

Readers Note: Below are Press Accounts related to a petition submitted by the Western Resource Advocates to the State Environmental Commission (SEC). The petition is scheduled for consideration by the SEC on September 07, 2007. For more information visit sec.nv.gov

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July 31, 2007

Gibbons challenges Reid's stance on coal plants

By Cy Ryan
Las Vegas Sun

CARSON CITY - Gov. Jim Gibbons isn't joining Senate Majority Leader Harry Reid in condemning the proposed three giant coal-fired power plants in rural Nevada to supply electricity to Las Vegas.

Although coal plants long have been criticized for the pollutants they spew into the air, Gibbons said new technology "minimizes the production of carbon dioxide or greenhouse gas emission."

Reid said he opposes the coal-fired plants in White Pine County and Mesquite because they would produce millions of tons of pollution. As an alternative, he wants the state to consider renewable forms of energy and improved energy efficiency.

Both Sierra Pacific Resources and LS Power of New Jersey want to build coal-fired power plants near Ely, while Sithe Global Power LLC of New York is planning a plant near Mesquite in Lincoln County. All three would ship power to Southern Nevada.

Sierra Pacific Resources, which owns Nevada Power Co. in Las Vegas and Sierra Pacific Power Co. in Reno, asked the state Public Utilities Commission for permission to move forward on developing a plant near Ely.

In January the PUC approved Sierra Pacific spending \$300 million for development, but said the utility could spend only slightly more than half that amount until it receives an air quality permit from the state.

The commission found that Sierra Pacific was "actively engaged" in assessing new pollution control technology. The coal plant, the agency added, for now is the "best option to provide an adequate supply of electricity at a predictable price with acceptable environmental impacts."

Reid has suggested the money, rather than being spent on new coal plants, could be used to install solar energy units on hundreds of thousands of homes in Nevada.

"I'm anxious to see the alternatives proposed by Sen. Reid for the coal plants," Gibbons said. "I've been proposing all along that we look at developing geothermal, solar and wind energy."

Sierra Global Power and LS Power are private companies and do not need PUC approval to begin development. All three companies, however, will have to pass environmental tests.

A decision on LS Power's application, filed in December 2005, could be made by the end of this year. Decisions on Sierra Pacific and Sierra Global, whose applications were received in February, won't come until 2008.

Delay sought for Nevada power plants

ASSOCIATED PRESS WRITER

August 1, 2007

CARSON CITY, Nev. (AP) — Seven groups concerned about plans for big coal-fired power plants in Nevada want the state Environmental Commission to hold up on any permits for the ventures until the panel adopts limits on pollutants emitted by such plants.

A petition submitted Tuesday by the groups urges the commission to limit carbon dioxide emissions, contending that the proposed Nevada power plants would emit nearly 49 million tons of emissions every year.

"We're asking the commission to do what's best for Nevada and our economy. The state should require that any new power plants in Nevada be built in a way that helps protect the climate and doesn't make our lives worse," said Scot Rutledge of the Nevada Conservation League.

Joining the league in petitioning the state were the Sierra Club, Progressive Leadership Alliance of Nevada, Citizen Alert, Nevadans for Clean Affordable Reliable Energy, Western Resource Advocates and the Bristlecone Alliance.

Rutledge said the limits sought by the groups would cap carbon dioxide emissions at about 1,100 pounds per megawatt-hour. He added that the estimate for such emissions from one of the proposed Nevada plants is more than 3,000 pounds per megawatt-hour.

The petition follows U.S. Senate Majority Leader Harry Reid's statement last week that he opposes three coal-fired plants proposed for White Pine and Lincoln counties because of the pollution they would produce.

Reid, D-Nev., suggested that the money for new coal plants could be used instead to install solar energy units on hundreds of thousands of homes in Nevada.

His opposition to the coal plants drew praise from environmentalists while representatives of the companies planning the projects defended them as

necessary given the explosive growth in the Southwest, especially in Las Vegas, and the scheduled shutdowns of older plants.

Gov. Jim Gibbons didn't join Reid in condemning the proposed plants. Although coal plants long have been criticized for their pollution, the Republican governor said new technology "minimizes the production of carbon dioxide or greenhouse gas emission."

Both Nevada-based Sierra Pacific Resources and LS Power of New Jersey want to build coal-fired plants near Ely, in White Pine County, while Sithe Global Power LLC of New York is planning a plant near Mesquite, in Lincoln County.

At their plants, Sierra Pacific would have two generating units, Sithe would have one unit and LS Power would have three generating units.

The petition to the Environmental Commission states that Nevada already gets half of its electricity from coal-fired plants, and the new plants would "further increase the state's dependence on coal."

The petition also states that Sierra Pacific would serve Nevada customers while LS Power and Sithe are likely to provide electricity to customers outside Nevada — making the state a greenhouse-gas "sacrifice zone for the West."

Petitioners also said recent polling has shown an overwhelming majority of Nevada voters who were surveyed believe climate change is occurring and want the state to take steps to increase energy efficiency and use more clean-energy sources rather than coal.

Opposition to coal pressured by Reid's politics, practicality **Editorial - Reno Gazette Journal**

August 1, 2007

U.S. Senate Majority Leader Harry Reid, D-Nev., has established a track record of supporting the development of clean and renewable energy technologies, so his opposition to coal-fired power plants is to be expected.

Reid, however, runs into a conflict with state projects when he declares that he will do all he can to stop construction of three such plants around the state.

