

## Regulators impeding advances in cleaner coal power, 200 told

BY BILL W. HORNADAY

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HOPE — China is one of the world's biggest users of power and one of its worst polluters, yet some say that country stands to overcome the United States in lower-emission coal-fired power plants, if U. S. regulators continue to reject such projects.

That statement — issued Thursday to more than 200 people attending an industry-backed Clean Coal Technology Conference — underscored the need for public policy to keep step with new technologies that could reduce U. S. coal plant emissions by 25 percent to 35 percent, said Nancy Mohm, director of marketing strategy for Alstom Power.

“That’s real. That can be done through a range of various approaches. ... But our policies need to match the technology reality,” said Mohm, one of more than a dozen speakers scheduled during the two-day event at the University of Arkansas Community College at Hope.

“China is adding an entire fleet of 600-, 800- and 1, 000-megawatt “ ultrasupercritical’ units while shutting down their old 200-megawatt units. By 2012, they will have a more-efficient, coal-fired power plant base than we have in the states — if we keep stopping new units from being built.”

The event’s sponsors included the American Coalition for Clean Coal Electricity, whose members include Southwestern Electric Power Co., which plans to build a \$ 1. 6 billion coal-fired plant in Hempstead County. Another member is the Arkansas Electric Cooperative Corp., which plans to buy a share of the plant.

Out of four coal-based projects proposed by SWEPCO’s parent company, American Electric Power, to meet growing electricity demand, the 600-megawatt John W. Turk Jr. facility is the only one that has yet to be denied or face significant regulatory hurdles, said Monty Jasper, American Electric Power’s managing director for new generation projects.

Plans to build a 600-megawatt coal-gasification plant in Ohio remain before state regulators more than three years after American Electric Power first filed for a related rate recovery, he said.

A similar plant was approved by West Virginia regulators in March, but Virginia regulators rejected a subsequent rate filing, making the project’s future uncertain, Jasper said. Coal-gasification technology improves energy output, but reduces fuel consumption and emissions by using half as much oxygen to burn coal.

Plans to build a 900-megawatt ultrasupercritical unit in Oklahoma were denied in 2007, Jasper said. Regulators determined that American Electric Power failed to show that coal power was the most reasonable alternative, but American Electric Power plans to try again, he said.

The Hempstead County plant, also an ultrasupercritical facility, was approved by regulators in Arkansas, Louisiana and Texas. But it still awaits an air permit from the Arkansas Department of Environmental Quality. Its approval by the Arkansas Public Service Commission also has been appealed to the Arkansas Court of Appeals.

Ultrasupercritical plants are designed to generate more power with less coal and emissions by harnessing very high temperature and steam pressures.

Critics of “clean coal” technology such as the Sierra Club and Audubon Society wanted a chance to voice their views but were not invited to participate.

One reason was that the conference agenda and lineup of speakers was already set by the time they expressed interest, American Coalition for Clean Coal Electricity spokesman Leah Arnold said. Another reason was the topic of the conference itself.

“It’s not focused on renewable energy or energy efficiency. It’s about coal and how we can use it more cleanly going forward,” she said. “We hope to do other conferences that focus on other things. So we would never say never that they would not be a part of future conferences. It just depends on the focus.”

Ken Smith, an Audubon vice president who attended the conference, said he was satisfied with the explanation and that his organization was “fairly late in the game” in asking to take part.

But he noted that all of Thursday’s talk — much less efforts to reduce airborne emissions suspected of changing the earth’s climate — will amount to nothing unless the nation quickly adopts an all-inclusive energy policy.

“Coal has to be accepted as a permanent part of the mix,” Smith said. “But what we really need to do first is push energy efficiency and renewable energy as far down the road as possible and then turn to coal, nuclear and other fuels to address our energy and our environmental problems.”

After a keynote speech Thursday evening by former House Majority Leader Richard Gephardt, the conference resumes today at 8 a. m.

## **Gephardt: Must think coal as part of future**

By STEPHANIE HARRIS-SMITH

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Tying the answers to the critical issues facing the American life and affecting overall global population into a common solution was the idea behind the speech given at the opening dinner for the Clean Coal Conference held at the Hope Fair Park Coliseum Thursday night.

