

SUBIC BAY FREEPORT CHAMBER OF COMMERCE

Building 866, Waterfront Road Subic Bay Freeport Zone Philippines 2222 Tel; +63 47 252 3180 Fax +63 47 252 3190 email: sbfcc@subictel.com www.subicchamber.org

May 14, 2008

Dir. Julian Amador Director for Environmental Management Bureau Department of Environment and Natural Resources Visayas Avenue Quezon City

Dear Mr. Amador:

Further to the recently held EMB Public Hearing on the Proposed Coal-Fired Power Plant held May 7th 2008 at the Cawag Proper Elementary School in Cawag, Municipality of Subic, Zambales, we hereby submit our formal position paper.

The proposed Redondo Peninsula Energy coal-fired power plant on Redondo Peninsula should be seen to be a great opportunity; unfortunately not the advertised opportunity to provide jobs for people or power to the region, for it will do neither. It is too small.

It will be the final step in the degradation of Subic Bay, reducing the potential to attract tourists, and it will pollute the air, the land and the water removing key ingredients in Subic Bay's prime assets – the clean air, clean water and the proximity to nature.

It will take away more jobs than it will provide and it will contribute to global warming, local environmental pollution and the reduction of the biodiversity in a global "hot-spot".

The only official beneficiaries will be Hanjin and a handful of investors in the Subic Gateway Park, who will get power a few percent cheaper than currently assessed.

The Bay will never recover. What then is this great opportunity?

The opportunity is for the DENR administration to take the lead and re-classify its priorities. Development at the price of the environment is not the best for the country or the world in the long term. It may not even be better in the short term.

The opportunity is for the Administration to be evangelical about placing the environment <u>first</u> and then making development fall into place round its requirements. There is room for both with a little care and some smart thinking. Lead the movement towards a sustainable future, rather than follow with antiquated technology and cheap cast-off solutions. One day it will have to be done. Why not make a mark in history and do it now?

We the residents, employees and members of communities around Subic Bay believe that the operation of this coal-fired power plant will pollute and destroy Subic Bay and deprive us of our right to a clean environment. We believe that it will contaminate the air, the land, and the waters of Subic Bay, thereby causing plants and animals in the forest and marine environment to die. We also believe that it will seriously reduce the attractiveness of Subic Bay for tourism and other business development.

● Page 2 May 14, 2008

In lieu of this coal-fired power plant, we would rather encourage you to look into the possibility of establishing a bio-fuel fed power plant. There are thousands of hectares of denuded areas at the Redondo Peninsula which can be planted to Jethropa and other bio-fuel sources. A project such as this would be more environmentally sound – a win-win formula.

We hope and pray that DENR will seriously lead this campaign for clean air in Subic Bay. We ourselves intend to remain vigilant in protecting the environment where our businesses and families reside, and we intend to hold those charged with environmental protection and management, accountable for the degradation of the environment, should that occur.

Thank you for your kind and considerate attention to our urgent concerns. We look forward working with you for the common good of the Subic Bay area and the Philippines.

Sincerely yours,

JOHN E. CORCORAN

SBFCC President

President,

Ocean Adventure and Camayan Beach Resort

PETER R. TUMANDA

SBFCC Corporate Secretary President, Zen Step Professional

Management Corp.

STEVEN J. HAUCH

SBFCC Treasurer

Vice President and Country Director,

Corporate Air, Inc.

ROSE B. BALDEO

SBFCC Vice President

apoors

President and CEO,

Global Terminals and Development, Inc. Global Ship Management & Marine Services Inc.

RASHEDUL CHOWDHURY

SBFCC Director

Vice President for Operations

D-J Aerospace, Inc.

DANNY PIANO

SBFCC Director

President and CEO,

Absolute Service, Inc.

● Page 3 May 14, 2008

Environmental Degradation for Very Limited Return

If the power station served the Philippines in general or the Freeport in particular, the reasons for opposition would still exist, but the arguments for tolerating it would be less easy to deny.

The community is being saddled with an eyesore and a prime source of pollution that degrades the environment in many ways.

The problem, as always, is the subordination of the environment and the welfare of people to a dubious economic benefit. The dubious benefit touted by the proponent is the possibility of the provision of power to the grid at some future date, and ".. contributing to the growth and prosperity of the local economy and supporting the domestic coal industry of the Philippines". It sounds great, but in reality the Prospectus and the MoU also show that the power available will be inadequate to power the Freeport and that the coal will be coming from Indonesia on "long term contract".

Economics and the Environment

We see that the dominant and ignorant environmental arguments in much of the world today and particularly the Philippines, hold that environmental concerns are secondary to economic and security concerns. This is an emotional argument and one that history has not proved reliable. [Read: Collapse: How Societies Choose to Fail or Succeed by Jared Diamond. Viking Books 2005.] There are very strong and compelling arguments illustrated by history that suggest that environmental concerns are at least equal in importance, and inextricably linked, to all other aspects of a society's success. Examples imply that when it comes to the environment, a stitch in time means more than saving nine - it's the difference between keeping and losing your shirt.