Sierra Pacific Resources, the parent company of Sierra Pacific Power Co. in Reno and Nevada Power Co. in Las Vegas, already operates coal-fired plants in Northern and Southern Nevada. Considerable resources by Sierra Pacific and another provider are being invested to construct two more near Ely in White Pine County. A New York company is planning another plant in Lincoln County.

The Nevada utility also is assessing new pollution-control technology, which prompts officials to call the contemporary process "clean."

On the other hand, the state is saddled with two concerns: Lighting and powering a growing population, while also preserving the quality of air and water that would be affected by pollution. Electricity from the proposed plants would supply Las Vegas. Meanwhile, conservationists concerned about greenhouse gas emissions have a right to be skeptical about the meaning of "clean," when it comes to any kind of fossil fuel.

The contention by some that coal-to-liquid processes could be considered acceptable alternatives to dependence on foreign oil and deserves development subsidies rightly makes people nervous. Their arguments well could be part of the motivation for a vote early last month in the House that rejected the administration's plan to ease rules requiring coal-fired plants and other smokestack processes to install the best available pollution-control technology whenever the plants are upgraded. The administration's proposal also would have blocked EPA regulations allowing plants to trade clean-air credits. Further, complaints are continuing about pollution from coal-fired operations.

If coal is ever considered a viable alternative to foreign oil, the slow track for transition to renewables likely would become slower still.

Leadership from Reid and others who support development of wind, solar and geothermal industries is needed if renewables are ever to satisfy future electricity needs in Nevada and in the nation. The work is already under way in this state, where utilities are required to get a portion of their supplies from renewable sources.

Regarding energy production and consumption in Nevada, Reid and this state sit between a rock and a hard place, where politics and practicality do not necessarily serve the same end.

August 05, 2007

Reid has plan to leave coal in the dust

Push for renewable energy in state seen as high risk, high reward

By Phoebe Sweet and Lisa Mascaro
Las Vegas Sun

In the week since Senate Majority Leader Harry Reid said he would do everything he could to block three proposed coal-fired power plants in Nevada, this much can be said:

He probably can carry off his threat, especially since they would be constructed on federal land. Just look at how he has stalled a waste repository at Yucca Mountain, where so much more is at stake for the nuclear power industry, which is clamoring for a place to bury radioactive fuel rods.

Environmentalists are embracing Reid's bold pronouncement, welcoming the high-profile addition to their campaign to shift the country away from fossil fuels at a pivotal moment.

But as the Democrat joins a growing chorus of politicians and environmentalists trying to distance the nation from coal, skeptics say he is putting his own state at risk because the nascent alternative-energy industry isn't ready to take on all of Nevada's energy needs.

Doug Fischer, a utilities analyst with the investment firm A.G. Edwards, said coal opponents, including Reid, could "put us in a bind where we're not going to have the energy we need."

"The Al Gores and Harry Reids of the world need to get real with how we're going to deal with our need for power," Fischer said, "because we're not going to get there solely with conservation."

The utility industry simply scoffs at the notion that Nevada could be the first state powered mainly by renewable energy: wind, solar and geothermal.

"To go cold turkey and say we're going to do it all with renewables right now? You could never bring the amount of resources on in the time necessary," said Tom Johns, senior vice president of development for Sithe Global, the power developer proposing a 750-megawatt coal-fired plant in Lincoln County.

Power plant builders LS Power and Dynegy Inc. also proposed a 1,590-megawatt coal plant outside Ely in White Pine County, one valley over from a proposed 1,500-megawatt Sierra Pacific Resources plant. Through two subsidiaries, Nevada Power and Sierra Pacific, the company provides power to Southern Nevada and the Reno area, and is regulated by the state, unlike the other three developers, who would sell their power on the open market.

The three plants would create enough power for almost 3 million homes.

So an ideological joust is under way, the outcome of which could turn Nevada into the greenest state in the nation - or leave it energy-starved.

On the one hand is Reid, the latest voice urging dramatic measures to battle global warming. On the other hand is the conventional power industry, emphatic that today's coal plants are not your father's pollution monsters and are needed to keep the lights on.

Ray Lane, a former chief operating officer at Oracle Corp. who now represents clean energy companies at the venture capital firm Kleiner Perkins Caufield & Byers, said, "What's happening in this battle is going on in just about every state ... What do you do as a politician? Do you come out strongly in allowing the power needs to be met through coal or do you say renewables are ready?"

In a letter to Nevada's three coal plant developers, Reid laid out a vision - one observer called it a manifesto - of an energy independence plan for the state. He calls for systematically abandoning coal in favor of conservation measures and enough renewable energy generation to power 4 million homes by 2024.

The three power plants in Reid's cross hairs would produce 35 million tons of polluting carbon emissions, the key culprit in global warming, each year.

As he has on other issues, Reid seemed to seize the stage for no clear reason other than he believed the time had come.

Reid has long agitated for renewable energy development in Nevada, but the issue has taken on a sense of urgency as Americans awakened to the repercussions of global warming.

The senator is also a great tactician. He timed his anti-coal message as Congress is deeply engaged in energy policy debates and lawmakers are preparing for what could be a showdown this fall on global warming.

Reid essentially set down one of the boldest markers yet in the energy debate: If the Senate majority leader can kick coal, maybe other lawmakers could think about it, too. But that's not his objective, Reid told the Sun.

His plan to eliminate dependence on coal, he said, "has nothing to do with the nation. My involvement in Nevada has everything to do with Nevada. I think that we have a worldwide problem, a nationwide problem, and I don't want a Nevada problem.

As Congress tackles global warming, he said, getting rid of Nevada's dependence on coal "is only one part of it."

