

Progress Report: 59 Coal Plants Down



BUFFETT'S RADAR WAS ACCURATE: by the late fall of 2007 a groundswell of opposition to coal was undeniably emerging across the country. Mainstream political bodies such as city councils, state legislatures, municipal utility districts, and Alaskan Native corporations were taking positions in favor of a moratorium on new coal plants. In Salt Lake City, Mayor Rusty Anderson expressed vocal opposition to new coal plants, as did mayors in Pocatello, Idaho; Park City, Utah; and elsewhere. In Charlottesville, North Carolina, Mayor David Norris posted aerial photographs of mountaintop removal mining on his blog, and the city council passed a resolution urging the Commonwealth of Virginia to institute a ban on new or expanded coal plants. In Montana, local politicians found out just how unpopular coal plants had become after Southern Montana Electric Generating and Transmission Cooperative went looking for cities to share the power from its proposed Highwood Generating Station. The city council of Helena voted not to purchase power from the plant, citing

emissions concerns and other factors. Missoula mayor John Engen had previously won city council approval to purchase electricity from Highwood, but after receiving hundreds of e-mails and phone calls from angry constituents, he reversed his position.

“Coal is a double-edged sword,” Mayor Engen told the *Washington Post*. “I sort of felt both edges.”

Spontaneous uprisings against proposed coal plants were becoming remarkable not only in their frequency but in their creativity. In Wiscasset, Maine, a coalition of local environmentalists and lobster fishers organized a flotilla of thirty boats to demonstrate against a proposed coal gasification plant that would have required a constant traffic of coal barges on the Sheepscot River, disrupting lobstering and fishing operations. Ignoring promises of hundreds of new jobs, area residents rejected the plant in a local referendum by a vote of 868–707. Although the Connecticut-based real estate developer who was seeking to build the Wiscasset plant vowed to press on, that possibility became increasingly remote after opponents secured state legislation instituting a three-year statewide moratorium on coal gasification and a carbon emissions standard thereafter that could only be met by plants that captured and stored their carbon dioxide. Since Maine lacked any geological formations suitable for carbon sequestration, the likelihood of further coal plants in the state dwindled to insignificance.

On the other side of the country, a consortium of twenty public power organizations known as Energy Northwest had sought to join with a group of private utilities to build a coal plant in the Port of Kalama, Washington. The group applied for permits in August 2006, and throughout 2007 a wide array of groups led by the Northwest Energy Coalition worked to

oppose the project. The coalition had already gained leverage by securing passage of a strict standard on greenhouse gas emissions. Now, the fight shifted to whether the Kalama Plant, which claimed it intended to sequester its carbon underground, would actually follow through on the promise. In November 2007 the state Energy Facility Site Evaluation Council voted unanimously to reject the Kalama project, declaring that the sponsor's statements about carbon sequestration amounted to "a plan to make a plan."

Once confined mainly to rural areas, protests against coal were becoming an urban phenomenon as well. One of the most outrageous examples of urban pollution from coal was in Chicago, where two plants, Fisk and Crawford, both owned by Midwest Generation, spewed emissions into a densely populated Latino barrio known as Little Village, home to ninety-five thousand people. Because of their age, the 40-year-old Fisk plant and the 50-year-old Crawford plants were exempt from federal pollution regulations. A 2001 study by the Harvard School of Public Health found that the two plants were causing forty premature deaths each year, as well as 2,800 asthma attacks. Samuel Villaseñor and other activists at the Little Village Environmental Justice Organization (LVEJO) came up with the idea of using Chicago's bid to host the 2016 Olympics as a point of leverage for closing down the two plants. The Coal Olympics, held across the street from the Fisk plant, included the "Coal Power Plant Hurdle." Participants in the event competed by jumping over miniature coal power plants rather than regular hurdles.

"If our mayor isn't willing to represent the true people of Chicago, then we will represent ourselves with the International Olympic Committee and let them know that it's not as pretty a

picture as he paints it to be,” said Kimberly Wasserman Nieto, one of LVEJO’s organizers.

“No transit, no clean air, no Olympics!” shouted members of LVEJO at a press conference outside Mayor Richard M. Daley’s office in City Hall. They demanded that the coal plants be replaced with renewable energy job-training centers and alternative energy producers more in line with Chicago’s turn toward a green economy.