There are well known and quantified cost benefits from <u>reducing</u> pollution. The corollary of course applies. Air pollution increases state expenditure on medical expenses where they exist, but in a community without a comprehensive medical service, it impoverishes the people by increasing their costs and reducing their ability to work. Let's say it the way it is – in the Philippines it kills people, because very many cannot afford the medical care required.

In Subic Bay the hidden cost of building a coal-fired power plant at all and particularly in the location proposed will be the loss of tourism dollars and the inability of the place to sell itself as a place of peace, fresh air and harmony with nature. [Note SBMA's publication Subic Bay Current of Jan-March 2006 – back page ad – "Think NATURE. Think Subic! Absolutely nothing compares to the natural wonders of Subic... and also.. be thrilled by the beauty of the wilds."]

The loss of the "wilds" will mean the loss of real revenue to individuals, corporations and to the SBMA – all for the sake of providing cheaper electricity.

The loss of the conspicuously fresh air in Subic Bay will also degrade the commercial potential. The Prospectus for the coal-fired power plant, *Annex A to the original Taiwan Co-Gen MoU* states that "All emissions will meet the regulations." This leads us down a path of delusional comfort unless we stop to think what it really means. It means that the emissions from the proposed power plant will increase the pollution in the air, but probably but not beyond a level that is still considered to be tolerable. How can it be forgotten that Subic Bay has CLEAN air. Not just tolerable but noticeable and wonderfully fresh and clean. Subic Bay's baseline air pollution, from the 1997 study by WCPI (from the *Resource Inventory Vol XII – Air Circulation Report, of the Protected Areas Management Plan Project for SBMA March 2001*) is way below DENR's ambient long term guidelines. Of course it is. That is what is so attractive and unusual about Subic Bay and this is what you, the SBMA is selling. Any increase in atmospheric pollution (even below the acceptable limits) always will still be "pollution".

In truth, these arguments are only short term trivial economics compared to the cost to your grandchildren of the irreversible loss of natural habitats and biodiversity.

● Page 4 May 14, 2008

What are the elements which will further degrade the Bay?

1. **Visual pollution** and devaluation of assets from the very visible presence of a power station in a place of scenic beauty.

- **2. Air and physical pollution** resulting from the burning of coal.
- 3. **Destruction of Aquatic life** and **Thermal pollution** caused by the circulation of cooling water from the Bay.
- **4. Urbanization of wilderness** caused by the occupation of the Redondo Peninsula.

Visual pollution

Air pollution is not the main concern. It <u>should</u> be inconceivable to the signatories to the Protected Area Management Plan, and to the SBMA Administration with the mandate to protect the Bay, to consider the building of a power plant, and a coal-fired one at that, in a piece of near pristine landscape, in a region that is working hard to attract tourists, in an area of the country where sustainable development is mandated and possibly being achieved.

The much trumpeted and crucial **visual amenity** of Subic – already degraded with the very unfortunate presence of a giant shipbuilding facility – will be ended for good with the imposition of a power plant, its wharf, the cranes, the chimneys and the pylons carrying the power – even if it is placed far away on the end of the Redondo Peninsula – which is probably the MOST obtrusive, destructive and inappropriate place to put it.

[Again note: - SBMA's publication **Subic Bay Current** of **Jan-March 2006**, The Environment, by the Manager of the Ecology Center " ... Subic Bay has a pristine environment where you can enjoy a high quality of life that is healthy, But you can always settle for the silent beauty of the Subic sunset when the sun bathes the bay with its golden light before it finally gives way to the evening stars.] That used to be true but barely is any more.....

Light Pollution and Light Trespass

The lights of fishing boats on the water at night give an air of serenity and peace. By contrast, the orange glare of the industrial lights of the airport, the seaport and the shipyard serve to remind visitors that they are in an industrial zone – not in a haven of tranquility. The light pollution already makes the stars invisible, turning Subic Bay into an urban environment little different to the heart of Makati.

Air and physical pollution

There is no such thing as an "...environmentally-friendly coal-fired power plant" (from the MoU). Even if there were no toxic emissions, there are huge volumes of green house gas emissions – about a ton of CO_2 every single minute from this plant, 600,000 tons a year, and 50-100 tons of ash every day. [These numbers are simple approximations from the limited data available about the proposed plant.]

Coal-fired plants are not clean – the technology itself is not clean. Some are less dirty than others but all produce very significant pollution. "No other single source of pollution poses so much danger to health and the environment as do coal-burning power plants," the American Lung Association says in its 2001 report on the state of the air.

Cleaning the emissions to an acceptable level, whatever that might be, is extremely expensive and the evidence is that it is frequently ignored, or the equipment by-passed or just not used to save money. Attached are selections from more than 100 references in the news from only the last year and a half, to the pollution and the evasion of emission controls by the coal-fired power industry in the US and elsewhere. Please read a few of them – they are astonishing and horrifying. They serve to illustrate that the will is frequently absent, even in the US.

● Page 5 May 14, 2008

In the US, the lobby for clean air is vocal and competent, measurement of pollutants is probably accurate and the scientific evidence for the damaging effects of pollution from coal-fired power plants is proven. The battle for clean air has reached a point where State Governors, Senators, City Governments, and environmentalists are suing the Federal Government to try to protect their citizens from the emissions, and yet the power lobby successfully resists them with the help of the Federal Government - in the supposed interests of the economy. Why? Because the cost of cleaning the air is prohibitive – even in the US, and the power lobby is hand-in-pocket with the Federal Government.