Keith Martin, who co-heads the energy finance group at Chadbourne & Parke in Washington, sees the senator's position as part of the arc of coal's journey this past year.

Coal, once the reliable workhorse of the energy industry by supplying half the nation's power, is now its bad actor.

Utilities have abandoned plans for coal plants in Florida, Texas and other states. As they factor in the enormous costs of pollution-control technology, potential legislation limiting greenhouse gas emissions and public opposition, the bottom line no longer makes sense.

"You'll look back on the year and Reid is just another voice that's consistent with what's coming out of Washington," Martin said.

But what sets Reid apart from other pro-green voices is his ability to kill plans for Nevada's three coal power plants. Witness his efforts to derail a nuclear waste repository at Yucca Mountain.

Reid has staved off construction of the nuke dump 90 miles northwest of Las Vegas for decades using stall tactics and budget maneuvering.

His strategy to fight the power companies could be similar - bleed the coal projects of the federal government support they need to plug in.

For example, he could introduce legislation to block federal agencies from spending money to permit the plants. Or he could offer bills requiring that new utility development include a sizable amount of renewables.

But unlike its stance on the nuclear dump, the state's political class is not united behind Reid's plan to kill coal.

Gov. Jim Gibbons has said he supports coal as a component of a diverse energy portfolio and an economic development measure for rural Nevada, despite a petition by seven environmental groups last week asking him to suspend permitting of new coal-fired power until a cap is in place on the amount of carbon dioxide plants could emit.

And Reid's Nevada colleague in Washington, Republican Sen. John Ensign, supports the proposed coal plants and vowed to fight Reid, doing "whatever we can do to try to make sure the process is fair.

"It's kind of like the idea, 'Do cars pollute today?' Yes, but they pollute a lot less than cars of yesterday," Ensign said. "These are new power plants with new technology coming on line that will pollute a lot less."

Utility executives remain confident.

Last week Sierra Pacific Resources Chairman Walt Higgins, whose company is proposing a plant in White Pine County, told investors and Wall Street analysts that Reid is trying to influence state and national policy.

Reid indicated no intention to participate directly in the Sierra Pacific plant's approval process, but simply to oppose plants that don't store the greenhouse gases emitted by coal-burning plants.

Higgins said his plant will store greenhouse gas once technology is available.

Coal plant developers say they support renewable energy development as one piece of the energy picture.

LS Power's plans for a White Pine County plant include a 500-mile transmission line that would connect Northern and Southern Nevada's power grids for the first time, which the company believes would stimulate renewable energy development near their plants.

"We understand that there is a need for a push for renewable resources. But at the same time we don't think that replaces the need for coal-fired power generation," said Eric Crawford, director of project development for LS Power.

State regulators say they embrace alternative energy, but worry that Reid's plan goes too far.

Jo Ann Kelly, chairwoman of the Nevada Public Utilities Commission, said that with 1,000 megawatts of new electric demand under construction on the Strip, an increasing population in Southern Nevada and utility plans to retire older coal plants by 2013, the state needs to take advantage of every power generation method - including coal.

"I don't want anyone to think we didn't look at the issues of greenhouse gas emissions," Kelly said.

But she said she is sure the state needs at least one more coal power plant.

Sierra Pacific generates 19 percent of its power from coal. Nine percent comes from renewable energy, conservation and energy efficiency programs.

"We know solar works. We know geothermal works. We know wind works. What's the risk?" Reid spokesman Jon Summers said. "We should be asking, 'What's the risk of building another dirty coal plant?'"

"We need to look beyond today and into the future," Summers said. "That's what his vision does - both from an environmental perspective and looking down the road to Nevada's economic future."

Venture capitalists, who have more than tripled their renewable energy investments to \$4 billion in recent years, are measuring the effect of Reid's alternative-energy challenge.

Mark Heesen, president of the National Venture Capital Association, said that although "one statement is not going to change the way we invest," Democratic leadership in Congress has "made it very clear there needs to be a major change in energy policy."

Sun reporter Mary Manning contributed to this story.

Hearing set for challenge to coal power

August 6, 2007

CARSON CITY, Nev. (AP) — The State Environmental Commission has scheduled a Sept. 7 hearing on a petition from groups concerned about plans for big coal-fired power plants in Nevada.

The groups want the commission to hold up on any permits for the ventures until the panel adopts limits on pollutants emitted by such plants. They contend that the proposed plants would emit nearly 49 million tons of carbon dioxide emissions every year.

The groups include the Nevada Conservation League, Sierra Club, Progressive Leadership Alliance of Nevada, Citizen Alert, Nevadans for Clean Affordable Reliable Energy, Western Resource Advocates and the Bristlecone Alliance.

The limits sought by the groups would cap carbon dioxide emissions at about 1,100 pounds per megawatt-hour. The petitioners say the estimate for such emissions from one of the proposed Nevada plants is more than 3,000 pounds per megawatt-hour.

The petition follows U.S. Senate Majority Leader Harry Reid's recent statement that he opposes three coal-fired plants proposed for White Pine and Lincoln counties because of the pollution they would produce.

Reid, D-Nev., suggested that the money for new coal plants could be used instead to install solar energy units on hundreds of thousands of homes in Nevada.

His opposition to the coal plants drew praise from environmentalists while representatives of the companies planning the projects defended them as necessary given the explosive growth in the Southwest, especially in Las Vegas, and the scheduled shutdowns of older plants.