On November 3, 2007, over 1,400 events were staged across the United States as part of the Step It Up! Campaign initiated by writer Bill McKibben. McKibben had written the first general-audience book on global warming, *The End of Nature*. While teaching at Middlebury College in Vermont, he mentored a group of undergraduates who used a host of social-networking Internet tools to publicize the first Step It Up! day, in April 2007, calling attention to the need for an 80 percent reduction in carbon emissions by 2050. The second Step It Up! day featured the two themes “Green Jobs Now” and “No New Coal.” One of the biggest events took place in New Orleans, where presidential candidate John Edwards led hundreds of marchers to the Superdome. There they arranged themselves to form the words “NO NEW COAL,” photographed by a helicopter hovering above.

Everywhere I looked around the country, different versions of the same story were playing out. Coal was under attack, and coal projects were being slapped down by regulators and judges. Perhaps even more significant were the large numbers of plants being quietly abandoned by their sponsors. Like an iceberg floating into warming waters, Erik Shuster’s list of 151 proposed plants was rapidly shrinking, perhaps faster than anyone had recognized so far.

The project I had casually initiated in the spring of 2007 to track down the status of all 151 plants had turned out to be a bigger undertaking than I had originally imagined. To move it forward, I enlisted the help of several part-time researchers: philosophy graduate student Meilin Chinn, journalist Michelle Chandra, and direct action organizer Adrian Wilson. Each of them became adept at digging through press reports, environmental and financial filings, and activist Web sites, then summarizing the various data into succinct status reports. As our database neared completion, the group continued running across cases of coal plants being canceled, abandoned, or placed on hold. I felt that something significant was taking place. Looking for historical parallels, I read up on the history of the anti-nuclear movement. During the 1970s and 1980s, a combination of grassroots protest and deteriorating economic factors had forced utilities to cancel scores of nuclear plants. I was convinced that the anti-coal movement, though lacking the prominence the “No Nukes!” movement, had established even broader roots across American society and could be on a pace to accomplish more. While “No Nukes!” had been concentrated on the East and West coasts the anti-coal movement was growing in every region of the country.

Others were also tracking the phenomenon. Beginning in the summer of 2007, Matt Leonard at Rainforest Action Network (RAN) had periodically released a summary of plant cancellations and other victories entitled “Moving Closer to a Coal Moratorium.” In June the list topped a dozen and continued growing. In November a media report published in the *Denver Post* listed ten cancellations of “clean coal” projects alone. At about the same time, a new Web site appeared with the blunt title Coal Plant Deathwatch Map, showing the location of plant

cancellations around the country. A month later, an overseas Web site reported that seventeen U.S. coal plants had been canceled in little more than a year.

The report that seventeen plants had been canceled was astonishing, yet I began to think that the actual number would end up being even higher because our own status list showed that in several instances utilities had canceled plants quietly without notifying the press. In November I met with several organizers from RAN, and the discussion turned toward how the various groups in the far-flung anti-coal movement could most readily share the various informational resources on coal plants that they were developing. One such resource was Carbon Monitoring for Action (CARMA), a worldwide database on carbon dioxide emissions created by the Center for Global Development. Another was the Dirty Kilowatts database maintained by the Environmental Integrity Project, which provided information on coal plant emissions of sulfur dioxide, nitrous oxide, mercury, and other pollutants. A third database, maintained by RAN, contained information on financial institution funding of coal mines and power plants.

Among the various databases, the most widely accessed was maintained by the Sierra Club. It incorporated both RAN's and CARMA's data alongside its own summaries of legal challenges to coal plants. The downside of the Sierra list was that only Sierra's own staff could update or expand the information it contained. At the meeting with RAN's organizers, I mentioned that my friend Earl Killian had suggested that a wiki—an online information database with multiperson-editing capability—would not only allow our own working group to post information more efficiently but would also allow general posting of information by other activists. I liked

the wiki approach, since the resulting collaboration would transcend the boundaries of any one group, making it ideally suited to the rapid expansion and increasing diversity of the no-coal movement.

Scott Parkin, one of RAN's organizers, gave me the names of several activist wikis and suggested that I contact them. One was SourceWatch, an information clearinghouse sponsored by the Center for Media and Democracy (CMD) in Madison, Wisconsin. I emailed John Stauber, director of CMD, and he immediately wrote back inviting us to merge our status reports on the 151 proposed coal plants into the 35,000-article wiki database that CMD had already built on topics including the public relations industry, Congress, nuclear power, and Big Tobacco.