Why do we think that it will be any better in the Philippines? Excellent and idealistic regulations and rules abound in the Philippines and bureaucracy is in place to manage these rules, but surely it is not disputed that enforcement is seldom effective. Rules imposed by Governments, and commitments made by proponents at the time of signing contracts are a commonplace, but so too are flagrant breaches of these contracts, laws and regulations.

If and when proponents err and are brought to task by the authorities, the penalties in the Philippines sometimes are inappropriately scaled. For example - The ECC for the Hanjin Heavy Industries operation imposes maximum penalties of only \$1,000 for a breach of the ECC – \underline{if} anyone actually calls them to account. This represents petty cash for an operation of that scale and hardly a disincentive to cutting corners. Indeed, no threat of suspension or cancellation of the ECC would ever be executed, for the project also has the "blessing" of the President.

This is not a specific complaint of the Philippines, for it is an observation of the way of the world. It is a symptom of human behavior, and our contention is that the proposed coal-fired power plant will pollute massively quite regardless of the excellent intentions of regulators and administrators.

What are the emissions, and how do they hurt people?

Carbon Dioxide CO_2 – a major greenhouse gas – principal contributor to global warming and with no legislation nor viable method to limit it.

Sulphur Dioxide SO_2 – the principal cause of acid rain – causing defoliation of forests, acidification of fresh water and the oceans, and the death of fish.

Nitrous Oxides NOx - 23 times more powerful greenhouse gas than carbon dioxide – cause smog. [a 1997 EPA discussion paper – The Benefits of Reduced Air Pollutants in the US from Greenhouse Gas Mitigation Policies states – "At high enough concentrations, criteria air pollutants can also damage ecosystems. NOx and SO_2 are precursors to acidic deposition (commonly referred to as "acid rain") that has adverse effects on some forest aquatic ecosystems. Atmospheric deposition of nitrogen also is a potentially significant contributor to damaging algae blooms. Both SO_2 and OS can produce foliar damage in a number of crops and trees; OS (Ozone – a by-product of NOx upper air chemical reactions) is responsible for agricultural yield losses in the U.S. valued at several billion dollars each year, while the damages to forests and other ecosystems is still being assessed.

Criteria air pollutants also impair visibility and damage materials, affecting both aesthetic and property values. Airborne sulfates, for example, tend to impair visibility...]

Particulate matter PM – a prime cause of asthma in people and grime in the environment. Some 60,000 Americans die prematurely each year due to air pollution, according to the **American Lung Association**.

Mercury – one of the most potent persistent bioaccumulative toxins known, capable of inflicting serious and irreversible neurological and developmental damage to humans and wildlife worldwide – accumulates in fish and other foods – causes fetal and birth defects, brain damage and delayed development of children. So serious in the US now that pregnant women and young children are advised to not eat tuna or fish caught locally anywhere in the US to avoid the mercury contamination. ["We're all aware that pregnant women shouldn't overeat seafood because of mercury contamination,

● Page 6 May 14, 2008

but the Consumers Union, publisher of Consumer Reports magazine July 2006 (http://www.consumerreports.org/cro/food/tuna-safety/overview/0607_tuna_ov.htm), recommends that moms-to-be skip canned tuna altogether". from Grist Magazine 9 June 2006] [and the US EPA & FDA advisory 2004 - http://vm.cfsan.fda.gov/~dms/admehg3.html]

Uranium and Thorium - in the ash, waste gases and airborne fly ash. Radioactive particulate matter in small local concentrations but accumulating in the environment (this plant could produce between 7 and 70 tonnes of the radioactive heavy metals every year of operation).

[http://www.ornl.gov/info/ornlreview/rev26-34/text/colmain.html]. Communities living near coal-fired power plants have measurably higher levels of radiation in their environments than communities living near nuclear power plants.

What will be the immediate and irreversible results?

Air quality will be degraded despite all cozy assurances. Coal is dirty and polluting with today's technology. The prevailing wind for half the year is from the south west which will carry the emissions straight into the Bay, the Freeport and into Olongapo City and beyond into Zambales.

Accumulation of toxic Ash which cannot be disposed of and has no useful by-product. Every day nearly 600 tonnes of coal will produce about 100 tonnes of ash. The Taiwanese Cogen MoU indicates that an area of 10 hectares – a full half again of the area of the power plant itself, is needed to store the Toxic Ash in an ash pond. Nuclear waste has a half-life. Toxic chemicals in air and ash are forever.

Urban sprawl – ribbon development

Undoubtedly the road to Hanjin will be extended to the power plant and then the sprawl of shanties and ramshackle "resettlement" villages will follow with coastal development leading to the complete destruction of those fast-disappearing assets that sell Subic Bay - nature – peace – clean air – green forest – blue water and the absence of industry and habitation in the view. These are priceless in the present and they are a legacy to be passed on to the generations which follow. If they are lost, they will never return.

The ecology of the water also will change. Unless a closed-cycle system is installed (very unlikely because of the cost) the power plant will use vast quantities of water (*estimated* 40MGD) drawn from the bay to condense the steam after passing through the turbines.