Both Nevada-based Sierra Pacific Resources and LS Power of New Jersey want to build coal-fired plants near Ely, in White Pine County, while Sithe Global Power LLC of New York is planning a plant near Mesquite, in Lincoln County. At their plants, Sierra Pacific would have two generating units, Sithe would have one unit and LS Power would have three generating units.

Nevada coalition seeks CO2 caps

The Ely Times

August 08, 2007

A coalition of environmental and activists groups has formally petitioned the state's Environmental Commission to draft rules that would cap the amount of

global warming pollution that power plants can emit, according a press release by the coalition.

The petition, signed by seven organizations and submitted Tuesday of last week, would suspend permitting on any new conventional coal-fired power plants until the commission adopts limits on carbon dioxide emissions from power plants.

“We’re asking the commission to do what’s best for Nevada and our economy,” said Scot Rutledge, executive director of the Nevada Conservation League. “The state should require that any new power plants in Nevada be built in a way that helps protect the climate and doesn’t make our lives worse. Quite simply, we need a standard for global warming pollution.”

Currently, there are proposals for three new coal-fired power plants awaiting permits in Nevada, two in White Pine County and one in Lincoln County. Combined, the six units at these facilities would emit an estimated 48.6 million tons of global warming pollution every year.

LS Power’s White Pine plant alone would emit more than 20 million tons of global warming pollution annually, according to its Draft Environmental Impact Statement, or an average of more than 3,000 pounds per megawatt-hour. The limits proposed for adoption by the Nevada Environmental Commission would set a standard based on a far-cleaner burning natural gas-fired power plant, or around 1,100 pounds of carbon dioxide per megawatt-hour. Several other states have already adopted such a standard.

As proposed in the petition, the new caps on global warming emissions would apply to power plants built in Nevada that generate 10 megawatts or more of electricity and operate for more than 2,000 hours a year.

They also would apply to long-term (three years or longer) contracts to buy power from facilities outside the state that transmit power into Nevada. The new rules would be in effect for any power plant that receives construction or air quality permits after July 31.

In April, Gov. Jim Gibbons signed an executive order creating the Nevada Climate Change Advisory Committee to draft recommendations on ways Nevada can cut its emissions.

According to Charles Benjamin, director of the Nevada office of Western Resource Advocates, the legal mechanisms for the petition received a boost in February, when the U.S. Supreme Court ruled in Massachusetts vs. EPA that carbon dioxide is a pollutant because of the direct threat that global warming poses to states. In its ruling, the court also said the federal government has the responsibility to control emissions of carbon dioxide.

“Unfortunately, Washington, D.C., is in its usual gridlock when it comes to dealing with the problem of global warming,” Benjamin said. “We believe the

state of Nevada clearly has all the legal authority it needs to put restrictions on greenhouse gas emissions from future coal plants.

And, for the sake of our children and grandchildren, we hope they act now - before it's too late."

Results from a survey completed earlier this year by Public Opinion Strategies, a respected Republican polling firm, show that 68 percent of Nevadans support "joining other Western states in placing a regional cap on global warming pollution." And by even more lopsided margins, the poll found that Nevadans favor addressing the state's current energy situation by "increasing energy efficiency and using more clean energy sources like geothermal and solar power" (87 percent) rather than by "building new coal-fired power plants in Nevada" (9 percent).

"Clean energy is a smart investment," said Les Lazareck, a certified Residential Energy Service Network home energy rater. "On a utility scale, resources like wind, solar and geothermal are reliable and affordable. But probably the most important thing an individual or business can do is invest in energy efficiency.

That alone could erase much of the need for these new coal plants."

Last week, Sen. Harry Reid said that building more inefficient and polluting coal plants in Nevada "would be a gigantic step away" from sustainable economic development. Instead, he said in a statement, Nevada should put the same effort into developing its abundant wind, solar and geothermal resources, which would "create thousands more jobs than these proposed coal plants and deliver clean, affordable and reliable electricity to Nevada and the whole West forever."

August 08, 2007

As We See It - Ely Times Editorial

Reid needs to rethink his vow

There are about 600 coal-burning power plants operating in the U.S. today and they are spewing tons of pollutants into the atmosphere.

And there are about 151 new coal-fired plants now in various stages of development in the country.

Some of these plants are being built to meet the increased needs for power. Some are being built to replace older, less-efficient plants that create more pollution than the newer models and are adding to global climate change.

Global warming still is a contentious issue. Many people simply ignore or deny the evidence. Others believe the preponderance of evidence supporting global warming is irrefutable. A minority of scientists believe the globe is warming for a variety of natural reasons, including solar cycles, while the majority of climatologists believe human activity is at fault. They call it human-caused or anthropomorphic global warming (AGW). The United Nations' IPCC report reflects that AGW viewpoint. It lays out several scenarios about what world governments can expect if action to prevent AGW isn't taken.

The worst of the horror stories you hear about the effects of AGW are derived from the most-serious scenario -- what would happen to the planet if humans continue to spew greenhouse gases into the atmosphere at the current rate of increase. Note the italics.

AGW is real enough and serious enough, certainly.

We need to begin weaning ourselves off fossil fuels, especially coal. But Sen. Reid would have you believe this has to be accomplished by lunchtime tomorrow.

That's not the truth, although we do need to start.

Reid's vow to block the construction of the White Pine Energy Station (WPES), the Ely Energy Center (EEC) and a third plant near Mesquite is hollow showmanship. Why isn't he targeting those 600 existent dirty-coal plants that are now belching out CO₂ and are actually contributing to AGW? They will continue to pollute the atmosphere for decades to come because their power is in use and needed.

