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Edison to Shut Down Polluting Coal Plant

By Miguel Bustillo Times Staff Writer

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A massive coal-fired power plant that has provided Southern California Edison with 7% of its electricity — but emits vast quantities of air pollution that have clouded views of the Grand Canyon — will close at year's end to comply with a court ordered deadline, the utility confirmed Thursday.

The Mohave Generating Station near Laughlin, Nev., was required to upgrade its pollution controls or close by Jan. 1 under a consent decree won in 1999 by environmental groups. The groups had alleged the plant repeatedly violated the Clean Air Act.

Edison said it had adequate sources of other power, so its 13 million customers would not immediately be affected.

The biggest losers may be the Hopi Tribe and Navajo Nation, which provided natural resources and labor at the coal mine which feeds the plant. The tribes may now be without a major source of jobs and royalty money.

The 1,580-megawatt Mohave plant, which also provides some electricity to the Los Angeles Department of Water and Power, releases an average of 19,000 tons of nitrogen oxide, 40,000 tons of sulfur dioxide and 2,000 tons of fine particles a year into the air above Laughlin. That plume of smog and soot pollution has contributed to the haze that has diminished visibility at the Grand Canyon.

The utility, which operates the plant and is its majority owner, had hoped to keep Mohave open because inexpensive coal power looked increasingly attractive as natural gas prices have risen.

But the utility did not secure an extension of the deadline to clean up or close and announced that the plant, which opened in 1971, would shut down by midnight Saturday.

In a filing Thursday with the California Public Utilities Commission, Edison said it planned to continue negotiations aimed at keeping the power plant open but expected to close it for at least a few months.

The cost of adding pollution controls to the power plant has been estimated at \$1 billion. Edison told California regulators that it hoped to negotiate a deal to keep the plant running while it installs the controls, a process that is expected to take several years.

Environmentalists claimed in their lawsuit that the plant had violated the Clean Air Act more than 40,000 times during the 1990s, making it liable for up to \$10 billion in fines. Even as it announced the closure of the facility, Edison continued to dispute those allegations Thursday, maintaining that the plant had complied with state and federal standards.

"This plant has been controversial for most of its life and has only gotten more so as more people have moved around it," said Rob Smith, southwest representative for the Sierra Club in Phoenix.

The club, along with the Grand Canyon Trust and the National Parks Conservation Assn., filed the suit that led to the plant's closure.

"It was built without virtually any pollution controls. They don't control one major pollutant — sulfur dioxide — at all, so it really stood out like a sore thumb as an exceptionally bad offender."

Spokesmen for the Indian tribes said the effect on them could be severe.

The coal to run the plant comes from the Black Mesa mine, run by Peabody Energy Corp., the world's largest coal company. The plant is the mine's sole customer, so the shutdown of one will close the other. The loss of the mine will wipe out most of its 165 jobs, mainly held by Native Americans, Peabody representatives confirmed this week.

"It was the environmental groups that helped bring this about — for altruistic reasons of course — but the result is that a lot of breadwinners are going to be out of work," said George Hardeen, a spokesman for the Navajo Nation.

"It's going to have a \$90-million impact in the negative. We will lose about 160 jobs, and these are some of the best jobs on the Navajo Nation, paying upwards of \$70,000. It will undoubtedly impact an already weak Navajo Nation economy."

The 7,000-member Hopi Tribe, which has a 50% unemployment rate, has estimated the plant's closure could reduce its \$20-million operating budget for next year by as much as 40%.

Edison maintained that before agreeing to add the expensive pollution controls the utility needed to secure agreements with the Hopis, Navajos and Peabody for the long-term supplies of coal and water needed to operate the plant.

Environmentalists said they sympathized with the tribes' economic plight, but argued that Edison had plenty of time to fix the pollution problems and negotiate the deals needed to keep Mohave running.

Environmentalists argued that Edison may actually reap profits from shutting Mohave under an Environmental Protection Agency program to reduce acid rain. The program will allow Edison to receive pollution credits that it can sell to other businesses that exceed federal emissions limits.

Some environmental groups were working with Native American representatives on a "just transition" plan that they planned to present to California utility regulators. It seeks to help the tribes adjust economically, perhaps by requiring that the power plant's owners, which in addition to Edison include DWP and several

other Western utilities, invest in renewable energy sources such as wind and solar power on tribal land.

"California ratepayers since 1971 have been enjoying some of the lowest [electricity] prices in the grid, and that is due in part to underpayment of the tribes for water and coal and virtually unchecked pollution," said Roger Clark, director of the Grand Canyon Trust's air and energy program.

"It's a smart investment for California ratepayers to take income from a dirty power plant and reinvest it in clean energy in a way that benefits the people who have been exploited all of these years by the greater metropolitan centers of the West."

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