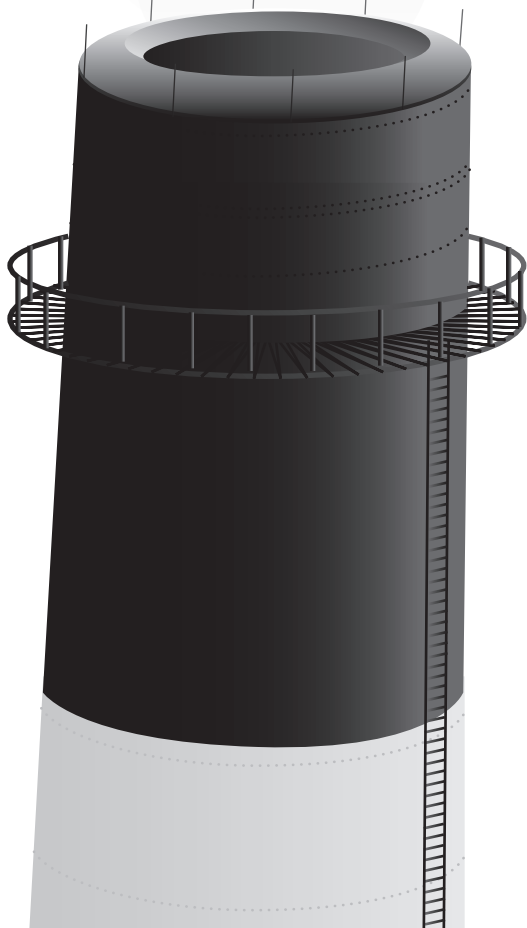


# WHY WE OPPOSE AMERICAN MUNICIPAL POWER'S PROPOSED COAL FIRED POWER PLANT



YOU MAY HAVE READ RECENTLY about the controversy over American Municipal Power-Ohio's ("AMP") effort to get Yellow Springs and 78 other Ohio communities to sign on to its proposal to build a new coal-fired power plant in southeast Ohio. **AMP is proposing to spend \$2.9 billion to build the 960 megawatt coal plant, and is asking its member communities to assume the financial responsibility for those costs.** In addition, AMP is trying to get communities to lock themselves into purchasing power from the plant for 50 years.

The NATURAL RESOURCES DEFENSE COUNCIL, OHIO CITIZEN ACTION, the OHIO ENVIRONMENTAL COUNCIL, and the GREENE ENVIRONMENTAL COALITION believe that it would be a financial and environmental mistake for Ohio communities to sign on to AMP's proposal. We would like to explain to you why we oppose this plant:

## **CONSTRUCTION COST ESTIMATES HAVE**

**SKYROCKETED:** In October 2005, the cost estimate for building the plant was \$1.2 billion. **Today it is \$2.5 billion, plus \$400 million for financing.**

## **AMP HAS UNDERESTIMATED FUTURE OPERATING COSTS RELATED TO GLOBAL WARMING:**

Every year **the plant would emit 7.3 million tons of carbon dioxide ("CO<sub>2</sub>")**, the main greenhouse gas. Future global warming laws will almost certainly require expensive controls on such emissions. The cost estimates provided by AMP do not adequately account for these requirements.

## **COMMUNITIES BEAR ALL THE FINANCIAL RISK:**

AMP is proposing a 50 year "take or pay" contract that **makes communities responsible for all construction, operating and environmental costs incurred**, even if those costs skyrocket further, or the plant is never completed. This means that the power from this plant, if it is completed, is likely to be very expensive.

## **COMMUNITIES WOULD BE LOCKED IN FOR 50 YEARS:**

Communities would be ultimately responsible for purchasing power from the plant, even if they do not need it or there are better alternatives. The earliest this plant could produce electricity is 2013, though it would likely take several years longer. Given the rapid technological advancement in renewable energy sources and energy efficiency, **it makes no sense to lock into 19th century coal technology for the next 50 years.**

## THE PLANT WOULD BE A MAJOR NEW SOURCE OF GLOBAL WARMING POLLUTION:

As noted, the plant would spew 7.3 million tons of carbon dioxide into the air every year. *AMP has not committed to capturing and sequestering these emissions*, or even publicly presented an evaluation of the technical and economic feasibility of doing so.

## COAL IS A DIRTY SOURCE OF POWER:

In addition to global warming emissions, the plant would spew thousands of tons of pollutants that cause acid rain, smog, and asthma. *The plant would be located in an area of Southeast Ohio that already has a disproportionate number of coal-fired power plants* and other major sources of air pollution. The plant would also burn at least 2.8 million tons of coal per year, much of which may be mined by destroying mountaintops in West Virginia. AMP's proposed "Powerspan" pollution control technology is unproven and AMP has refused to pursue more advanced control options.

## THERE ARE BETTER ALTERNATIVES:

Throughout the country, *plans for nearly two dozen new coal plants have been scrapped recently*. There are numerous economically and environmentally better options for meeting future energy needs, including natural gas combined cycle, biomass, co-generation facilities, energy efficiency, and renewable energy. *Communities throughout the United States are investing in these better alternatives*, rather than continuing to rely on dirty and outdated coal-fired power.

## THE YELLOW SPRINGS VILLAGE COUNCIL

will be addressing the AMP proposal at meetings on

- Thursday, Sept. 27,
- Monday, Oct. 1, and
- Monday, Oct. 15.

While AMP is pushing communities to sign this contract quickly, *in fact this decision need not be made until March 1, 2008*. We encourage Yellow Springs to take all of the allotted time to fully evaluate the AMP proposal and to investigate cleaner and less risky options.

**We are presented today with a fundamental choice about the future of energy in America.** On one side is continued reliance on dirty and outdated coal-fired power long into the future. On the other side is investment in a future of cleaner baseload generation, energy efficiency, and renewable energy. Only the latter approach will address global warming and the other critical environmental issues facing society while also minimizing the costs of doing so. We urge Yellow Springs and the other 78 communities in Ohio to take this latter approach.

## WE THANK YOU FOR YOUR TIME AND CONSIDERATION OF THIS IMPORTANT MATTER.

If you would like more information about the AMP proposal or **OHIO CITIZEN ACTION**, visit <http://www.ohiocitizen.org/campaigns/coal/coal.html> or call 1-888-777-7135.

For more information about the **NATURAL RESOURCES DEFENSE COUNCIL** and environmental issues in general, visit [www.nrdc.org](http://www.nrdc.org)

For more information about the **OHIO ENVIRONMENTAL COUNCIL**, visit [www.theoec.org](http://www.theoec.org)

The **Greene Environmental Coalition** can be found at [www.greenlink.org](http://www.greenlink.org)