Why isn't he attempting to block construction of those other 148 plants that are in the design and permitting stage? That's where the Senate Majority Leader's power could do the most good.

Instead of sticking his face in state issues, Reid should work on changing federal, air-quality standards and setting nationwide limits on CO₂ emissions to ease his conscience about AGW.

But no, Reid hasn't led such action in the Senate -- too busy doing all that other important stuff you see nightly on the TV news.

And the states certainly aren't waiting for the federal government to act. Gov. Gibbons' task force on global warming is determining now the acceptable limits for greenhouse gas emissions in Nevada.

That's the realistic first step before any legislation.

Any energy source will have some kind of impact on the environment. It's up to us -- through our elected representatives and system of laws and regulations --

to decide what balance is acceptable between that impact and the amount of energy it provides and its cost.

If we are going to change over from using fossil fuels to green power, we need to begin developing those alternate energy sources before we pull the plug on conventional power sources. As new green power sources come online, fossil-fuel plants can be retired, the dirtiest first.

However, sufficient wind power, geothermal power and solar power cannot be provided by a wave of Reid's scepter. It will take years, maybe decades for the transition to successfully take place in Nevada.

But the senator from Searchlight wants to curtail new coal-plant construction in Eastern Nevada now, while the rest of the country continues to use cheap coal-power energy -- and adds more plants unabated.

Better if the senator demanded the cleanest, most-modern technology be installed in these three Nevada projects, as green power is developed and used to replace the older, filthier plants in the state.

Better still, he should demand they commit to converting their plants as soon as possible to coal gasification and CO2 sequestration -- technologies not yet ready for efficient commercial use.

The senator is hosting a Nevada Clean Energy Summit in Reno on Aug. 18. The governor is invited, as well as officials from Sierra Pacific Resources.

In Reid's initial statement decrying the plants, he hinted he could support new coal-fired power plants if they "capture and permanently store green house gas emissions." That's a more reasonable attitude than "I'll do everything I can to stop (the projects)."

Reid's acting like he's the only person concerned about global warming and green power. But the plans for power plants here includes adding more green power and taking dirtier plants off line.

Reid's fantasizing if he thinks Nevada's power needs can be met by green power overnight. If the senator is sincere about his AGW concern, he should work with the current efforts instead of opposing them.

But that wouldn't satisfy the environmental left now would it?

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August 09, 2007 at 7:5:31 PDT

Don't rush to add coal plant, EPA warns

Nevada's air and water need more careful watchdogging, BLM told

By Phoebe Sweet

Las Vegas Sun

The Environmental Protection Agency is questioning whether Nevada is shouldering too much of the burden of generating power for the Southwest.

The question should be answered, the agency suggests in a letter to the Bureau of Land Management, before the BLM approves another coal-fired power plant in the state.

The EPA's comments come as the BLM is revising an environmental impact statement for the 1,590-megawatt White Pine Energy Station, a proposed privately owned coal-fired power plant near Elko.

The BLM, which owns the land on which the plant would be built, should identify who would purchase the power - enough for nearly 1.2 million homes - and evaluate the trade-offs between the need for more power and damage to the environment, the EPA advised.

"The EPA is concerned that the density of new coal-burning plants proposed in Nevada is in excess of the demonstrated need for energy throughout the western states," the agency wrote.

LS Power of New Jersey proposed the White Pine plant, but has not identified who will buy its electricity.

Sierra Pacific Resources, the parent company of the utilities that provide power to Southern Nevada and the Reno area, and New York-based developer Sithe Global Power have also proposed large, coal-fired power plants in eastern Nevada.

In a letter signed by Nova Blazej, environmental review manager in San Francisco, the EPA also complained to the BLM that its environmental study was too incomplete to determine whether the project would need additional environmental mitigation .

Blazej said in an interview that the EPA's complaints were procedural - that the BLM report didn't include enough information to make a decision as mandated by federal law.

"That's the point of the process, to provide informed decision-making," Blazej said.

But environmentalists say the language in the letter is clear.

"The EPA is really screaming at the BLM in their own bureaucratic way," said Charles Benjamin, director of the Nevada office of Western Resource Advocates. "The failure to evaluate a real demand out there for this plant is glaring. LS Power ... admits that it doesn't have a customer for the electricity from this plant."

Eric Crawford, director of project development for LS Power, acknowledges that the plant does not have agreements to sell its energy, but says it will sell to "investor-owned utilities, rural electric cooperatives and municipal electric utilities," and he sees a need for new coal-fired power generation in Nevada.

The EPA also griped that the BLM did not genuinely consider alternatives to the coal plant, such as conservation or coal gasification technology, and was satisfied to simply consider two locations in the same valley for the coal plant.

But Crawford said every alternative was considered - and eliminated. Gasification isn't available on a commercial scale, wind and solar power are intermittent sources, and hydroelectric and nuclear aren't realistic options .

But the EPA points out that a task force assembled by Western governors estimated last year that Nevada could generate 1,488 megawatts of geothermal power - enough for about 1.1 million homes - economically by 2015, for example.

The EPA also complained that although the BLM's environmental review eliminated alternatives to burning coal because they would cost LS Power more, it did not make clear why those options were eliminated or weigh the cost of the plant to Nevada's environment. The EPA also chided the BLM review for not having information on effects from ground water pumping, diminished air quality, mercury emissions and the lack of environmental mitigation.

Crawford said the EPA's only actual environmental objection to the plant may have stemmed from a misunderstanding.

