

Labor, Business Groups Support 86% Reduction in Mercury from Power Plants

*Oppose DEP Rule That Would Cost Pennsylvania Jobs, Raise Electricity Prices,
Without Any Greater Protection for Children's Health*

A coalition of labor, business and the coal industry reiterated its support for legislation that would reduce mercury emissions from power plants by 86 percent and its opposition to a proposed rule that would not provide any greater protection to the health of Pennsylvania's children, but will cost jobs and increase the cost of electricity.

The coalition made the announcement today in reaction to Pennsylvania's Environmental Quality Board asking for public comments on a mercury rule proposed by the Department of Environmental Protection (DEP).

"The decision Pennsylvania faces is not whether to reduce mercury emissions from power plants, but how," said Douglas L. Biden, President, Electric Power Generation Association. "Our labor, business, and coal industry coalition supports bipartisan legislation that would reduce mercury emissions by 86 percent from Pennsylvania power plants without penalizing our economy or causing significant increases in what consumers pay for electricity."

"Today the Board asked for public comments on the DEP rule and we intend to take the opportunity to tell them that for the past year neither DEP nor any other group presented any information to show there would be any increase in health benefits from the rule DEP proposed over the legislation we support," said Donald Siegel, International Vice President, International Brotherhood of Electrical Workers. "On the contrary, DEP's proposed rule is a lose, lose, lose for Pennsylvania,"

"The DEP rule will mean the loss of good-paying jobs as power plants are prematurely retired and power plant owners are forced to buy coal from other states, all for no demonstrated increase in health benefits," said Edward D. Yankovich, International Vice President, United Mine Workers of America.

"The risk of power plants switching to coal mined in other states is very real," said George L. Ellis, President of the Pennsylvania Coal Association. "If DEP's rule is adopted, power generators may have no choice but to consider switching to out-of-state coal and Pennsylvania would lose good-paying jobs."

"The premature retirement of Pennsylvania's coal powered generating capacity and the forced investment of \$1 billion in pollution control technology for no discernible health benefit as a result of DEP's rule can't help but increase the cost of electricity for businesses and homeowners in the Commonwealth," said Gene Barr, Vice President Political and Regulatory Affairs, Pennsylvania Chamber of Business and Industry.

Among the issues raised by the coalition about the DEP rule are:

No Greater Protection of Children's Health: Neither DEP nor any other group has presented any information showing any net positive health benefits to children's health from adopting DEP's proposed rule. In fact, modeling by the U.S. Environmental Protection Agency shows there is virtually no difference in mercury deposition in

Pennsylvania between the legislation supported by the coalition and eliminating all mercury emissions from all U.S. power plants.

Higher Consumer Electricity Costs: Older, smaller Pennsylvania power plants representing 20 percent of the state's coal generating capacity are at risk of early retirement under DEP's proposed rule which would result in the loss of jobs and markets for Pennsylvania coal. Closing these plants would also increase electricity prices as the supply of electricity decreases, a concern raised by PJM, operator of the regional electric grid. It will also result in the increased use of scarce and expensive natural gas as a replacement fuel for coal, further raising the cost of electricity to Pennsylvania consumers.

No Incentive for Early or Over-Control of Emissions: DEP's proposed rule offers no incentive for early reductions of mercury emissions, and no incentive to over-control emissions because DEP proposes to just take credits for any over-control made by power plants and give them to other plants, including competitors, that may not comply with the mercury rule. This system is simply unfair in Pennsylvania's competitive electricity market.

Ninety percent of Pennsylvania's generating capacity is already on track to install advanced air pollution control equipment that will reduce mercury and other air pollution, according to DEP.

Increasing Pollution from Other States: Because Pennsylvania is part of a large competitive electric power market, power is bought and sold across a 13 state area and the lowest price wins. DEP's Pennsylvania-only rule will not only force the early retirement of coal plants here, but increase costs for Pennsylvania power plants. The rule could act as an economic incentive to expand generation in other states that do not have the same restrictions as the DEP rule in areas to our west and south and as a result increase air pollution coming into Pennsylvania.

No Alleged Hotspots: No information was presented by DEP or any other group identifying any mercury hotspots around Pennsylvania's power plants. In fact, studies by the Brookhaven National Laboratory attempting to specifically identify "hotspots" by measuring mercury deposition around existing power plants, including one in Pennsylvania, determined there is no evidence "hotspots" exist. Another study around Steubenville, Ohio demonstrates that mercury emissions travel 400 miles or more.

Mercury in Sensitive Populations: The U.S. Centers for Disease Control conducted a nationwide study of women of childbearing age, infants and young children which did not find a single case where mercury levels approached those required to cause adverse health effects.

A 160 pound individual would have to eat 22.8 pounds of catfish or 15.5 pounds of freshwater trout a week, each week for 70 years or more before any health consequences from mercury are observed, according to the U.S. Environmental Protection Agency's Benchmark Dose Limit.

According to the Department of Environmental Protection, the health risk from mercury is indirect. The risk comes from eating fish that contains mercury, not from inhaling mercury in the air around us.

The coalition supports bipartisan state legislation (Senate Bill 1201 and House Bill 2610) that would make Pennsylvania part of the national mercury emissions reduction program, the first mercury reduction program by any country, and require Pennsylvania power plants to reduce mercury emissions by 64 percent by 2010 and by a total of 86 percent by 2018.

The coalition supporting the proposal includes the:

- United Mine Workers of America;
- International Brotherhood of Electrical Workers;
- Pennsylvania Coal Association;
- Electric Power Generation Association;
- Pennsylvania Chamber of Business and Industry;
- Pennsylvania Chemical Industry Council;
- Associated Petroleum Industries of Pennsylvania; and the
- Pennsylvania Manufacturers Association.

For more information visit the www.PaEnergyNews.com website.

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