Stauber's invitation was appealing for a two reasons. First, by piggybacking onto an existing wiki rather than creating a wiki from scratch, we'd save ourselves time and money. Second, SourceWatch had already accumulated a high degree of "Google juice," that is, the tendency for search engines to give high rankings to content in the SourceWatch wiki. This was due to the large number of Web sites that already linked to SourceWatch articles, as well as the denseness of internal linkages among SourceWatch articles. Both factors are judged by Google's engine to be indicators of a Web page's usefulness to someone seeking information.

Stauber and his collaborator Sheldon Rampton had already thought long and hard about the usefulness of wikis for building activist communities and enhancing collaboration among groups. Through their efforts, SourceWatch had developed ways for each topic focus within the wiki to develop its own unique identity and sense of community. To identify

SourceWatch pages on the topic of coal, we settled on the name CoalSwarm to reflect the anarchic diversity of the no-coal movement and designed a suitable “badge” featuring a cluster of bees.

It took just a few weeks for our small crew to convert our database of coal plants into wiki format. Kaethin Prizer, whose experience included working as a project manager at Yahoo and as a professional book editor, spearheaded the effort. Once we had finished moving the coal plant information into the CoalSwarm wiki, we began creating additional wiki articles on power companies, lobbying groups, citizen groups, and protests, as well as on topics such as “clean coal” and “mountaintop removal.”

CoalSwarm quickly turned into a popular site for activists, journalists, students, and others to find information on coal, and over the following months the site attracted hundreds of thousands of visits and grew to over 2,000 pages of information. I was particularly pleased that anyone, anywhere, could post information—some posts came from activists as far away as Australia and Europe. In order to create a page or add information to an existing page, the only prerequisite was to create a log-in name. What kept things honest was that, according to the rules of SourceWatch, every morsel of information had to be linked to a published source. Activists, journalists, students, policy analysts, or anyone else using CoalSwarm didn’t have to take our word for any piece of information on the site. They could click on the footnote and judge the veracity of the data for themselves.

On occasion, we were asked why we didn’t simply post the information we were collecting on Wikipedia, the original wiki and by far the largest. An advantage of SourceWatch over

Wikipedia was the team of professional editors employed by CMD to police the site, especially Tasmania-based Bob Burton, who not only coached new contributors to SourceWatch through the finer points of formatting and referencing their reports, but also contributed major reports of his own on international coal topics.

Without the editorial oversight provided by SourceWatch, Wikipedia proves to be a poor tool for muckraking because information on business misdeeds and controversies is often quietly deleted by image-conscious corporate officials and public relations firms. SourceWatch's editors prevent that from happening, making it a more reliable place to build a clearinghouse on controversial industries such as coal or tobacco.

By the time we had completed our database of proposed coal plants, our list of projects that had been canceled, abandoned, or placed on hold during 2007 had grown to fifty-nine. This struck me as a newsworthy number. I called Matt Leonard at RAN, and we agreed to issue a joint press release. Most press releases are a single page; ours broke that rule, running to seven pages, including four pages of footnotes and one page of links. Knowing that our credibility would be ruined if a single piece of incorrect information slipped into our findings, we checked and double-checked.

Within days of the release, the information was popping up on blogs and in online environmental newsletters. Eventually, it was picked up by the mainstream media as well. The utility and coal industries did not like the publicity about plant cancellations. "This is part of a concerted effort to grossly exaggerate opposition to coal-based electricity generation," said Luke Popovich, a spokesman for the National Mining Association, in an interview with environmental reporter

Steve James. Popovich complained that environmental groups were on a “jihad” and were “exaggerating anecdotal evidence to conclude that coal is on the way out.”

But the evidence was not anecdotal. Each cancellation was well documented, and the press release made no attempt to overstate the role of the anti-coal movement in the cancellations.* In fact, we had taken the industry at its word about the reasons plants were being canceled. Among the fifty-nine derailed projects, regulators, courts, or local authorities had rejected only fifteen outright. The sponsors themselves had voluntarily scrapped the majority—forty-four projects. Reasons cited by companies for abandoning plants included rising construction costs, insufficient financing or failure to receive hoped-for government grants, lowered estimates of demand, concerns about future carbon regulations, and competition from renewable power sources, especially wind and solar thermal. Only rarely did utility companies credit opposition by citizen groups as a factor.

