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# The War On Coal

Activists cite public-health hazards in a new campaign against coal. Opponents say cleaner is too costly

BY BRIAN DUNN/CHICAGO



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IN A 99° JULY SUNDAY, THERE'S no cooler place to be in Chicago's Pilsen neighborhood than the public pool in Dvorak Park, where you can catch a fleeting breeze in this working-class, heavily Latino community. Unfortunately, the air in Pilsen isn't very cool—and it isn't very clean. Chicago's air on July 17 was so polluted that the government recommended that children and people with respiratory ailments—too common in a city that has nearly double the national asthma-hospitalization rate—limit their time outdoors. "People are getting sick in Chicago because of the air," says Brian Urbasewski, director of environmental-health programs at the Respiratory Health Association of Metropolitan Chicago. "And it's people who are living in neighborhoods like Pilsen that are getting the worst of it."

That's due in part to the 450-ft. brick smokestack that looms over Dvorak Park—the one the kids call "the cloud-maker." It belongs to the Fisk Generating Station, a 326-MW station just a couple of blocks from the park that's one of the oldest coal-fired power plants in the country. Its corporate owner, Midwest Generation, says it has reduced pollution from the plant in recent years and that closing the facility would cost jobs, but Fisk is still viewed by environmentalists and activists in the city as a major health hazard.

A 2010 report by the Clean Air Task Force (CATF), an NGO that focuses on air pollution, estimated that toxic emissions from the Fisk plant alone are responsible for 15 premature deaths a year and 200 hospitalizations. That's partly a result of Fisk's age—a grandfather clause in the Clean Air Act exempts older power plants in the U.S. from meeting some tougher regulations—but it also has to do with the fact that more people live within a mile of Fisk than any other coal plant in the country. Schools and playgrounds sit within sight of the



**Bad-neighbor policy** Chicago's asthma hospitalization rate is nearly double the national average

smokestack. "You can feel it in your lungs when you live here," says Leila Mendes, a longtime Pilsen resident. "My hope is that it will just be closed."

If that happens, Fisk won't be the first old coal plant to shut down because of pollution concerns—or the last. The powerful coal industry—which provides nearly half the electricity used by Americans, along with 30% of U.S. carbon emissions and a smoggy chunk of the nation's air pollution—is being attacked by an insurgency of environmentalists, regulators and health advocates. In the wake of failed carbon cap-and-trade legislation last year and failing international climate talks, environmentalists concerned about global warming are taking on the coal industry from a different angle: public health. The Environmental Protection Agency (EPA) is working on a series of long-delayed regulations under the Clean Air Act that, if pursued aggressively, could make life very difficult for Big Coal. And this summer Michael Bloomberg announced a \$50 million gift to the Sierra Club's \$150 million Beyond Coal campaign through his charitable foundation, marking coal pollution as the target of the New York City mayor's latest crusade. Bloomberg

wants to turn coal into the new tobacco, to make it politically and culturally unacceptable because of the damage it does to everyone's health. "This is a public-health issue, just like our efforts to stop smoking or help with malaria," Bloomberg told TIME. "The pollutants and toxins are a big problem."

The campaign comes at a time when the world is becoming more coal-intensive. Global coal consumption grew by 7.6% last year; 30% of the world's energy now comes from coal, up from 25% five years ago. The rise is driven by emerging economies like China, the world's biggest coal consumer, which nearly tripled its coal use over the past decade. That hasn't helped coal-fighting efforts in the West, where stalling economies are struggling to keep up with gang-buster growth in China and other emerging markets. Coal exports from the U.S., the world's second largest coal producer and consumer, to Asian countries more than tripled last year, a boon for the industry. U.S. dependency on coal-fired electricity continues at home, which could result in higher energy costs and job losses if air-quality regulations are tightened. King Coal—still the cheapest source of electricity—is entrenched in the global energy system.

The Sierra Club, one of the country's oldest and largest green groups, with 1.4 million members, has already found early success fighting the growth of coal on a shoestring budget. So far, the club says, its Beyond Coal campaign has helped block more than 150 proposed coal plants across the country, using legal action and local opinion. With Bloomberg's help, it's

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—MICHAEL BLOOMBERG, MAYOR OF NEW YORK CITY

stepping up the battle, seeking to shut existing coal plants like Pisk in Chicago.

The industry is also facing challenges from Washington. In July the EPA issued final rules on air pollution that crosses state borders, forcing power plants to reduce emissions of sulfur dioxide and nitrogen oxide—two pollutants linked to smog and health problems—over the next few years. In the coming months, the EPA is scheduled to finalize regulations on mercury emissions, coal ash and greenhouse-gas emissions. Those regulations will provide tangible benefits for air quality and health; the new cross-state border rule alone will prevent an estimated 34,000 premature deaths a year, according to the EPA. “No community should bear the burden of another community’s polluters or be powerless to act against air pollution that leads to asthma, heart attacks and other harmful illnesses,” says EPA Administrator Lisa Jackson.

