergy.com/senate-finance-presentation/>

###

**About City of Farmington:**

Farmington is a city located in the northwest corner of New Mexico. It is a subset of the overall MSA: Aztec, Kirtland, Bloomfield, Shiprock, unincorporated areas of San Juan County and parts of the Navajo Nation. The MSA is named after Farmington as it has the largest population of the MSA territory - nearly 46,000 people. Farmington is structured under the council-manager form of government consisting of a city manager, mayor and four city councilors who represent each district in the city. The City of Farmington has been a minority owner of San Juan Generating Station for over 37 years. Learn more at <http://www.fmtn.org/>

**About Enchant Energy:**

Enchant Energy is a New Mexico company that seeks to capture CO<sub>2</sub> for sequestration purposes and de-carbonize electricity production by investing in state-of-the-art environmental technology at San Juan Generating Station. These activities are intentionally designed to further New Mexico's dual goals of substantially reducing its statewide CO<sub>2</sub> output, and supporting New Mexico's economy by employing hundreds of people in San Juan County and on the Navajo Nation by providing reliable, low-cost wholesale electricity. Learn more at: <https://www.enchantenergy.com/>

**About Sargent & Lundy:**

Sargent & Lundy is one of the oldest and most experienced full-service architecture/engineering firms in the world. Founded in 1891, the firm is a global leader in power and energy with expertise in grid modernization, renewable energy, energy storage, nuclear power, and fossil fuels. Sargent & Lundy delivers comprehensive project services—from consulting, design and implementation to construction management, commissioning and operations/maintenance—with an emphasis on quality and safety. The firm serves public and private sector clients in the power and energy, gas distribution, industrial and government sectors. Learn more at: <https://sargentlundy.com/>