While Popovich and other industry spokespeople sought to dispel any sense that King Coal was in trouble, it was hard to dispute the fact that something significant was afoot. Lester Brown, chairman of Earth Policy Institute, wrote:

What began as a few local ripples of resistance to coal-fired power is quickly evolving into a national tidal wave of grassroots opposition from environmental, health, farm, and community organizations and

* Our specific results were challenged in one case: NRG Energy’s proposed Huntley Generating Station in Tonawanda, New York. Company officials told reporters that the project had not been placed on hold, as we had reported, but was actually still progressing. A New York assemblyman involved in seeking funding for the plant paraphrased Mark Twain: “Reports of this project’s demise are greatly exaggerated.” But three months later, NRG admitted that the Huntley Plant was facing a \$430 million shortfall, and by midsummer the company had officially announced that it was abandoning the plant. Our report was premature but correct.

a fast-growing number of state governments. The public at large is turning against coal. In a September 2007 national poll by the Opinion Research Corporation about which electricity source people would prefer, only 3 percent chose coal.

Coal's future is also suffering as Wall Street turns its back on the industry. In July 2007 Citigroup downgraded coal company stocks across the board and recommended that its clients switch to other energy stocks. In January 2008 Merrill Lynch also downgraded coal stocks. In early February 2008 investment banks Morgan Stanley, Citi, and J.P. Morgan Chase announced that any future lending for coal-fired power would be contingent on the utilities demonstrating that the plants would be economically viable with the higher costs associated with future federal restrictions on carbon emissions. On February 13, Bank of America announced it would follow suit.

On both sides of the fight over coal, the perception of how financiers viewed new coal plants was becoming a central strategic concern. Rainforest Action Network had long recognized the key role of Wall Street in major energy decisions, and it had made bank policy a direct target of action. So had the Union of Concerned Scientists, which had released a significant body of research pointing out the risks of investing in coal plants. The problems associated with financing coal called to mind the earlier meltdown of nuclear power—not just the physical meltdowns at Three Mile Island and Chernobyl, but also the widespread financial meltdowns among utilities that had embarked on major nuclear plant construction projects in the 1970s and 1980s. Across the country, utilities building nukes had gone bankrupt or defaulted on bonds: Public Service of New Hampshire (bankrupt in the wake of problems at its Seabrook Nuclear Power Plant); Long Island Lighting Company (nearly bankrupt due to problems with its Shoreham plant); Consumers Power in Michigan (nearly bankrupt due to cost overruns at its Midland nuclear plant);

Washington Public Power Supply System (largest municipal bond default in U.S. history—\$2.25 billion—due to problems with two nuclear plants). In the case of Washington Public Power Supply System, court battles over who would bear the brunt of the financial collapse of the utility were still being fought a quarter century later. The fiscal difficulties that had befallen utilities building nuclear plants had taught utility bondholders and shareholders to be wary of multibillion-dollar projects surrounded by environmental controversy, prone to major construction cost overruns, or vulnerable to increases in operating costs such as would occur if carbon taxes or cap-and-trade programs were enacted.

Taken collectively, all these concerns made the financial community increasingly wary about large coal plants. Wall Street's jitters explained why plant cancellations were becoming an increasingly fraught subject for King Coal, why opponents of coal sought to publicize such cancellations, and why utilities sought to downplay them. The more coal plants were canceled, the greater the risk in the eyes of bond issuers and other financiers of approving such plants. The greater the risk, the higher the risk premiums that utilities would be forced to pay. Utility executives saw the process as dirty pool, a way for opponents of coal to undermine coal's economic advantage. Activists believed that the nominal cheapness of coal had always been an illusion created by coal's ability to foist its public health and environmental damages onto society, so anything that would raise the cost of doing business was a step in the right direction.

One thing the two sides in the war over coal could agree on was that the wave of cancellations had not ended. Less than a year after Erik Shuster released his list of 151 proposed new

coal plants, four out of ten of those projects were no longer moving forward. But in many ways the movement against coal was just getting starting.

