

Risky Investments: The Current Status of Coal Plant Proposals in the Southeast

Webinar Presentation
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About Us

- **Southern Alliance for Clean Energy (SACE) has been a leading advocate for clean, responsible energy choices that better our communities, our region and our world for over 20 years.**
- **Since its formal inception in 1985, SACE has grown from a small group of individuals into a dynamic organization, with five offices across the Southeast and initiatives at federal, state and local levels. SACE continues to expand organizationally, to address the needs of a rapidly changing planet.**
- **As we look toward the future, SACE is committed to preserve, restore and protect our environment through the use of innovative technology, community outreach, grassroots and decision-maker education, and dedicated policy advocacy.**



For more information on Southern Alliance for Clean Energy please visit
www.cleanenergy.org

Overview of the Southeast's Current Energy Profile



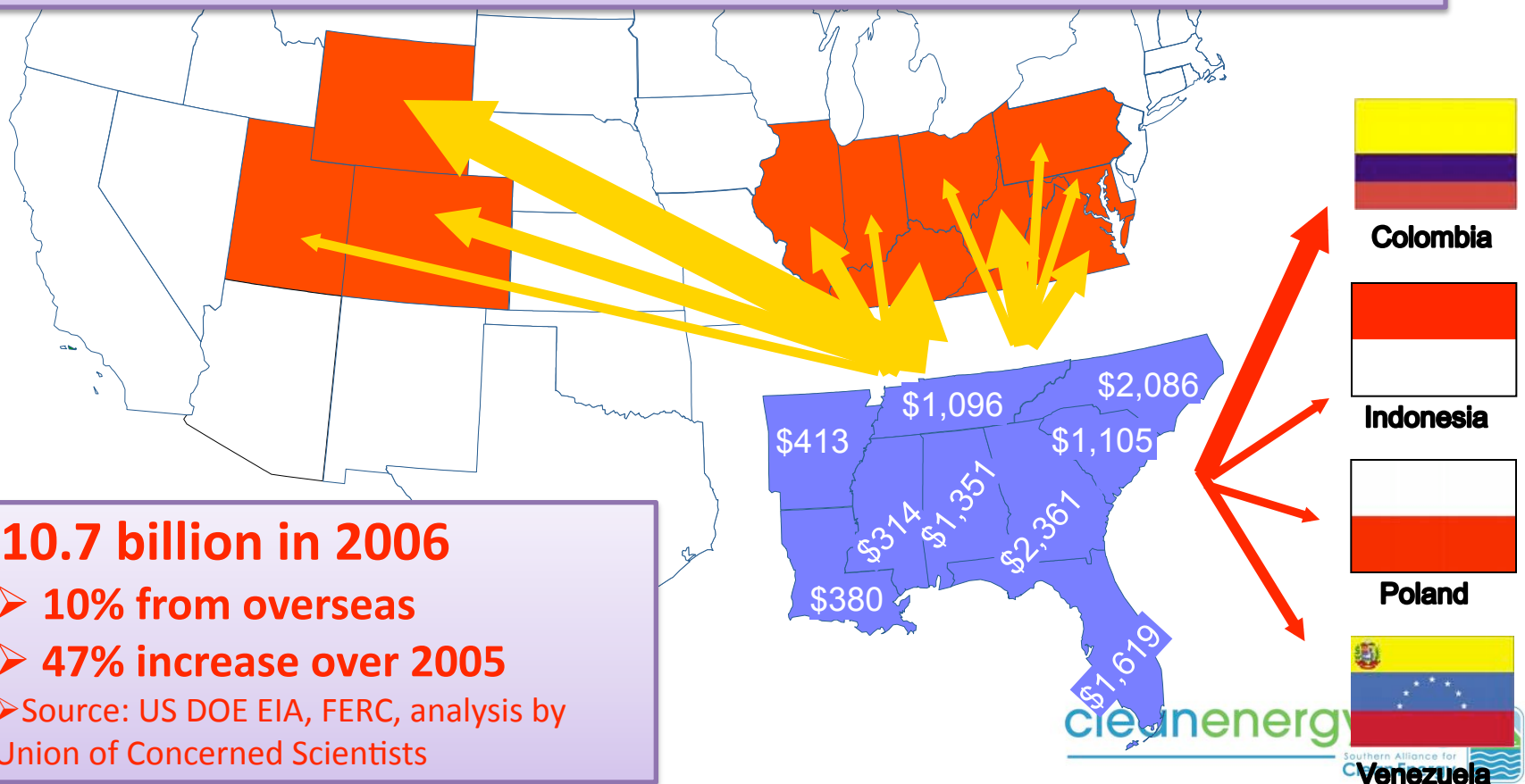
- Heavy reliance on coal and nuclear power that are large water users
- Very little electricity generated from renewable energy sources (e.g. wind, solar, bioenergy)
- Coal plants are the largest industrial source of carbon dioxide in the country
- Nearly all SE states have proposals for new coal fired plants, although last week brought good news from SC saying no to coal.

