

From: Lester Brown, Earth Policy Institute
Published February 15, 2008 09:39 AM

U.S. moving toward ban on new coal-fired power plants

In a report compiled in early 2007, the U.S. Department of Energy listed 151 coal-fired power plants in the planning stages and talked about a resurgence in coal-fired electricity. But during 2007, 59 proposed U.S. coal-fired power plants were either refused licenses by state governments or quietly abandoned. In addition to the 59 plants that were dropped, close to 50 more coal plants are being contested in the courts, and the remaining plants will likely be challenged as they reach the permitting stage.

What began as a few local ripples of resistance to coal-fired power is quickly evolving into a national tidal wave of grassroots opposition from environmental, health, farm, and community organizations and a fast-growing number of state governments. The public at large is turning against coal. In a September 2007 national poll by the Opinion Research Corporation about which electricity source people would prefer, only 3 percent chose coal.

One of the first major coal industry setbacks came in early 2007, when environmental groups convinced Texas-based utility TXU to reduce the number of planned coal-fired power plants in Texas from 11 to 3. And now even those 3 proposed plants may be challenged. Meanwhile, the energy focus within the Texas state government is shifting to wind power. The state is planning 23,000 megawatts of new wind-generating capacity (equal to 23 coal-fired power plants).

In May, Florida's Public Service Commission refused to license a huge \$5.7-billion, 1,960-megawatt coal plant because the utility could not prove that building the plant would be cheaper than investing in conservation, efficiency, and renewable energy sources. This argument by Earthjustice, a non-profit environmental legal group, combined with widely expressed public opposition to any more coal-fired power plants in Florida, led to the quiet withdrawal of four other proposals for coal plants in the state. Republican Governor Charlie Crist, who is keenly aware of Florida's vulnerability to rising seas, is actively opposing new coal plants and has announced that the state plans to build the world's largest solar-thermal power plant.

The principal reason for opposing new coal plants is the mounting concern about climate change. Another emerging reason is soaring construction costs. And then there are intensifying health concerns about mercury emissions and the 23,600 U.S. deaths per year from power plant air pollution.

(See data at www.earthpolicy.org/Updates/2008/Update70_data.htm.)

Utilities have argued that carbon dioxide (CO₂) from coal plant smokestacks could be captured and stored underground, thus helping keep hope for the industry alive. But on January 30, 2008, the Bush administration announced that it was pulling the plug on a joint project with 13 utilities and coal companies to build a demonstration coal-fired power plant in Illinois with underground carbon sequestration because of massive cost overruns. The original cost of \$950 million when the project was announced in 2003 had climbed beyond \$1.5 billion by early 2008, with further rises in prospect.

The cancellation effectively moves the date for any coal plants with carbon sequestration so far into the future that this technology has little immediate relevance.

ADVERTISEMENT

Some utilities are being refused licenses for coal plants because they have not examined alternative methods of satisfying demand, such as increasing the efficiency of electricity use. For example, insulating buildings greatly reduces energy needs for heating and cooling. Shifting to more-efficient light bulbs would save enough electricity to close 80 U.S. coal power plants.

The Sierra Club, the national leader on this issue, is working with hundreds of local groups to mount legal challenges in state after state. Other national groups that are actively involved include the Rainforest Action Network, the Natural Resources Defense Council, and Environmental Defense. Information on the grassroots momentum to oppose coal plants is tracked on the Web site Coal Moratorium NOW! (cmnow.org).

States that are working to reduce carbon emissions are banding together to discourage other states from building new coal plants simply because it would cancel their own carbon reduction efforts. In late 2006, for instance, the attorneys general of California, Wisconsin, New York, and several other northeastern states wrote to Kansas health officials urging them to deny permits for two new coal power plants of 700 megawatts each. The permits were subsequently denied, citing that carbon dioxide is an air pollutant and should be regulated, as determined in an April 2007 Supreme Court ruling. And in a letter on January 22, 2008, a similar grouping of states urged South

Carolina's Department of Health and Environmental Control to refuse a permit for the proposed 600-megawatt Pee Dee coal plant.

Coal's future is also suffering as Wall Street turns its back on the industry. In July 2007, Citigroup downgraded coal company stocks across the board and recommended that its clients switch to other energy stocks. In January 2008, Merrill Lynch also downgraded coal stocks. In early February 2008, investment banks Morgan Stanley, Citi, and J.P. Morgan Chase announced that any future lending for coal-fired power would be contingent on the utilities demonstrating that the plants would be economically viable with the higher costs associated with future federal restrictions on carbon emissions. On February 13, Bank of America announced it would follow suit.

In August 2007, coal took a heavy political hit when U.S. Senate Majority Leader Harry Reid of Nevada, who had been opposing three coal-fired power plants in his own state, announced that he was now against building coal-fired power plants anywhere in the world. Investment banks and political leaders are beginning to see what has been obvious for some time to climate scientists, such as NASA's James Hansen who says that it makes no sense to build coal-fired power plants when we will have to bulldoze them in a few years.

In early November 2007, Representative Henry Waxman of California announced his intention to "introduce legislation that establishes a moratorium on the approval of new coal-fired power plants under the Clean Air Act until EPA finalizes regulations to address the greenhouse gas emissions from these sources." If a national moratorium is passed by Congress, it will mark the beginning of the end for coal-fired power in the United States.

We may be on the verge of a monumental victory in the worldwide effort to stabilize climate. In our

new book, Plan B 3.0: Mobilizing to Save Civilization, I propose cutting carbon emissions 80 percent by 2020. The first step is to stop building any new coal-fired power plants. If the United States imposes a moratorium on such construction, as Denmark and New Zealand have already done, it would send a powerful signal to the rest of the world, bolstering the effort to cut carbon emissions. The next steps are to quickly exploit the vast worldwide potential to raise energy efficiency and to massively develop renewable sources of energy, such as wind, solar, and geothermal, in order to phase out existing coal-fired power plants.

The world is moving toward a political tipping point on the climate issue. If it comes soon enough, we may yet avoid catastrophic climate change.