Seawater, however, is not just cool water but a highly productive and diverse aquatic habitat. Fish, their larvae and other aquatic organisms are drawn through the system in huge numbers, even with grills in place, and are killed. [The withdrawal of cooling water removes billions of aquatic organisms including fish, fish larvae and eggs, crustaceans, shellfish, sea turtles, marine mammals, and many other forms of aquatic life from waters of the U.S. Most impacts are to early life stages of fish and shellfish. When the quantity of water withdrawn is large relative to the flow or size of the source water body, more organisms will be affected (such as in an enclosed bay) - from Proposed Statewide Policy - California EPA, Summary of Clean Water Act Section 316(b) Rules, 13 June 2006 – in particular page 22 for the extent of area that is affected by water intakes]. Marine habitats in the Philippines are failing by the year, from destructive fishing and over-exploitation. It cannot be acceptable to consider further willful destruction, particularly to the inshore breeding grounds.

The temperature of the water at the exit is raised and eutrophication takes place, greatly adding to the burden of the Bay. The Bay is already showing signs of stress with a nearly continuous algal bloom for the last 12 months or more. Half the time, the tide will carry the warm water into the Bay.

It should be remembered what was written in the *Protected Area Management Plan, December 2001* for the SBMA.

● Page 7 May 14, 2008

"3.2.3 The biodiversity of tropical rainforests is exceptionally high. Consequently, the Philippines is regarded as one of the cradles of marine and terrestrial plant and animal life. Its geological history, geographic position, and climate have contributed to the evolution of an ecosystem with a high incidence of endemism. The intact areas of rainforest in the Philippines are therefore regarded as significant global biodiversity "hot spots".

The Subic Bay Protected Area (SBPA) contains extremely high biodiversity values and high species endemism. The principal issue of concern here is that a rainforest environment of high quality is in very close proximity to a large concentration of human population and intense land use and economic activity. Maintenance of the ecological balance is dependent on exceptionally good protection from all sources of impact. Modification and change originating from human activity, whether deliberate or unwitting, will erode the rainforest ecosystem and consequently reduce its component elements (populations, habitats, species variation), etc).

Ironically, if successfully managed and protected (even enhanced) the ecological values could in fact contribute greatly to the overall economic prosperity of the area."

Our Plea

We ask that you examine <u>very</u> carefully the question of whether a coal-fired power plant should be built <u>at all</u>. Without doubt, a plant that burns LNG from Malampaya would make more environmental sense.

And only then, if there really are expectations of effectively monitored, low emissions from a gas power plant, then the placement of the plant should be re-examined. Please put it in a place where, if there are any emissions which of course there will be, and especially those that result from failing to comply, they will be readily monitored by all; where the proximity of other industrial or commercial structures will help to mitigate the visual pollution, and obviate the need to open up a piece of land which currently is crucial to Subic Bay's all important environmental and visual appeal.

All this implies placing it at the top of the Bay, North of (or in) the Hanjin shipyard or near Subic shipyard, rather than on the end of the Redondo Peninsula – if it has to be in Subic Bay at all.

If there really are no emissions – then proximity to urban areas should not be a problem.

Best of all, wait a year or two then build a 500Mw plant somewhere that is not in a national park, using **IGCC - Gas-fired Combined Cycle** technology. It will cost more to build, but it will be big enough to provide power to Northern Luzon, it will have a thermal efficiency of nearly 90% instead of the coal plant's maximum of about 40% and it will produce 60% less carbon dioxide per kWh, and it will produce no ash and less airborne emissions.

It must be time to be evangelical about the environment. Please be over-protective rather than under-protective. Make Sustainable Development and the preservation of this tiny, unique and fragile eco-system part of your legacy. Will you really be able to look your grandchildren in the eye and tell them that a coal-fired power plant in Subic Bay was the best thing for the Philippines?... that the destruction of this beautiful Bay was worth a few centavos per kilowatt hour.

Supporting press releases:

The Texas Planet Massacre

Texas may approve 16 new coal-fired power plants

The state of Texas, which spews more greenhouse gases than Canada or the U.K., is set to reduce its emissions. And by "reduce" we mean "massively increase." Texas may soon approve construction of 16 new coal-fired power plants. And not the fancy new "clean coal" kind, either -- the old-school dirty kind, which would add an estimated 117 million tons of carbon dioxide a year to the atmosphere, more than the individual emissions of 33 states and 177 countries. Yikes. Texas has no formal global-warming strategy or plans to reduce CO2, having decided to leave global-warming mitigation in the capable hands of the feds. Cuts in greenhouse gases, says Gov. Rick Perry's (R) press secretary, could "dramatically harm our economy." The mayors of

● Page 8 May 14, 2008

Dallas, Houston, and 15 other cities, representing nearly one-third of the state's population, disagree. They plan to mess with Texas, vowing to take legal action to fight the plants.

source: The Dallas Morning News, Randy Lee Loftis, 03 Sep 2006

....

