CITIZENS ACTION COALITION

Turning On Citizen Power

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WHICH TYPE OF POWER MAKES ENE IN INDIANA?

RENEWABLES AND ENERGY EFFICIENCY...

The Benefits of Solar and Wind:

- According to the Department of Energy, Indiana has enough wind capacity to produce two and a half times more electricity than we are currently producing by burning coal
- The cost of wind is cheaper than the cost of burning coal on a per kW and per kWh basis because there are no fuel costs for wind and the operations and maintenance costs for wind turbines is far less than that of a coal burning power plant
- Solar panels on the roofs of public buildings can help meet peak demand on the hottest (and sunniest) days of the year when everyone is running their air conditioners and using more electricity
- No emissions

If Indiana set the goal of producing 10% of its electricity from renewables by 2017, it would bring investment dollars and jobs to the state:

- As much as **$6 to $8 billion** investment dollars
- **6,000** construction jobs
- **12,000** contractor and retail jobs
- **1,200** additional contractor and retail jobs to fulfill the need for long-term maintenance of wind turbines
- **600** permanent maintenance jobs
- Renewable energy generates more jobs per megawatt than fossil fuels

The Benefits of Energy Efficiency:

- Implementing efficiency costs half of what it costs to build a new power plant
- Reduces demand for electricity
- Saves ratepayers **billions of dollars**
- Reduces pollution

Reducing the demand for electricity by 1.5% per year will have a broader impact on Indiana's economy by:

- Creating over **800 net jobs per year** in the construction, manufacturing, retail and services sectors
- After 15 years, saving ratepayers **$1.4 billion a year** on utility bills
- Bringing down the wholesale price of natural gas

Annual Health Detriment to Hoosiers due to Coal Pollution:

- **887** deaths
- **1,491** heart attacks
- **114** lung cancer deaths
- **21,532** asthma attacks
- **845** hospital admissions
- **618** cases of chronic bronchitis
- **1,274** asthma ER visits
- **7%** of women of childbearing age have blood mercury levels that are higher than what the EPA considers safe to protect the developing nervous system of a fetus.

Environmental Damage Caused by Coal:

- Global Warming
- Forest and crop damage
- Mercury contamination of the fish in **ALL** of Indiana's rivers and lakes
- Acid Rain - the average pH of rain in Indiana is 4.5, which is **ten times more acidic than normal rain** (normal rain has a pH of 5.5)
- Emissions of carbon dioxide, carbon monoxide, nitrogen oxides, particulate matter, sulfur dioxide, volatile organic compounds, sulfur dioxide, lead, beryllium, mercury, and fluorides, to name a few

The Hidden Costs of Coal Not Included in Your Bill:

- **$5 billion each year** is spent in Indiana on health care costs related to fine particle pollution
- **$13 million a year** in tourism revenue is lost each year at Indiana's National Parks because of smog and haze due to power plant pollution
- **$87 million a year** is lost in farm revenue due to crop losses caused by ground level ozone (smog created by nitrogen oxides emitted from coal-fired power plants) which reduces plant growth and yield
- Acid rain causes damage to buildings, historical monuments and even cars

...OR COSTLY, DIRTY COAL-FIRED POWER PLANTS?

10-17-07

NO MATTER WHICH WAY YOU CUT IT, COAL IS DIRTY. IT HURTS OUR HEALTH, IT HURTS OUR ENVIRONMENT, AND IT HURTS OUR WALLETS.

Duke Energy wants to build a 630 MW coal gasification (Integrated Gasification Combined-Cycle, or IGCC) power plant in Edwardsport, Indiana to replace two old coal-fired power plants built in the 1950's that are only capable of producing 160 MW and only run about 30% of the time.

Duke says...	*The reality is...*
Duke expects their customers' demand for electricity to grow by about 0.4% per year, and they want to build this gasified coal power plant to meet the expected demand.	Duke has not seriously considered energy efficiency as an alternative. Efficiency could be deployed much more quickly than a new power plant can be built, and can reduce demand by about 1% per year, which would meet or exceed Duke's needs. Efficiency is by far the cheapest form of energy at 3¢ per kilowatt hour.
Duke has stated that wind energy is not yet economically attractive on a utility scale within the Duke Energy Indiana territory.	The cost of electricity produced from wind turbines averages at about 5¢ per kilowatt hour and continues to drop. Conversely, IGCC technology is still in the developmental phase of its existence, and costs continue to rise.
Duke claims that an IGCC power plant will reduce emissions compared to the plants that will be shut down.	While the IGCC technology will reduce some emissions, it will increase others because it will be operating much more frequently than the power plants that will be shut down. • **Lead emissions** will increase by **14,555%** • **Carbon dioxide emissions** will increase by **785%** • Carbon monoxide emissions will increase by 1,480% • Particulate matter emissions will increase by 297% • Volatile organic compounds emissions will increase by 678%
Duke claims that the IGCC power plant will have the potential to capture carbon dioxide.	Potential is a far cry from reality. While Duke is touting the ability to capture carbon, they are proposing to build the plant without it. They state that they will add carbon capture equipment later when changes occur in the federal regulations governing carbon dioxide emissions. Even then, they will only add the carbon capture equipment if it proves to be less expensive than simply paying for carbon dioxide allowances, defeating the stated purpose of reducing carbon emissions. What they are not saying is that the cost of carbon dioxide capture will increase the cost of the plant by 37% and reduce the efficiency of the plant by 20%!

WHY WOULD DUKE DO THIS?

Duke, as a regulated electric utility, gets a guaranteed "reasonable rate of return" for their investments. This rate of return usually averages out to about 11%, depending on the type of investment, the risk, etc. The point here is that the more money Duke spends, the more money they earn. Therefore, because new coal plants cost more than wind, they choose coal because it earns them more profit. They have an incentive to pollute. Clearly regulators should reject Duke's request and require them to take a least cost, common sense approach focused on efficiency and renewables.

RECENT DEVELOPMENTS

At the end of August, the Governor issued a press release stating that this proposed power plant **"will"** be built, without waiting for a decision from state regulators. This action raises questions about the Indiana Utility Regulatory Commission's ability to act independently in this matter. This is all the more serious since the chair of the IURC is a former PSI (now Duke) attorney.

Also, Duke's own witness in the power plant proceeding before the IURC stated that the company is eliminating power capacity from its system as it is asking to build a new power plant. Duke is actually selling portions of power plants and entering into contracts to sell power amounting to 660 megawatts of electric power. (One megawatt can power about 600 homes.) The capacity of the proposed plant would be 630 megawatts. This means the plant is not needed.

TAKE ACTION!

Write, Call, or Email Governor Mitch Daniels:

Ask him to withdraw his support of the Duke coal gasification plant and to support expanded investment in energy efficiency and wind!

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Write a letter to the editor to your local newspaper:

Let them know that you are opposed to this proposed power plant because Duke is manipulating its capacity needs and there are cheaper, cleaner alternatives.

Links to newspapers can be found at:
http://www.usnpl.com/innews.php.