The EPA worried that the plant would affect 440 acres of water and wetlands in White Pine County, but Crawford said the plant will affect less than four of those acres, again a case of not enough information being included in the draft review.

The EPA's comments, as well as comments from other federal agencies and the public, will be included in a final environmental impact statement scheduled for release in early 2008. Once that statement is released and the public has a chance to comment, the BLM will rule on whether LS Power can proceed and under what conditions. The decision is expected by late 2008.

Environmental groups and the National Park Service have complained that the plant would pollute Nevada's wilderness and spew 20 million tons of carbon dioxide into the air each year while potentially selling power to California, Idaho or other Southwest states.

Aug. 10, 2007

Official deflects criticism of plant

Sierra Pacific executive says similar project OK

By JOHN G. EDWARDS
Las Vegas REVIEW-JOURNAL

A Sierra Pacific Resources executive on Thursday said federal criticism of a competitor's coal-fired power plant in Ely doesn't foreshadow similar problems for the utility company's own coal-fired project.

Sierra Pacific Resources Senior Vice President Roberto Denis said the Environmental Protection Agency seemed to be criticizing the lack of any documented need for the 1,590-megawatt White Pine Energy Station that LS Power plans to build outside of Ely.

"One of the main criticisms was that there was no demonstrated need for the power and the facility," Denis said Thursday.

However, Sierra Pacific Resources, parent of Nevada Power Co., has proven the need for its 1,500-megawatt Ely Energy Center and won the backing of the Public Utilities Commission for the utility project, Denis said.

The utilities commission has given the company preliminary approval to spend the first \$300 million needed for the \$3.8 billion utility plant and a related transmission line.

"EPA is concerned that the density of new coal-burning plants proposed in Nevada is in excess of the demonstrated need for energy throughout the Western states," the federal agency said in written comments filed with the Bureau of Land Management. The BLM is the lead federal agency for the environmental impact statement being prepared for the White Pine Energy Station.

The EPA suggests LS Power consider a coal-gasification plant, which the EPA said could reduce carbon dioxide emissions, cut water consumption and produce less waste ash.

Critics privately say they can see little difference in the two types of projects. Both are near Ely and both will burn pulverized coal, which spews out massive quantities of carbon dioxide.

Senate Majority Leader Harry Reid, D-Nev., has lambasted both coal-fired power plant proposals and a third facility being proposed near Mesquite, citing environmental concerns and the availability of renewable power resources in Nevada.

Analysts say Reid not only has the ability to reach the public with criticism of the coal-fired plants, but he also probably can act to block or slow the Nevada coal-fired power plant projects, just as he has used his power to thwart development of the Yucca Mountain nuclear waste site at the Nevada Test Site.

"(Reid has) a vision of Nevada as a leader of renewable energy," spokesman Jon Summers said. "We have it all -- solar, wind, geothermal. Each day that we go without tapping into those resources, we're wasting energy."

The EPA letter, dated June 22, predated Reid's release of a late July letter opposing the coal plants, but the EPA takes some positions similar to Reid's.

The agency criticizes the environmental impact statement for LS Power's project for failing to review how energy conservation could reduce the need for new power plants, and the EPA urges the environmental report to discuss why geothermal power could not be used as an alternative to a coal plant.

Eric Crawford, project development director for LS Power, said the BLM produced the environmental impact statement although LS Power provided money for the statement.

"The EPA is commenting on an BLM document," Crawford said. "It is their document because they signed off on it."

He suggested calling an BLM official in Nevada for a comment, but BLM officials here could not be reached for comment Thursday.

Crawford also criticized the EPA letter.

"A lot of the things we see in the letter is a lack of familiarity with the project," he said. "Some of their commentary was based on inaccurate interpretation of the information."

The EPA commentary mentions Sempra Energy's proposal to build the 1,450-megawatt Granite Fox coal power plant in Northern Nevada, a project that has been shelved, he said.

The EPA claims that the LS Power plant would potentially affect 440 acres of water and wetlands, which Crawford said is incorrect. The LS Power official

said the power plant would affect only four acres permanently and two acres temporarily.

LS Power hopes to obtain necessary government permits so it can start construction in the second half of 2008 and open the first of three 530-megawatt coal power units by 2013.

<http://www.lvrj.com/business/9083081.html>

Las Vegas City Life

Groups petition state commission

August 10, 2007

A week after U.S. Senate Majority Leader Harry Reid spoke out against coal-fired power plants, a coalition of groups petitioned the Nevada State Environmental Commission to draft rules that would limit the amount of pollution the plants can emit. The petition would put a moratorium on conventional coal-fired plants, until the commission places limits on carbon dioxide emissions.

"We're asking the commission to do what's best for Nevada and our economy," said Scot Rutledge, executive director of the Nevada Conservation League, in a news release. "The state should require that any new power plants in Nevada be built in a way that helps protect the climate and doesn't make our lives worse. Quite simply, we need a standard for global warming pollution."

Reid spoke out against three coal-fired plants awaiting permits in Nevada. Two of the plants would be in White Pine County, the other in Lincoln County.

According to the release, the plants would emit about 48.6 million tons of global warming pollution a year. One of the White Pine County plants alone would emit more than 20 million tons of pollution annually, or more than 3,000 pounds per megawatt hour. The limits proposed in the petition would be about 1,100 pounds per hour.

Several other states have similar standards, said the release.

For Nevadans, the threats of global warming are particularly scary, said the release. They include decreased snowpack, severe droughts and more intense wildfires.