Coal's Impact on Southeast

- **Water Impacts:** Southeastern coal plants release 30,000 pounds of mercury each year
- **Air Quality:** 10,000 people in the SE are affected each year by particulate matter air pollution
- **Global Warming Impacts:** Coal is one of the largest sources of global warming pollution
- **Cost:** The price of coal has more than doubled over the past 5 years

Southern Economic Leakage from Coal Purchases

Annual Coal Import Expenditures, 2006 (million \$)



❖ \$10.7 billion in 2006

- 10% from overseas
- 47% increase over 2005
- Source: US DOE EIA, FERC, analysis by Union of Concerned Scientists

Southeast Coal Plant Proposals



Source: Sierra Club

Although there are a number of coal proposals in the Southeast a number of investors around the country are deciding to pull the plug on these ill conceived projects.

Developers and utilities site financial risk and looming federal regulation as key factors in cancelling their plans to build. Some in the SE are beginning to realize the validity of these concerns.

Cliffside Coal Plant



- Rutherford County, North Carolina
~50 miles west of Charlotte and south of Asheville.
- 800MW unit replacing 5 older coal boilers.
- Would emit 6 million tons of CO₂ annually – 312 million tons over a 50 year avg. lifespan.

Cliffside Coal Plant



- What has happened so far?
 - 2nd 800MW unit was DENIED in 2007 by NCUC.
 - Air permit for Unit 1 was approved by DAQ.
 - Lawsuits filed challenging the air permit and compliance with federal Hg MACT standards
 - Duke claims to DAQ in 2008 that suddenly it will be a “minor source” of air pollution to avoid MACT compliance.
 - Years of coalition advocacy work educating public, testifying at hearings, etc.

Cliffside Coal Plant



- Where are we today?
 - Cliffside construction is ~30-40% complete.
 - WNC Federal District Court accepted new “minor source” claims as sufficient.
 - SACE still represented by SELC in state ALJ filings against the existing air permit.
 - Duke announces 18% rate – fall NCUC public hearings around the state.
 - Duke seals deal with SC Coops to sell power out of state

Cliffside Coal Plant

- What can you do?
 - We're still fighting Cliffside! Huge April 20 Rally.
 - Rate Hike hearings around the state starting in Sept. – join one or submit comments.



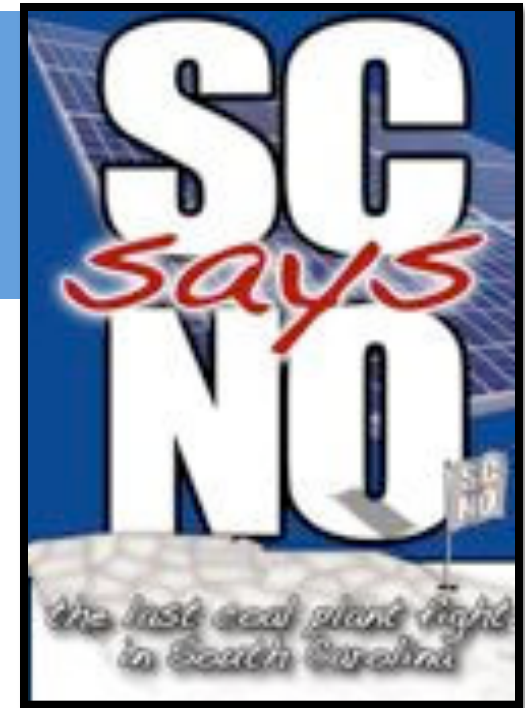
StopCliffside.org
designed to
engage citizens
and mobilize
action – sign up for
the e-alerts.