#### Pick Your Poison

“IS THERE A WAR ON COAL?” ASKS AMERICAN Electric Power (AEP) CEO Michael Morris. “I think that’s fair to say.” Morris’ opinion matters. AEP is one of the largest and most coal-dependent utilities in the country, and the company has not suffered the coming EPA regulations quietly. In June, AEP announced that it would shut

## ‘No community should bear the burden of another community’s polluters or be powerless to act.’

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down five older coal-fired plants by the end of 2014—the plants collectively generate 6,000 MW of electricity—in part because it would be too expensive to upgrade them to meet the new EPA rules. Though a few of those plants had already been scheduled to be decommissioned, Morris says the rapid pace of the rules—utilities will have only three years to meet the tighter emissions standard on cross-border pollution—will cost the company billions of dollars and hundreds of jobs.

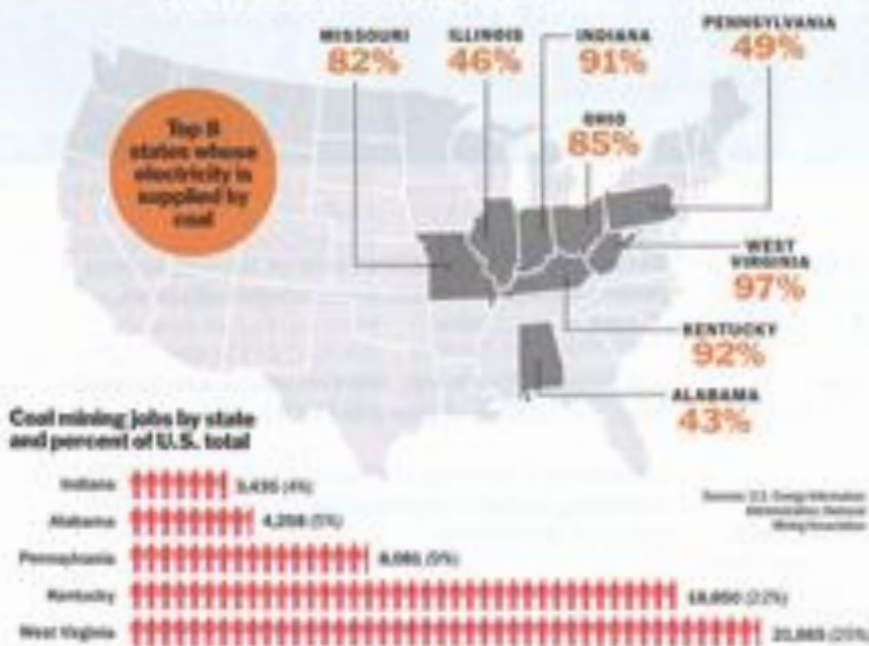
In other words, pick your poison: more coughs or more costs. “These new regulations will be like a ball and chain wrapped around American families and businesses as they try to crawl out of the Great Recession,” says Steve Miller, head of the American Coalition for Clean Coal Electricity, an industry trade group. “There will be a major impact on electricity rates and jobless rates.”

According to a study released in June by the National Economic Research Associates, an economics consulting firm, the EPA’s cross-border pollution rule and

its proposed mercury and toxics regulations will cost industry \$18 billion a year, create job losses and increase the average American electricity bill by 11.3% by 2020. While those numbers are much higher than the EPA’s estimates—and it’s worth noting that the study was commissioned by the coal sector—any regulations that seriously take on coal power in the U.S. will have at least a short-term economic cost. And that cost will be especially heavy in places like Kentucky, where coal provides more than 90% of the state’s electricity and some 18,000 mining jobs. Issue rules that raise the cost of coal power and Midwestern utility executives start muttering darkly about power outages, while Republicans and Democrats alike in coal states get angry. “Coal not only built this country, but it built the skyscrapers of New York City,” Democratic Senator Joe Manchin of West Virginia said in response to Bloomberg’s pledge. “Without coal, the lights of that city would be dark and its economy would be devastated.”

In reality, the rapid pace of regulations is due less to a vendetta on the part of the White House than to the failure of former President George W. Bush’s EPA to address air quality, leaving a backlog of rulemaking for Obama. But whether or not the EPA is declaring war on coal, Republicans in Congress have eagerly declared war on the EPA. Since the GOP took the House last November, bill after bill designed to block EPA regulations and strip funding from the agency has made its way through the House. Democratic control of the Senate has so far offset those efforts, but they may be having an effect. In September, Obama decided to pull back on proposed tougher ground-level-ozone standards in a decision seen by many environmentalists as politically motivated. “You have to worry about political pressure from the White House to water down these regulations,” says Frank O’Donnell, president of the NGO Clean Air Watch. “The question is whether Obama will defend the EPA.”