Wrong as Rain

Acid rain and dirty air bedevil China and Hong Kong

One-third of China's landmass was hit with acid rain last year, according to a government report, posing a grave threat to soil health and food safety. Fast-growing China is the world leader in acid-rain-causing sulfur dioxide emissions, which rose 27 percent in the country from 2000 to 2005; coal-burning factories and power plants are largely to blame. Beijing, which has promised clean skies by the time the city hosts the 2008 Olympics, has its work cut out for it. Meanwhile, in business hub Hong Kong, where visibility was reduced to about half a mile on more than 50 days last year, a recent poll of business leaders found concern that worsening air pollution will reduce the city's appeal to foreign investors. Eighty percent of the 140 top executives polled by the American Chamber of Commerce in Hong Kong said they knew professionals who had considered leaving or had already left the city because of the foul air.

source: BBC News, 27 Aug 2006

Dodge Not Lest Ye Be Judged

Court rules with EPA on power-plant pollution controls

Imagine that gavel sound from *Law & Order*, and here we go: In 1999, the U.S. EPA sued Cinergy Corp. for modifying several coal-fueled power plants without following Clean Air Act pollution-control requirements. (Moment of silence for the days when eco-laws were enforced.) One month before President Clinton left office, Cinergy agreed to settle. Then, when the Bush administration said it would review Clinton-era enforcement cases, the company backed out, prompting a follow-up suit from three Eastern states. Cinergy (since acquired by Duke Energy) argued that hourly emissions rates had not risen in the modified plants, which exempted them from stricter pollution controls. But yesterday, a federal appeals court ruled that emissions must be measured by yearly total instead of hourly rate -- so plants can't emit more by operating longer hours. The case will likely be appealed to the Supreme Court, where a decision could apply to 17,000 industrial plants across the nation. Gavel sound, and commercial break -- but not, for once, a break for industry.

source: The Guardian, Associated Press, John Heilprin, 18 Aug 2006

.....

Party at Jim's House!

Idaho governor says no to coal, yes to whoopin' it up

Exhibiting the flair and confidence only a short-timer can afford, Idaho Gov. Jim Risch (R) has announced that the state don't need no stinkin' coal. Risch, who took office when Dirk Kempthorne resigned in May to head the Interior Department, will step down when the term ends in January. So why not have some fun? The guv will opt out of a federal mercury-trading program Kempthorne committed to, and told a cheering crowd on Wednesday that the state can meet its energy needs without mercury-spewing, coal-fired power plants -- in particular, one proposed by Sempra Energy. "Had that plant been constructed, it would have been the largest polluter of mercury in the state," Risch said. "That is simply not going to happen on my watch." Which ends, as we might have mentioned, real dang soon. But activists in Idaho -- one of only three states without a single coal-fired plant -- have high hopes. Risch's decision "shows what people can do if they care," said a member of the state's Board of Environmental Quality. Aww.

source: The Idaho Statesman, Rocky Barker, 10 Aug 2006

.....

Surprise-Side Economics

While cutting back on mercury at home, the U.S. exports it abroad

Like Mickey said, it's a small world after all, and pollution that gets exported can end up coming back home. Case in point: mercury, a neurotoxin especially dangerous to children and women of childbearing age. The U.S. is cutting down on the use of mercury, and has passed laws to limit mercury emissions from coal-fired power plants. But there's plenty left in the system, and when it's extracted in the recycling process, it's often sold overseas via an almost completely unregulated commodity market. It's used in developing countries in gold mines and chemical plants, then spewed back in the air, where some of it can drift -- you guessed it -- right back over into U.S. waters. Enviros say the metal should be safely stored rather than sent across the globe, and legislators are listening: The European Union has proposed ending mercury exports, and a new bill introduced by Sen. Barack Obama (D-III.) would do the same in the U.S.

source: Chicago Tribune, Michael Hawthorne, 08 Aug 2006

That Darn Pat

Coal-fired cooperative coughs up cash to climate crank

Say you don't like the results of climate science. What to do? Us, we suffer from night terrors. But the Colorado-based Intermountain Rural Electric Association -- a group heavily invested in coal-burning utilities -- is going with the fossil-fuel industry's favorite alternate strategy: buy more favorable science! They've donated \$100,000 to notorious climate crank Pat

▶ Page 9 May 14, 2008

Michaels, and are urging other industry types to come up with more. Michaels, a University of Virginia professor, fellow at the Cato Institute, and isolated scientific outlier, has long had a large megaphone, quoted endlessly by a mainstream media determined to "balance" the other 99 percent of scientists. But with other skeptical voices falling silent, perhaps from an overdue sense of shame, it's more important than ever that the remaining shills be well paid. coal-fired utilities dread the thought of mandatory caps or taxes on carbon dioxide emissions, which would increase their operating costs and make renewable energy sources more financially attractive. Can't have that.

source: Forbes, Associated Press, Seth Borenstein, 27 Jul 2006

.....

They Weren't Kidding About the "Future" Part

Feds move forward with clean coal plant -- kind of

The U.S. government is moving ahead with FutureGen, a \$1 billion demonstration clean coal plant -- and by "moving ahead," we mean they've decided that it will be built on one of four sites in either Texas or Illinois. The final siting decision will be made in September 2007; construction could begin in 2009; operations are unlikely to start up until 2012. Some enviros support the FutureGen concept -- turning coal into a hydrogen-rich gas and sequestering carbon underground, providing energy with virtually no CO2 emissions -- but wish the feds would hurry it up a little. "[I]t's a very expensive plant, and it won't bear any fruit for years. In the meantime, that money could be going to carbon-reducing technologies with a near-term benefit," says Rebecca Stanfield of Environment Illinois. When it finally gets online, FutureGen is expected to be a model of clean power generation. Meanwhile, 150 regular coal-fired plants are expected to be built in the U.S. in coming years, and they could increase the nation's greenhouse-gas emissions by 10 percent.

source: Planet Ark, Reuters, 26 Jul 2006

Rhymes With Blagojevich

Mercury emissions from power plants on the rise in the U.S.

