



S.6163 (AUBERTINE) A.8802 (PARMENT) GOVERNOR PROGRAM BILL #45

Summary

This bill amends Public Service Law creating a statutory framework for the construction of a coal-fired power plant with a carbon capture and sequestration (CCS) pilot project. Provisions include requirements for carbon transmission pipelines, reporting, permitting, liability, subsurface property rights, and buffer zones, as well as a summary of Department of Environmental (DEC) responsibilities for operational oversight. The bill would only apply to municipally owned electric generating facilities that have submitted a complete application to the DEC by December 31, 2010—criteria that can only be met by the only existing proposal for a CCS coal plant in New York, advanced by the Jamestown Board of Public Utilities (JPBU).

Explanation

New York is a national leader with regard to efforts to clean up its energy mix. As a result of decades of forward-thinking policies, we now only rely on coal—the dirtiest and most carbon intensive fossil fuel—for approximately 12 percent of our power generation. However, the JBPU CCS pilot project would take the state backward by allowing for the construction of a new 43 megawatt coal plant.

The Jamestown proposal began in 2003 as a plan to build an unnecessary coal-fired power plant and, as a result of environmental and ratepayer opposition, has evolved into a plan to build an unnecessary coal-fired power plant as a CCS demonstration project. While there may be a role for CCS in global efforts to reduce greenhouse gas emissions, it should not be used as rationale to advance new and unnecessary coal plants, which is the case in this instance. As a CCS demonstration project, the facility would only be required to capture and sequester 55 percent of its carbon dioxide emissions, and that's if the technology works. Assuming it does, the new coal-plant would emit an additional 190,000 tons of carbon dioxide into the atmosphere each year—equal to the emissions of 35,000 cars and trucks. The plant will also emit conventional pollutants such as sulfur dioxide, nitrogen oxides and mercury. In comparison, energy efficiency and wind energy produce zero emissions and could better meet Jamestown's energy needs.

Eighty to 90 percent of Jamestown's power is provided by low-cost hydropower from the New York Power Authority. Jamestown can easily close its existing old coal-fired power plant and meet its modest self-generation load with alternatives such as energy conservation or purchasing electricity on the wholesale market. The size of the proposed plant means that the JBPU will have to sell almost all of the power generated by the project, which would be virtually impossible because power from the plant would cost more than three times the prevailing price on the wholesale market.

Global warming has been called the greatest environmental challenge of our time and one that demands bold action by our leaders. Aggressively increasing the amount of energy we get from renewable sources and ramping up investment in energy efficiency are two proven strategies to meet this challenge. Building new, unnecessary coal plants with unproven pollution control technology is not.

Environmental Advocates of New York strongly opposes this bill.

Memo 68