"We are already feeling the impact of global warming and dealing with the consequences of burning fossil fuels in Nevada right now," said Launce Rake, communications director of the Progressive Leadership Alliance of Nevada, in the release. "We don't want our children and grandchildren to inherit a Nevada where the summers are dangerously unbearable and there's even less water

than there is now. Building more coal-fired power plants doesn't make any sense, particularly when Nevada is blessed with abundant and affordable renewable energy."

The rules proposed in the petition would apply to power plants that generate 10 or more megawatts of electricity and operate for more than 2,000 hours a year. They would also apply to long-term contracts to buy power from out of state.

The rules would apply to any power plant that receives permits after July 31.

"We will take this petition very seriously," said Dante Pistone, spokesman for the Nevada Division of Environmental Protection. "The greenhouse gas issue is a very serious issue in our minds and I'm sure the commission will give it very serious consideration."

The State Environmental Commission will consider the petition on Sept. 7.

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EPA letter questions BLM draft WPEC EIS

By RUDY HERNDON

Ely Times Reporter

August 15, 2007

The U.S. Bureau of Land Management's draft report on LS Power's White Pine Energy Station project has come under fire yet again -- this time from a federal agency.

In a June 22 letter to the BLM's Ely field office, the U.S. Environmental Protection Agency writes that the draft Environmental Impact Statement (EIS) on the proposed 1,590-megawatt coal-fired power plant lacks information that would help the EPA fully identify and mitigate the impacts the project could have on the surrounding environment.

The letter, signed by EPA environmental review manager Nova Blazej, cites several concerns about the project's potential effects on groundwater and air quality, and finds that the environmental mitigation efforts outlined by the BLM are inadequate.

In addition, the letter questions whether the project is needed to meet base load energy demands in Nevada and the Western U.S. The agency notes that four other coal-fired facilities -- including the now-defunct Granite Fox project near Gerlach -- are currently under development in the Silver State:

“(The) EPA is concerned that the density of new coal-burning plants proposed in Nevada is in excess of the demonstrated need for energy throughout the Western United States.”

The EPA's letter criticizing the draft report was released after National Park Service officials warned the Nevada Division of Environmental Protection that the White Pine Energy Station could have adverse impacts on air and water quality at Great Basin National Park. The recommendations and concerns included in the EPA's letter echoed many of the comments that local environmentalists made during a May 8 public hearing on the proposal.

Publication of the letter also followed U.S. Senate Majority Leader Harry Reid's recent vow that he would do everything he could to stop three coal-fired power projects under development in Eastern Nevada.

The EPA said the BLM's final analysis of the LS Power project should consider alternatives to conventional coal-fired power generation -- including coal gasification, energy conservation and the potential development of geothermal resources outside of White Pine County -- which were apparently ruled out because they did not maximize economic benefits.

In other recommendations, the EPA urged the BLM to consider tighter limits on emissions of nitrous oxide, carbon monoxide and sulfur dioxide.

The BLM's final environmental report should also disclose how many pounds of mercury will be emitted from the facility each year. In addition, the report should discuss how the facility's pollution controls will reduce impacts from mercury emissions, and its proposed list of alternatives should address how the greenhouse gas carbon dioxide could be captured and sequestered, the EPA said.

Elsewhere in the letter, Blazej writes that the EPA is especially worried about the project's potential impact on about 440 acres of waters and wetlands in Steptoe Valley.

But that concern is unfounded, according to White Pine Energy Station Director of Project Development Eric Crawford.

Crawford told the Las Vegas Review-Journal last week that the facility would permanently affect just four acres of waters and wetlands.

In an Aug. 10 interview with the Ely Times, Crawford also disputed the EPA's contention that the BLM has not identified the demand for additional power generation in the region.

He pointed to findings included in the draft EIS, which he said justified the need for further development of coal-fired power plants.

The draft report's executive summary notes that the Energy Information Administration has forecast the need for approximately 24,000 megawatts of new power generation in the West by 2015.

According to the Energy Information Administration, the additional generation is needed to meet growing demands for energy and to maintain the reliable operation of the electric system. The administration has estimated that new coal-fired power projects will supply 5,700 megawatts by 2015 and 47,000 megawatts by 2030.

The draft executive summary also finds that the White Pine Energy Station would help meet the Nevada State Office of Energy's objectives to increase the state's diversity of fuel sources, reducing its reliance on high-priced natural gas and drought-affected hydropower.

"It pretty clearly shows the need for coal," Crawford said.

<http://www.elynews.com/articles/2007/08/15/news/news02.txt>

Gov. Gibbons repeats support for WPEC and EEC

By RUDY HERNDON
Ely Times Reporter

August 15, 2007

When Gov. Jim Gibbons rolled into Ely two weeks ago, the town was still reeling from Senate Majority Leader Harry Reid's week-old vow to fight three coal-fired power plant projects slated for development in Eastern Nevada.

During a brief stopover at a July 31 high school sports fund raiser, Gibbons received an earful of comments from project supporters and opponents alike.

One man repeatedly berated the Democratic senator as an attentive Gibbons listened.

At one point, however, the governor gestured to a nearby reporter who was jotting down every word, as if to suggest that the man might want to watch what he said.

But the man was unfazed.

"Harry Reid is an idiot," he said.

Soon afterwards, Bristle-cone Alliance President Oskar Atkinson approached the governor to let him know that not everyone in White Pine County supports the power plant projects.

Gibbons politely told Atkinson that he was entitled to his opinion.

While the governor might not have told Atkinson what he wanted to hear, the White Pine County resident walked away from the event in good spirits: the Bristlecone Alliance signed up about 15 new members during Gibbons' visit, swelling the non-profit group's ranks to nearly 65.