Mercury emissions in the U.S. fell by nearly 2 percent between 2003 and 2004, according to newly released federal data, but that small bit of good news masks a troubling trend. Mercury emissions from coal-fired power plants were actually up 4 percent over the same period, according to a *Chicago Tribune* analysis, thanks to increases in 28 states, including Texas, Missouri, and Illinois. The Bush administration's plan for decreasing mercury emissions -- a cap-and-trade system that gives utilities until 2017 to cut emissions by 70 percent -- is widely seen as weak, so many state-level politicians are coming up with their own plans. Illinois Gov. Rod Blagojevich (D) is pushing to reduce mercury emissions from coal plants by 90 percent over three years, and similar measures are being discussed in Georgia, Michigan, Minnesota, and Pennsylvania. Mercury pollution can cause all sorts of nasty health problems in humans, from messed-up nervous systems to brain damage.

source: Chicago Tribune, Michael Hawthorne, 29 Apr 2006

.....

Things That Go Lump in the Night

Coal makes a comeback

As oil prices rise, coal will emerge as the fuel of the future. This depressing assessment is the collective judgment of international power company executives, expressed in a recent survey. Interestingly, the same execs cited greenhouse-gas emissions as one of their top concerns, and assumed there would be a push to develop "clean coal" technology -- or as we like to call it, "magic coal with a pony." In Britain, a couple of energy companies are in fact working to develop coal-powered plants that would capture and store carbon dioxide emissions, but their schemes are moving nowhere fast. Meanwhile, in the U.S., the chemical industry is leaping lustily on the coal bandwagon, hoping that coal gasification can be used to more cheaply produce many of its raw materials, which are now oil- and gas-based. "Coal is easy to access, it's in politically stable regions, and the technologies exist to eradicate environmental impacts," says the CEO of one American chemical company. We're skeptical, but then again, we're not The Decider.

source: *The Age*, Rod Myer, 19 Apr 2006

.....

A Lansing Blow

Michigan demands 90 percent cut to mercury emissions from power plants

Tired of other states getting all the eco-love, Michigan Gov. Jennifer Granholm (D) has ordered her state's coal-burning power plants to slash mercury emissions by 90 percent by 2015. Her plan will not be a cap-and-trade system, but will allow companies to produce a 90 percent average cut across all their plants, meaning some plants can pollute more than others. However, the Michigan Department of Environmental Quality says the initiative won't let more-polluting plants release enough mercury to create toxic hotspots, a common criticism of the federal cap-and-trade plan. Enviros say the plan would raise residential electric bills by less than \$1 a month. Michigan and more than a dozen other states are currently suing the feds over mercury pollution, charging that the Bush administration's efforts to cut mercury emissions 70 percent by 2018 are too weak. Mercury, as we all should know by now, does icky things to the nervous system and can cause developmental delays in children.

.....

● Page 10 May 14, 2008

RGGI or Not, Here They Come

Maryland senator chats with Grist about joining regional climate pact

Last week, Maryland Gov. Robert Ehrlich (R) signed into law the Healthy Air Act, which restricts emissions of common air pollutants and signs Maryland on to the Regional Greenhouse Gas Initiative (RGGI), joining seven other Northeast states in committing to cut carbon dioxide emissions. Quite a feat for a Republican governor in a state with several coal-fired power plants, no? Well, maybe not. State Sen. Paul Pinsky (D), one of the bill's sponsors, tells *Grist* about the backstory, including the governor's attempts to quite literally barricade himself in his office and dodge the bill. Good times.

Source: Gristmill: A chat with Maryland Sen. Paul Pinsky on the Healthy Air Act

.....

Coal Decliner

Idaho legislature passes two-year moratorium on coal-fired power plants

In a two-for-one snub of President Bush and Idaho Gov. (and likely future Interior Secretary) Dirk Kempthorne (R), Idaho's Republican-controlled legislature overwhelmingly passed a bill last week that would put a two-year moratorium on new coal-fired power plants in the state. The bill -- which says the plants "may have a significant negative impact upon the health, safety, and welfare" of state residents, natural resources, and agriculture -- now goes to Kempthorne for his signature or veto. The Kempster's now squished between the will of Idahoans, who overwhelmingly support the bill, and his future masters in the Bush administration, who overwhelmingly support the coal industry. Hours before the bill passed, California-based Sempra Energy, which had proposed a controversial coal-fired plant for Idaho's rural Jerome County, withdrew its plans and said it would sell the development rights.

