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New Report: Waste Coal Plants a Bad Deal for Pennsylvania

Sierra Club Speaks Out for Better, Cleaner Energy Solutions

Pittsburgh, PA: A new report released today shows that cleaning up waste coal piles, instead of burning them for electricity, is a better deal for the economy and local communities. The report entitled “*The Economic Analysis of Alternative Programs for Managing Waste Coal in Central Appalachia*” was prepared by ECONorthwest, a research firm that specializes in the economic and financial analysis of public policy. The report looks at the economic consequences of burning waste coal in Pennsylvania

The report compares the economic impacts of burning waste coal to other remediation methods that don’t involve the further release of toxins into the air and water in the affected communities. Key among the report’s findings is that the negative impacts of burning waste coal are likely to outweigh any positive effects generated from cleaning up the piles. The report also finds that other remediation alternatives are likely to have a greater overall impact on jobs and incomes in the region than would re-mining and burning the waste coal.

Waste coal, also known as “gob” or “culm”, is the low-grade, residual coal left behind after coal mining operations. Piles of waste coal litter the landscape of Pennsylvania, in many cases polluting nearby streams. In recent years, proposals to remediate waste coal piles by re-mining, burning the waste to produce electricity, and returning the fly ash to the site, have gained momentum. In Pennsylvania there are four proposed waste coal-burning plants throughout the state, three in southwestern Pennsylvania, and one in Clearfield County. And a number of piles of waste coal exist in North Eastern Pennsylvania. The report demonstrates that there are serious economic consequences to burning the piles as a method of remediation.

The report found that the direct costs of burning coal waste piles for electricity are between \$20,000 and \$40,000, but the major expenses come from the spillover costs caused by the air, water, and climate pollution created by waste coal. Clean-up costs however can be less than \$1,000 depending on the type of remediation, reaching \$40,000 at the highest end of the spectrum. The fact that there are fewer spillover costs associated with cleaning up the coal piles, make remediation a far better economic choice.

From smog to mercury, coal-fired power plants are one of the largest sources of dangerous air pollution in the U.S. The consequences for human health are staggering. According to the report, waste coal in Pennsylvania contains up to 3.5 times the mercury as normal coal in the state. Pollution from coal-fired power plants, like the proposed plants, causes serious respiratory illnesses such as asthma, cardiovascular disease, and in some cases even premature death. The bill for these health impacts will be paid not by the polluters, but by affected families at an estimated \$10,000 per ton of pollution.

The report also finds that these plants will continue to be a burden for consumers well into the future as they fail to take into account the imminent costs of carbon regulation. If built these three plants alone would emit over 8,000,000 pounds of carbon dioxide each year, which could raise electricity rates by at

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least 15%-17% and up to 20%-60% depending on the type of regulations and the cost assigned to carbon pollution.

Communities must also be prepared to deal with the risks associated with the disposal of the coal ash. Federal regulations, stemming from the Tennessee Valley Authority coal-ash spill could raise the costs of ash disposal by \$5 billion a year, a cost that could be passed on to consumers in higher electricity bills. This ash also has the potential to leach into ground water and surface streams exposing nearby residents and fish and wildlife populations to the toxic contaminants that come with it. A recent study cited in the report found that using coal-combustion waste to remediate abandoned mine and coal waste sites resulted in ground water and surface water contamination that far exceeded federal drinking water standards.

"Coal is not cheap: there is a costly human toll. Coalfield communities bear the burden of breathing dangerous particulates from the stacks and drinking polluted water as a result of irresponsible coal combustion waste disposal. We need to make energy choices that protect human health, not expose people to even more pollution. Burning coal is bad enough - burning waste coal is even worse, since it generates even more greenhouse gas and mountains of toxic ash." Said Lisa Graves-Marcucci the Environmental Integrity Project's Pennsylvania's Coordinator for Community Outreach, "It is important that our generation make wise choices: and leave a healthier legacy to future generations -- a future that does not burn coal."

New coal plants, especially new waste coal plants are not a good investment. There are ways to clean up waste coal piles and meet our energy needs without burning coal that can save us money, improve public health and combat global warming. A 2008 report prepared by the Political Economy Research Institute (PERI) at the University of Massachusetts-Amherst shows that investing in renewable energy and efficiency has the potential for creating over 86,000 jobs in Pennsylvania. Instead of sinking money into the old dirty coal technology of yesterday, we should put our efforts toward the new energy future that ensure us a more sustainable economic future while at the same time protecting our families from the negative health effects that burning coal brings with it.

"Pennsylvania is doing a great job in moving forward toward our new energy economy by investing in truly renewable energy sources such as wind and solar", said Rachel Martin with the Sierra Club. "Building new waste coal plants, however, would be a step backwards, and would lock us into out-dated technology for the next 50 years. This would harm families, and make global warming worse."

As part of its National Coal Campaign, the Sierra Club is fighting to stop the construction of dirty new coal plants across the country and to direct the proposed investments into energy efficiency, renewable resources, and other clean alternatives.

For more information on the Sierra Club's Move Beyond Coal Campaign, please visit www.sierraclub.org/coal

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