### Curbing King Coal. Better air quality would mean higher coal-fired-energy costs and job losses in some states



#### Healthy Air

BUT AIR-POLLUTION REGULATIONS DON'T come along with costs. They also deliver economic benefits. The EPA argues that the



**Digging deep** An open-pit mine in Inner Mongolia. China's rapid growth is fueling demand

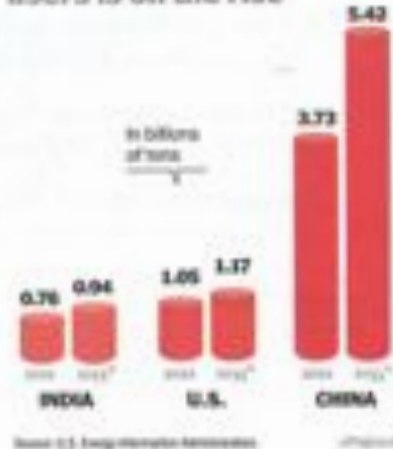
new cross-state border rule will provide \$280 billion in public health benefits—fewer deaths, hospital stays and sick days—at the cost of roughly \$2.5 billion a year in plant upgrades. (It helps that the low price of cleaner-burning natural gas—thanks chiefly to the recent boom in shale-gas production—has reduced the cost of switching away from coal.) Another study, by researchers at the University of Massachusetts, estimated that the new regulations would actually lead to a net increase in jobs as utilities hired workers to overhaul their most antiquated plants. Indeed, a report this year by the White House Office of Management and Budget found that EPA regulations have historically provided 14 in health and environmental benefits for every 11 they cost.

Coal-industry executives argue that they've been reducing air pollution over the years—and they have. The skyline is significantly clearer than it was in the 1960s and '70s. But the smoke hasn't cleared, and as scientists look more closely at air pollution, they're finding danger at lower and lower levels. Invisible particles—bits of soot less than nine ten-thousandths of an inch wide—can penetrate the lungs and trigger inflammation, which can contribute to cardiovascular disease. Mercury, which can cause neurological damage in children, is present in trace amounts in some kinds of coal and can be released into the air when the coal is burned. (Mercury emissions increased

more than 8% from 1999 to 2005 even as levels of other pollutants fell.) Though it's not clear what role air pollution might play in causing asthma, the condition has been on the rise nationally, especially in minority communities like Pilsen in Chicago—and there's no doubt that bad air can worsen existing asthma. "For someone who is predisposed to where, air pollution is likely to tip them over and make them worse," says Dr. Jerome Paulsen, chair of the American Academy of Pediatrics' council on environmental health.

It makes Bloomberg worry as well, which

### Smog Alert. Coal burning by the world's biggest users is on the rise



is why his foundation will be donating millions of dollars to the Sierra Club's Beyond Coal campaign. As the mayor of a city that struggles to meet air-pollution targets—in part because of haze from power plants hundreds of miles away—Bloomberg knows the toll of coal. The air pollution from coal is a threat to urban public health, one that Bloomberg, who has taken cigarettes out of the hands of angry smokers in New York City, is ready to fight. "Coal kills every day," he says. "It's a dirty fuel."

Even with an injection of Bloomberg bucks, the Sierra Club is still a long way from getting the U.S. to truly move beyond coal. Even though U.S. coal generation hit a 30-year low in the first quarter of 2012, coal is still far and away the single biggest source of electricity in the country. And then there are carbon emissions. While existing technology can vastly reduce traditional pollutants like sulfur dioxide and particulates from coal combustion, there's still no commercially viable way to take the carbon out of coal. Pilot projects in the U.S. to build such "clean coal" plants have stalled—AEP suspended a \$688 million clean-coal project this summer—largely because Congress has failed to enact limits on carbon emissions. "The U.S. simply isn't taking the steps needed to clean coal," says John Thompson, director of the coal transition project at CATF.

Other countries, however, are moving forward on clean coal—and they're not the ones you might expect. China has partnered with American power companies like Charlotte, N.C.-based Duke Energy to develop clean-coal plants that can capture and sequester carbon emissions—and do so economically. (Here China's ravenous demand for power is an advantage, allowing the government to throw up experimental pilot plants far faster than the U.S. could.) But such work underscores how central coal remains to China, which has already burned more than 2.5 million tons of the stuff this year, up 10.3% from 2010. "Coal is the dominant worldwide fuel today and will be in 2020 and 2030 and 2040 and 2050," says AEP's Morris.

Given the enormous size of the challenge before them, environmentalists are going to need chutzpah as much as they do a checkbook. "We will devote more resources to moving America beyond coal than anything the Sierra Club has done in its 125-year history," says Michael Brune, the Sierra Club's executive director. "We will create a breakthrough." The war on coal—and there is one—is just beginning. ■