source: New West Boise, Shea Andersen, 30 Mar 2006

Bait and Switchgrass

New coal-powered ethanol plant a sign of things to come

Greens leery about jumping on the biofuels bandwagon have new reason for trepidation: An ethanol plant that opened last December in Iowa is burning 300 tons of coal a day to transform corn into ethanol ... in order to beat global warming. Mmm, taste the sweet, sweet irony! The plant is no anomaly: The biofuels business is booming, with 30 to 40 facilities under construction and 150 more on the drawing board, and "[i]t's very likely that coal will be the fuel of choice for most of these new ethanol plants," says Robert McIlvaine, who has compiled a database of new and planned plants. An analysis in the journal *Science* found that if all 190 of the ethanol plants in question ran on coal, it would reduce America's greenhouse-gas emissions by exactly ... zilch. How does the biofuels industry answer this environmental concern? By waving the scepter of always-just-over-the-horizon cellulosic ethanol. We feel tons better.

source: The Christian Science Monitor, Mark Clayton, 23 Mar 2006

The Humpty Dance

Bush attempts to weaken Clean Air Act are illegal, court rules

Americans who breathe scored a big victory on Friday, when a federal appeals court declared illegal the Bush administration's long-running effort to undermine pollution rules for coal-fired power plants and other pollution-belching industrial facilities. Judge Judith Rogers, writing for the court, castigated the U.S. EPA for trying to redefine language in the Clean Air Act to selectively exclude many facilities from the requirement that they install new air-pollution controls when making significant upgrades. "EPA's approach would ostensibly require that the definition of 'modification' include a phrase such as 'regardless of size, cost, frequency, effect,' or other distinguishing characteristic," Rogers wrote. "Only in a Humpty Dumpty world would Congress be required to use superfluous words while an agency could ignore an expansive word that Congress did use. We decline to adopt such a worldview." Oh, snap! Enviros and the 14 states that brought the case hailed the decision. No word yet on whether EPA will appeal.

source: The Washington Post, Juliet Eilperin, 18 Mar 2006

Repent, Ye Synners

Shady synfuel industry making billions off tax-credit loophole

A budget bill currently being hashed out in Congress may help a few dozen coal plants continue to get filthy rich off of taxpayer money. The backstory: In 1980, Congress enacted tax incentives for turning coal into synthetic fuel, requiring only that the coal be chemically altered -- not necessarily cleaner. The subsidy was designed to be phased out if oil rose above a certain price, the thought being that synfuel demand would increase if oil became too expensive, making subsidization unnecessary. You may have noticed oil prices nudging up lately, but the synfuel industry -- which often does little more than spray coal with diesel fuel - continues to rake in public money, to the tune of \$9 billion in the last two years. Now an amendment to the Tax Relief Act of 2005, introduced by Sen. Rick Santorum (R-Pa.), would base the synfuel credit on the price of oil in 2004, well within the subsidy loophole. Ah, we love the smell of graft in the morning.

source: Time, Donald L. Barlett and James B. Steele, 26 Feb 2006

.....

My Left Soot

EPA proposal on soot emissions ignores scientists, ticks off enviros

● Page 11 May 14, 2008

Finally getting around to updating air-quality standards that were supposed to be revised in 2002, the U.S. EPA late last month unveiled a proposal that pleases ... nobody. It would lower the daily limit for fine-soot pollution, which comes from coal-fired power plants, cars, and a number of other sources, but make no change to the average annual limit. "I made my decision based on the best available science," said EPA administrator Stephen Johnson, even though the EPA's scientific advisory board had recommended tougher standards. Enviros and public-health advocates called the proposal a giveaway to industry and a health threat. Some 60,000 Americans die prematurely each year due to air pollution, according to the American Lung Association. Electric-utility officials, meanwhile, complained that the standards are too stringent. The proposal is open to public comment for 90 days.

source: The Washington Post, Juliet Eilperin, 21 Dec 2005

.....

Shanghai Hopes

China plans even bigger expansion of its clean-energy capacity

China yesterday announced plans to more than double its clean-energy capacity -- from 7 percent of electricity production today to about 15 percent by 2020, up from a previous goal of 10 percent. While this could make the country a leading global player in the hydropower, solar, and wind industries, it still wouldn't offset the country's climate-damaging emissions, say greens. China's heavy reliance on coal to power its economic growth makes it the world's second-largest greenhouse-gas emitter (after the U.S.) and causes an estimated 400,000 premature deaths a year from heavily polluted air. Chinese leaders are increasingly vocal about the serious consequences of reliance on dirty power. "The environmental situation is ... very grim and emissions of carbon dioxide, sulfur dioxide, and other greenhouse gases are very great," says Zhou Dabing, president of a leading Chinese energy company.

source: The Guardian, Jonathan Watts, 08 Nov 2005

.....

Gas Dismissed

Federal judge throws out multistate suit against CO2-spewing utilities

A U.S. federal judge yesterday delivered a big blow to eight states that had been pushing for power plants to cut their carbon dioxide emissions in an effort to stave off global warming. A coalition of the states plus New York City had filed suit against five utility companies that together own 174 fossil fuel-burning power plants, claiming that the five firms are the nation's biggest CO2 polluters and should be forced to curb their emissions. U.S. District Court Judge Loretta Preska dismissed the case, saying the plaintiffs were asking the court to set broad environmental policies with implications for the economy, national security, and foreign policy, matters that "are consigned to the political branches that are accountable to the people, not to the judiciary." The states promised to appeal. "This ruling, if it stands, threatens to undermine and erode our power as states to hold accountable out-of-state polluters who foul our air," said Connecticut Attorney General Richard Blumenthal.

source: *The Boston Globe*, Associated Press, Michael Hill, 15 Sep 2005

.....