A full room listened intently as former U.S. House of Representatives Majority leader Richard Gephardt, D-Mo., talked about issues related to high fuel prices, global warming and terrorism.

Gephardt said he believed the issue of energy and environment are the most important issues in the world today.

“I want to talk to you earnestly about the issue of energy, slash environment, because today with our concerns about global warming we've got to put these two issues together, because they are totally intertwined,” Gephardt said.

He appealed to the pool of people who believe or even suspect global warming is a problem.

“I am not a scientist and I do not know for sure but I suspect something is going on. If you don't change the way you deal with energy, you can't change the way you deal with global warming; climate change,” Gephardt said.

“Huge” was a word used over and over in his case to stress upon those listening and Americans in general about America's “addiction to oil.”

Gephardt attempted to impress on listeners that the answers are not simple, but possible.

“The truth is, to meet our energy needs when they are growing by the minute, we have got to have coal and we have got to have nuclear,” he said.

He said in Arkansas coal 47 percent of the power comes from coal, the cheapest way to produce electricity today. Thirty percent of power comes from nuclear, according to Gephardt. He said Americans must get over the idea of a fairy tale answer.

“There is a big difference between energy being produced from domestic products like coal and nuclear than oil and liquefied natural gas that comes from somewhere else,” he said.

Gephardt also stressed that he feels optimistic about the future gaining loud applause from audience members.

## Increase in price of power predicted

BY BILL W. HORNADAY ARKANSAS DEMOCRAT-GAZETTE

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HOPE — When it comes to energy problems, it's not just crude-oil prices that have Americans worried these days.

A projected decline in natural gas supplies — driven by its increased use for power generation in place of rejected coal-fired plants and coupled with proposed climate-change laws — threatens to send electricity prices skyward within a decade, according to an April report by the Energy Department.

In turn, the resulting lack of coal plant construction and time it would take to build nuclear-fueled units could culminate in a national power shortage by 2030 where brownouts and blackouts are part of everyday life.

“It's a train wreck waiting to happen to the U.S. economy,” U.S. Rep. Mike Ross, D-Ark, told about 150 people Friday as a two-day, industry-backed Clean Coal Technology Conference at the University of Arkansas Community College at Hope came to a close.

Ross serves on the House Committee for Energy and Commerce, as well as its Committee for Science and Technology.

“Electricity demand will grow 40 percent by 2030. ... You can't get serious about global warming unless you get serious about nuclear power. But even if you start on those plants now, they won't be up and running until 2038 — eight years after the start of the predicted electric crisis. That's why we need clean-coal technology now,” Ross said.

Rather than embark on a strategy that favors one “magic bullet” to America's future energy needs, a “shotgun” strategy is required, said Nick Brown, president of the Little Rock-based Southwest Power Pool.

Low-emission coal plays a vital role in that mix, along with oil, natural gas, nuclear power, cellulosic ethanol, increased energy efficiency, and renewables such as solar, wind, geothermal and hydroelectric generation.

However, such efforts can no longer be piecemeal or delayed by politics and excessive regulation, said Morry Davis, who heads the national energy efficiency team for the American Association of Blacks in Energy.

While the nation's economic future hangs in the balance, at extreme risk are families that earn less than \$30,000 a year, he said.

They comprise one-fifth of U.S. households, yet devote 20 percent of their budget to energy

prices, he said. Families earning less than \$10,000 a year — about 8 percent of all households — spend nearly half their income on energy.

“The path forward requires an Apollo-like vision ... We need to bring on a new generation of new technologies so we can reduce usage and be better stewards of our resources,” said Davis, referring to the nation’s successful push in the 1960s to put a man on the moon by the end of that decade.

Without new coal plants equipped with carbon capture and sequestration technologies that still require testing, reserve margins are threatened and the nation’s grid is in trouble, he said.

“Normally it requires about a 15 percent reserve margin. We’re about to go below that. Unless we do something, you’re looking at disrupted mass transit, health concerns, school closures. ... All of this is possible if there is no reliable electric grid.”

Projects such as the \$1.6 billion John W. Turk Jr. coal-fired power plant in Hempstead County have been a rarity in recent years as global-warming concerns have made such projects unpopular with regulators.

