

ASH POND NEWSLETTER

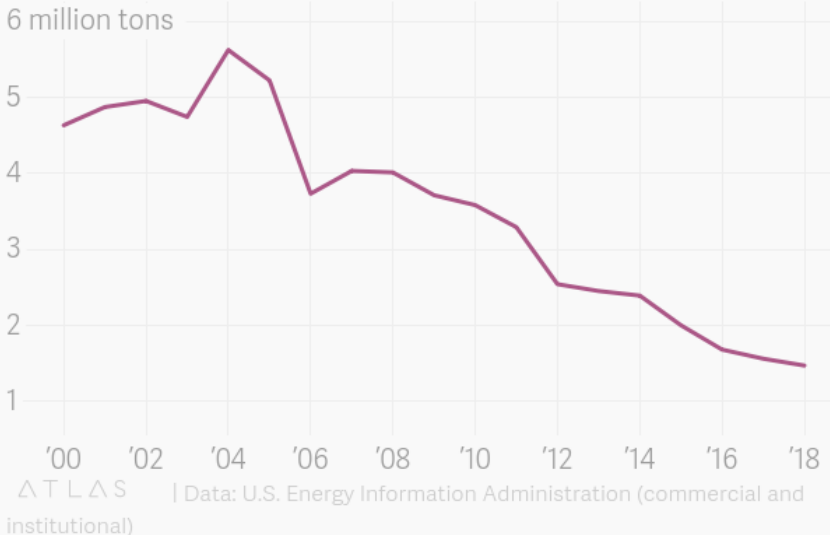


November 2019

The following is a collection of ash pond news from the month of November. The intent of the newsletter is to summarize news regarding ash pond closure activities, lawsuits filed against utilities relating to their ash ponds, as well as regulatory changes impacting ash pond operations or closures. This newsletter is distributed on a monthly basis.

COAL POWER PLANT ASH POND CLOSURES AND MODIFICATIONS

Total consumption of coal in the US keeps going down



Two of America's biggest coal plants closed this month: Arizona's 2.25-gigawatt Navajo Generating Station and Pennsylvania's 2.7-gigawatt Bruce Mansfield unit. The US coal industry has seen domestic consumption fall 76% since 2000, according to the US Energy Information Administration. Globally, coal use has fallen by 2% since 2010. This decrease in coal usage is attributed to customers' preference for low-carbon energy, and competition from solar, wind, and natural gas.

<https://www.msn.com/en-us/news/us/two-of-americas-biggest-coal-plants-closed-this-month/ar-BBWRBEr?ocid=News>



Navajo Generating Station

Generating Units 1 and 2 of the Colstrip Power Plant in Colstrip, Montana will shut down in January. The owners of those two units, **Washington's Puget Sound Energy** and **Talen Energy** of Pennsylvania, announced last June that the power plant's oldest units, built in the 1970s, were no longer economical. A new coal contract is due for the Colstrip Units 3 and 4. The current contract expires at the end of the year. The new price for coal will influence the economics of those units. **Puget, Avista, PacifiCorp,** and **Portland General Electric** have ownership shares in both surviving units. **Talen** has a 30% ownership share in Unit 3. **NorthWestern Energy** has 30% ownership in Unit 4.

Avista Corp has decided to accelerate its exit plans of the Colstrip Power Plant by nine years, to 2025. **Avista Corp** agreed to be financially ready to exit both Units 3 and 4 by 2025. **Avista** also agrees to contribute \$3 million to a Colstrip Community Transition Fund, with the utility's shareholders and customers splitting the bill. The agreement specifically states that the Northern Cheyenne Tribe, Rosebud County, and the Town of Colstrip and labor organizations are to share the benefit of the transition funding.

https://trib.com/business/energy/montana-coal-fired-power-plant-owner-speeds-up-exit-plans/article_632a507f-57e2-51ba-81d1-2d3572c697fe.html

<https://ieefa.org/avista-agrees-to-plans-to-exit-colstrip-coal-plant-by-2025/>



Colstrip Power Plant

Duke Energy plans to construct an industrial landfill at their Lake Julian Power Plant in Asheville, North Carolina. The landfills would serve as storage for most of the remaining col ash on-site, including the ash left in the 1962 ash pond. After the 1962 ash pond is excavated, **Duke** will build solar panels on the Site and eventually around the rest of the property, which is still on track to switch to 100% natural gas in late December 2019 or January 2020.

<https://wlos.com/news/local/duke-energys-proposed-landfill-creates-cautious-optimism>

Somerset Operating Co., the owner of a 685-megawatt plant in Barker, New York, announced that it filed a deactivation notice with the Public Service Commission and the New York Independent System Operator, the entity that manages the state's power grid. Somerset's giant coal-burning power plant will be deactivated, and plans are already in place for the 1,800-acre Site's future use.

<https://buffalonews.com/2019/11/18/coal-burning-somerset-power-plant-to-be-deactivated-within-90-days/>

LEGAL AND REGULATORY

The United States Environmental Protection Agency has proposed relaxing two Obama-era regulations on waste products from coal-fired power plants. The proposed changes affect rules put in place in 2015. They include looser limits on heavy-metal pollution for some power plants, loosened technology requirements for treating water from pollution controls, and a provision that plants scheduled to close by 2028 would not have to meet some pollution standards at all. This move is the latest in a series of moves the Trump administration has taken to try and help the country's coal industry. Environmentalists said the rules would simply allow utilities to pollute for longer, prolong the risk of toxic spills, and potentially contaminate drinking water supply.

<https://www.npr.org/2019/11/04/776174139/trump-administration-proposes-relaxing-rules-on-waste-from-coal-plants>

<https://www.southernmarylandchronicle.com/2019/11/13/epa-proposal-would-weaken-clean-water-act/>

Talen Energy Corp., the owner of Brunner Island Steam Electric Plant, must pay a \$1 million penalty to the state of New York and set aside \$100,000 for environmental restoration projects under a consent decree just approved by a federal judge. Brunner Island began operating in the 1960s, and has long been a target of environmental groups, neighboring property owners, and governments. Among other things, the newly approved decree calls for strict environmental monitoring during the planned removal of 3.2 million tons of coal ash, a task that is to be completed by December 31, 2031.

<https://www.pennlive.com/news/2019/11/us-judge-approves-deal-requiring-brunner-island-owners-to-pay-record-1m-penalty-for-coal-ash-pollution.html>

COAL KNEW, TOO

Just like the oil industry, the coal industry has been well aware of their threat to the earth and their impact on climate change. In a 1966 copy of the industry publication *Mining Congress Journal*, a passage from James R. Garvey, who was the president of Bituminous Coal Research Inc., stated, "There is evidence that the amount of carbon dioxide in the earth's atmosphere is increasing rapidly as a result of the combustion of fossil fuels. If the future rate of increase continues as it is at the present, it has been predicted that, because the CO² envelope reduces radiation, the temperature of the earth's atmosphere will increase and that vast changes in the climates of the earth will result."

https://www.huffingtonpost.ca/entry/coal-industry-climate-change_n_5dd6bbebe4b0e29d7280984f?ri18n=true

<http://www.climatefiles.com/coal/mining-congress-journal-august-1965-air-pollution-and-the-coal-industry/>



Contact Us

Roux Associates

1200 Harger Rd., Suite 800

Oak Brook, IL 60523

(630) 572-3300

palvey@rouxinc.com

www.rouxinc.com