Clang of Four

Senators challenge Bush rewrite of mercury-emissions rule

A cross-party coalition of senators aims to use an obscure legislative tactic in an attempt to block implementation of the Bush administration's proposed regulation on power-plant mercury emissions. Patrick Leahy (D-Vt.), Jim Jeffords (I-Vt.), Susan Collins (R-Maine), and Olympia Snowe (R-Maine) say the Bush rule rewrite endangers public health even as it caters to the utility industry. It would remove power plants from stricter oversight and a tight timeline for cutting mercury emissions under the Clean Air Act, giving them instead a reduced target and several more years to meet it. It would also let dirtier plants buy emission allowances from cleaner plants, which critics say would imperil those who live near high-polluting facilities, especially young children and pregnant women. The senators' maneuver has virtually no chance of success, as it would require the approval of the House, Senate, and president, but a coalition of 14 states that is challenging the rule in court might have more luck. source: *The New York Times*, Michael Janofsky, 09 Sep 2005

Freedom to Pollute Is on the March

New air rules could allow coal-fired plants to pollute more

The Bush administration may finally eviscerate the legal basis for many pesky air-pollution lawsuits against coal-fired power plants. A new proposal being drafted by the U.S. EPA would change the system for monitoring plants' emissions of sulfur dioxide and nitrogen oxide: after a plant modernized its equipment, its permitted emissions levels would be based on pollution produced per hour, instead of the long-established per-year standard. Under this revision of the Clean Air Act's new-source review rules, if upgrades let plants operate for longer hours, they could end up polluting more than they did using older, dirtier equipment. This radical policy shift could undercut dozens of pending state and federal lawsuits seeking to force coal-burning plants to cut back on emissions. New York Attorney General Eliot Spitzer (D) said the rule change "would be devastating to all new-source review prosecutions," and pledged to challenge it in court if the administration presses ahead.

source: The Washington Post, Juliet Eilperin, 31 Aug 2005

.....

● Page 12 May 14, 2008

Gorge Push

Northwest's Columbia River Gorge challenged by smog, acid fog

Hundreds of miles north of California's cow-poot-clogged San Joaquin Valley (yes, that was just an excuse to mention cow poots), the Columbia River Gorge along the border between Oregon and Washington is facing its own battle of the haze, with views of nearby Mount Hood often obscured by smog. Acid rain and fog have become problems too, corroding petroglyphs and harming animals and plants. Likely culprits include car exhaust, coal-plant emissions, and ammonia fumes from a dairy complex, among others. Though the Columbia River Gorge Commission -- established by Congress in 1986 to protect the gorge, a national scenic area, from development -- has called for its air to be "protected and enhanced," no one seems to know exactly what that means or who is responsible for making it happen. Conservationists are getting restive and say they may consider using litigation to get action on cleaning up the gorge's air.

source: The Oregonian, Michael Milstein, 26 Aug 2005

It's Not Your Overall Coughing, It's How Many Times You Cough Per Hour

Court hands coal-fired power plants huge victory on pollution regs

The long-running legal battle launched by the Clinton administration against aging coal-fired power plants -- the nation's largest industrial source of smog-, asthma-, and global-warming-causing emissions -- was dealt a decisive blow yesterday by the 4th U.S. Circuit Court of Appeals. The court ruled that Duke Energy did not need U.S. EPA permits to modify eight power plants in the Carolinas between 1988 and 2000. The permits would have triggered new-source review (NSR) provisions of the Clean Air Act, requiring Duke to install more effective pollution controls. Why no permits needed? Well, the changes to the plants enabled them to operate longer hours, thus increasing their overall pollution, but they didn't increase the plants' hourly rate of pollution, you see. Explaining this distinction to your asthmatic children may be tricky, but it makes perfect sense to Scott Segal of industry lobbying group the Electric Reliability Coordinating Council, who says the ruling "eviscerates the legal basis" of the Clinton interpretation of NSR. President Bush has been trying to roll back NSR since his first term.

source: San Francisco Chronicle, Associated Press, John Heilprin, 15 Jun 2005

.....

States sue EPA over new mercury rules and the "hot spots" they'll create

A coalition of 11 states filed suit against the U.S. EPA in federal court yesterday, charging that the agency's recently issued mercury emissions rules, which establish a "cap and trade" system whereby coal-fired power plants can trade pollution credits, pose an unacceptable threat to public health. Led by New Jersey Attorney General Peter C. Harvey, the states charge that allowing plants to trade credits rather than mandating that they reduce emissions will lead to mercury "hot spots" around polluting plants. The lawsuit follows on the heels of a similar suit from nine states over the Bush administration's exemption of coal-fired plants from parts of the Clean Air Act, a move that set the stage for the creation of the cap-and-trade system. As everyone reading this surely already knows, mercury is a toxin that causes brain damage and other maladies, particularly in fetuses and young children.

source: Planet Ark, Reuters, 19 May 2005

.....

NOTHING FOLLOWS