In an Aug. 1 interview with the Ely Times, the governor made it clear that he supported the Ely Energy Center and White Pine Energy Station projects, linking them to the community's economic well-being.

"We want Ely to continue to be a vibrant and active community with a future ahead of it," he said. "Industries are going to improve the economy and quality of life here in White Pine County."

In addition, he said the power plant projects were needed to keep up with future growth throughout Nevada over the next 20 years.

"Whether we see brownouts or not depends on whether we can meet the demand," he said.

Gibbons was also careful to distance himself from some local power plant supporters, who excoriated Reid in the governor's presence.

"I have a great deal of respect for Senator Reid," he said. "I just disagree that we should discourage new clean-coal technologies from being developed."

It would be great if Nevada could develop a large portfolio of renewable energy sources, as Reid has proposed. But the state just hasn't reached that stage yet, he said.

Gibbons, a strong supporter of geothermal power development, said the proposed transmission line associated with the Ely Energy Center project would help convey green power from Northern Nevada to the bulk of Nevada Power's customers in Clark County.

"We have to allow for an energy plan that allows for the construction of a grid that can get those renewables into the system," he said.

"We have a tremendous economic need for the transmission capability," he added.

<http://www.elynews.com/articles/2007/08/15/news/news03.txt>

ENERGY: Reid renews coal battle

August 16, 2007

Nevada senator won't reveal tactics, says state should focus on renewable energy

By JOHN G. EDWARDS
Las Vegas Review-Journal

PAHRUMP -- Senate Majority Leader Harry Reid said Wednesday that he is not going to divulge his battle strategy for stopping development of three coal-fired power plants in Nevada.

"We've got plans. I'm not going to telegraph my punches. We've got a month-by-month process," Reid, D-Nev., said after speaking to about 200 constituents at the Bob Rudd Community Center in Pahrump.

Reid addressed a list of national policy issues along with energy during his speech to a friendly crowd of graybeards, retirees in shorts and a few younger voters. But the Nevada Democrat focused on his opposition to coal-fired power plants and his support of renewable energy.

He first publicly opposed the Nevada coal plants in a letter that was made public on July 26.

The legislative leader said he felt morally compelled to oppose coal power.

"I sat around, I believe, far too long and did nothing about it," Reid said. "I just couldn't in good conscience keep my mouth shut."

Reid complained that one of the plants will burn 7 million tons of coal yearly, polluting national parks, Nevada and Utah. The power plants also would emit large quantities carbon dioxide, which leads to global warming.

Sierra Pacific Resources, the holding company for Nevada Power Co. and Sierra Pacific Power Co., is developing one of the three coal plants at Ely. The utility company plans to spend \$3.8 billion building the coal-fired Ely Energy Center and a transmission line that will link the plant to Northern and Southern Nevada. Independent power company LS Power also proposes to build a coal-fired plant at Ely, and Sithe Global Power wants to build one near Mesquite.

Reid noted that the utility company complained about his comments, but he offered a suggestion.

"Nevada Power, instead of standing around whining about this, should develop some alternative energy," he said.

Reid said the utility took the "easy way" and decided: "Let's build coal plants. It's cheaper."

The senator contends that Nevada can obtain enough new power generation from renewable power such as solar, wind and geothermal resources in the form of hot underground water.

Large building owners could build combined heat and power systems that create both heat and power from a single source, he said. Consumers could take steps to reduce power consumption and install solar power systems to generate some of their needs, according to Reid's proposal.

Utility and energy industry executives say renewable energy can only help meet demand for electricity. Industry executives argue that Nevada also needs to continue building plants that burn fossil fuels, particularly coal, to keep up with growing demand for electricity.

Industry leaders say Nevada is already too reliant on natural gas for generation and that gas prices often fluctuate wildly, causing rate increases.

Reid will address executives in the electric power business, including representatives of Sierra Pacific Resources, on Saturday at the Clean Energy Summit in Reno. Reid and the Economic Development Authority of Western Nevada are hosting the one-day conference. Gov. Jim Gibbons, who supports the Ely coal plant, also is scheduled to participate.

Reid also is taking his message directly to Nevada voters at town hall meetings on renewable energy and opposing coal-fired power plants. The meeting in Pahrump is the first of several town hall meetings Reid will use as a way to promote renewable energy, spokesman Jon Summers said.

Meanwhile, the Public Utilities Commission last week discussed backup plans for developing a new unit at Sierra Pacific Power's coal-fired Valmy plant -- if the Ely Energy Center is not built.

If the coal-fired plant is stalled or stopped, Nevada Power's contingency plans call for building a 1,200-megawatt, gas-fired plant although this was not discussed by commissioners.

Commissioner Rebecca Wagner last week said the Ely Energy Center project might fail, but she said she was not reacting to Reid's letter.

"My biggest fear is not having a reliable source of power for ratepayers," Wagner said. "We have to have a viable back-up plant."

State consumer advocate Eric Witkoski said Nevada might be able to meet its growing power needs with renewable energy projects instead of coal-fired plants -- if the state is able to develop wind power along with solar and geothermal power.

Michael Yackira, chief executive officer of Sierra Pacific Resources, rejected Reid's criticism of the company's renewable energy program.

The Nevada utility company is a "leader in renewable energy." The utility company, Yackira said, will have more solar power per person than any other electric power company in the nation with the completion of a solar power plant late this year at Nellis Air Force Base.

<http://www.lvrj.com/business/9192352.html>