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# White Pine County Board of County Commissioners

September 6, 2007

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ENVIRONMENTAL PROTECTION

Mr. Lew Dodgion, Chairman  
Nevada State Environmental Commission  
94 Ruby Lane  
Carson City, NV 9706

Dear Mr. Dodgion:

I am appearing before the Nevada State Environmental Commission today on behalf of the White Pine County Commission to respectfully request that you deny the petition submitted by the Western Resource Advocates. As the host county for two of the power projects targeted by the petition, the Nevada State Environmental Commission's action will have a direct impact on White Pine County government and its citizens. The County Commission has two concerns with petition submitted by Western Resource Advocates: 1) We believe that the regulation requested is contrary to standards of fairness in the regulatory process and seeks to over-ride clear policy direction from the state legislature and governor; and 2) The petition attempts to establish the state policies and priorities for energy development that exclude construction of new coal fired power plants.

- 1) The petition asks that the Environmental Commission suspend all activity on air quality permit applications and to establish rules to restrict any new power plants to a standard of 1,100 pounds of CO<sub>2</sub> per megawatt hour for all new plant construction as well as purchases of out-of-state power generated by new coal plants. The County believes that it is not fair to change the rules on applications that are in progress.

The petition bases the need for the new rules on the recent ruling by the Supreme Court (Massachusetts vs. EPA) regarding CO<sub>2</sub> emissions for new motor vehicles and an appeal of an EPA determination not to extend regulations of CO<sub>2</sub> emissions to power plants that is pending (State of New York et al v. EPA). The petition urges the new rules because the court case appears to authorize the state to regulate CO<sub>2</sub> for power plants, claiming that Nevada's current regulatory processes are unlawful and inconsistent with the Supreme Court and supporting the new rules so that, "Nevada will be a leader in the area of climate change

regulation.” White Pine County believes that Nevada should take action based on firm direction from EPA.

The White Pine County Commission followed the discussion on SB 422 throughout the last legislative session. Both the Senate and the Assembly approved the bill unanimously, it was signed into law by the Governor on June 13 and became effective July 1. The discussion, including testimony by the Western Resource Advocates, determined that the state is not ready for a full-scale cap and trade program and it focused on the need for the state to initiate a registry and reporting process to establish a baseline before proceeding with regulations to restrict greenhouse gases. It should be noted that during the hearings, the companies proposing coal plants in White Pine County supported SB 422.

- 2) White Pine County has worked on the potential of a coal fired electrical power plant since 1978, and the community is well versed on energy issues. The members of the White Pine County Commission and the majority of White Pine County residents support the construction of modern coal fired electrical power plants. The plants will generate much needed jobs and business activity, provide opportunities for our young people to return to our area for jobs with potential for career advancement and wage rates comparable to those in the rest of the state, and provide tax revenues that will allow us to meet the needs of our citizens. We also value White Pine County’s environment. Many of us are lifelong residents. All of us care deeply about our mountains, our hunting and fishing, and our quality of life. The County is a cooperating agency on the EIS processes for both White Pine Energy Station and Ely Energy Center. In both cases, the Commission has been impressed with the level of environmental analysis required, the attention to potential environmental impacts, and the willingness of the companies to work with federal and state agencies to develop projects that are environmentally responsible. White Pine Energy Station is nearing completion of its development phase. During the past three and a half years, the company voluntarily modified its design to reduce water consumption by 80 percent to reduce potential impact to ground water, it modified the configuration of the plant site to accommodate concerns raised by NDOW regarding impact on wildlife habitat, it is using an activated carbon injection system to reduce mercury emissions to one-fifth the required level, and the company is working with a wind energy project to integrate renewable energy into its energy development program in White Pine County. Ely Energy Center is in the early stages of its development process, but our experience with Nevada Power and Sierra Pacific Power indicates that they are approaching the development of their project with the same level of concern for the environment and the people of White Pine County and the State of Nevada. In addition to the two coal projects, the County has worked with wind energy projects and recently met with representatives of a solar project.

The petition assumes that the proposed standard will force Nevada to turn to alternate methods of power generation. Nevada needs base load electrical power generation. Economically feasible base load power generation through coal gasification and carbon capture or renewable energy projects is not available. Increased reliance on natural gas puts Nevada at risk. The petition does not address the issue of older coal plants either in the state or restrictions on purchasing power generated outside the state. A comparison with the Mohave Generating Plant shows that the emissions from the proposed plants in White Pine County will be a small fraction of the emissions from the Mohave Plant.

The companies proposing the power plants have worked with NDEP in good faith, they have expended a great deal of money and followed the procedures required to submit their applications and work with the procedures established by the agency. The White Pine County Commission opposes the petition submitted by Western Resource Advocates because it seeks to "change the rules in mid-stream," to over-ride the direction set by the State Legislature and Governor through SB 422, and to dictate policy and thresholds that should be thoroughly researched and developed through careful consideration and input from all parties.

The White Pine County Commission believes that the state's approach to meeting its energy needs should combine concerns about the full range of environmental issues, the ability to meet current and future energy demand, and the need to provide Nevada citizens with electrical power at a reasonably economical rate. The White Pine County Commission supports a balanced approach to energy development that includes one modern pulverized coal plants, continued improvements in coal gasification and emissions control technology, and development of renewable energy potential.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "RaLeene Makley". The signature is written in dark ink and is positioned above the typed name.

RaLeene Makley,  
County Commissioner