Pee Dee Coal Plant

VICTORY!

August 24 Santee Cooper Board voted to suspend permitting & development of 600MW Pee Dee coal plant in Florence County, SC.

- 2 year battle of “SC Says No” advocates against Pee Dee – results in cancellation – a national trend
- Board highlighted economic downturn, national RES and climate legislation in decision – Duke deal...
- Visit SACE Blog for recent posting & links to articles.



Plant Washington

Washington County, GA

- 850 MW coal-fired plant proposed near Sandersville in Washington County.
- January 2008 – Ten of Georgia's EMCs, with Cobb EMC taking the lead, formed a consortium, Power4Georgians, LLC.
- May 2009 – 4 EMCs pulled out their investments, citing regulatory uncertainty and financial risk.
- Remaining EMCs: Cobb, Pataula, Snapping Shoals, Central GA, Upson.



Corruption and Coal: Cobb EMC



- Cobb EMC is lead organizer of Power4Georgians.
- Legal Challenges – Cobb EMC/ Cobb Energy Lawsuit re: mishandling of EMC funds (theft), breach of fiduciary duty.
- Transparency – Denial of information to EMC members.
- Elections of new Board members: April '10

Plant Washington

- The plant will cost \$2+ billion to build. If you purchase power from one of the 6 EMC's involved in building this plant, **YOU** are actually the ones paying for this.
- 13-16 million gallons of water needed per day to operate – a 30-mile pipeline to the Oconee River and 16 groundwater wells in Washington County are proposed.
- Plant Washington's yearly global warming pollution (6 million tons) would be equal to adding nearly 1 million NEW cars onto Georgia's roads.



What can you do to help?

- Sign the Georgians for Smart Energy Pledge
<http://www.georgiansforsmartenergy.org>
- Write your local newspaper and elected officials opposing Plant Washington
- If your EMC is invested in Plant Washington, write your EMC board members
- Attend EPD Permit Hearings: October 6th, 20th in Sandersville.

Visit our take action page for more information:
<http://www.cleanenergy.org> - navigate to Take Action Against High Risk Energy, then to Plant Washington

Longleaf Coal Plant

- Longleaf – 1200 MW plant proposed in Early County, GA
- July 7th 2009- Court of Appeals upheld 1 of 6 issues (ruling that the air permit is invalid due to lack of impartial review)
- July 27th 2009- GreenLaw filed a petition for certiorari with GA Supreme Court after Court of Appeals rejected Fulton County ruling on 4 of 6 issues
- July 28th 2009- hearing held in Early County on MACT permit amendment



Seminole Coal Plant

- Seminole Electric Cooperative, 750 MW, Putnam County (Palatka), FL. Initiated in 2006.
- Gov. Crist originally had DEP deny the permit when he got into office.
- 5th District Court overruled DEP's permit denial: July '08.
- DEP issued the "Notice of Final Permit" for the federal Clean Air Act (CAA) PSD construction permit on September 5, 2008.
- SACE & Sierra Club filed suits appealing that Seminole's final permit must comply with federal mercury MACT standards.
- SACE: now challenging a revision to their air permit in which Seminole claims it will be a "minor source" of air pollution.

Federal Climate Bill: Grandfathering Coal



- American Clean Energy and Security Act H.R. 2454
- **43 New Coal Plants Would Escape Climate Bill CO₂ Standards**
- The 43 plants are either already under construction, near construction or permitted. They would all be grandfathered in without direct restriction on their CO₂ emissions.
- *NOTE: They would all be subject to the cap and trade provisions of the bill, but they would not have to meet new performance standards for CO₂ like a new coal plant will after passage of the bill.
- New coal plants will have to capture and store at least 50 percent of their CO₂ emissions no later than 2025.

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