Last year, 59 coal-fired projects were canceled, said Sandra Hochstetter, vice president of strategic affairs for the Arkansas Electric Cooperative Corp. and former chairman of the Arkansas Public Service Commission.

Another coal plant was canceled Thursday, reducing what had been 22 coal-fired plants currently on order to 21, said Kenneth J. Nemeth, secretary and executive director of the Southern States Energy Board.

“Reserve margins in some states already are getting close to the breaking point,” he said. “Last summer, the Commonwealth of Virginia had to buy 2,000 megawatts of additional power. If there had been nobody to buy it from, there would have been rolling blackouts.”

Many lawmakers fear that strict cap-and-trade provisions in potential legislation such as the Lieberman-Warner Climate Security Act could not only force increased electricity costs, but send thousands of jobs overseas to companies with lower energy costs.

One representative of an environmental group says that such concerns are premature.

“It’s really intended to be a starting point, a place where discussion can begin and move forward as all the different sides weigh in,” said Ken Smith, a vice president with the Audubon Society.

While the challenges of a looming electric crisis and coal’s role within it may seem daunting, conference keynote speaker and former House Majority Leader Richard Gephardt offered some optimism Thursday night.

“I’ve seen all the problems. All the mistakes. Legislatures, city councils, Congress — they’re

all human institutions. They make every mistake in the book. They're imperfect," Gephardt said.

“But the great majesty of this country is we do it in a democracy. If you want to get heard, you will be heard. ... This is an awesome country. Being practical, pragmatic, working together, listening and solving problems — we're going to solve this problem faster than you think.”



## **Ross: Country at energy crisis crossroads**

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*Editor's Note: This is the third in a series of reports about the Arkansas Clean Coal Technology Conference at the University of Arkansas Community College at Hope. The conference was sponsored by the college, the American Coalition for Clean Coal Electricity, Center for Legislative Energy and Environmental Research and the Southern States Energy Board.*

The nation is sitting at the crossroads of an energy crisis of both fuel and electricity, said U.S. Rep. Mike Ross, D-Ark., during an energy conference Friday in Hope.

The country needs an "intelligent energy road map" to follow to get the country out of the crisis, Ross said Friday during the Clean Coal Technology Conference at the University of Arkansas Community College in Hope.

Ross is a member of the U.S. House Energy and Commerce and Science and Technology Committees.

"I am faced with decisions regarding our nation's energy policy on a daily basis, and the truth is, across the country and here in Arkansas our nation is sitting at the crossroads of an energy crisis that will have a significant longterm effect on both energy prices and the lives of Americans for generations to come," he said.

The proposed John W. Turk Jr. power plant being developed by Southwest Electric Power Co. near Fulton, Ark., "will provide an enormous benefit" to the region, Ross said. "The construction of this plant is also a step in the right direction for our environment. The facility will use the new pulverized coal technology, ultra-super critical coal generation," Ross said.

"It will be one of the first plants of its type in the United States and will stand as a symbol that words 'coal' and 'cleaner environment' can be used in the same sentence as a solution to America's energy needs," he said.

Ross wants the United States to develop an "intelligent energy road map."

The road map would help direct the country in developing existing resources through new technologies.

The policies would direct technologies to make coal cleaner and "more environmentally friendly."

“I am hopeful we can produce such a policy that accomplishes this goal and allows us to rebuild a strong, thriving economy both in Arkansas and throughout our nation,” said Ross.

Ross also warned about a pending electricity crisis.

“Electricity demand in the U.S. is projected to grow 40 percent by the year 2030. In addition, there will be 100 million more cars on the road within the next seven years. Not here, but in China and India,” he said.

Ross said the energy dilemma is not a future problem, but current.

“From these numbers, it’s clear we have a gasoline and diesel crisis today. However, within the next 20 years, we will have an even worse electricity crisis and this will only be accelerated with the development and transition to electric plug-in cars as many in the industry predict will happen,” said Ross.

He said the nation’s demand for nuclear power will also increase the electricity needs.

“If we were to build a new nuclear plant now, it would not be up and running until about 2038. This is about eight years after the beginning of a predicted electricity crisis,” said Ross. “I am committed to “ensuring that America’s most affordable and abundant energy resource. Coal is part of the solution to America’s energy problems.”