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Plan for coal-fired energy plants fires up opposition

By BEVERLY CORBELL, The Daily Sentinel

MONTROSE — Resistance is growing over a multistate energy supplier's plans to build three new coal-fired power plants, and the supplier's Montrose-based co-op is among the cautioning voices.

Tri-State Generation and Transmission's plans for the new plants should at least be scaled back, Dan McClendon, general manager of the Delta-Montrose Electric Association, said during a news conference last week.

Electric rates for homes will go up about 12 percent for association customers in Delta and Montrose counties in 2007 and could go up 30 percent over the next four years, McClendon said, all because of the power plants. A public hearing on the rate hike will be Tuesday at the association's office in Montrose.

Energy conservation is the best way to bring energy costs down, coupled with using renewable resources and allowing more local energy production, whether it's hydro or biomass, McClendon said.

"We want a local renewable-energy program that would help our economy with tax projects," he said. "These rate hikes are going to be a rough ride."

Tri-State is planning to build two large plants in Kansas and a third in southeast Colorado at a total cost of \$5 billion, association spokesman Tom Polikalas said.

But the board believes the plants could be delayed or shelved altogether through an "aggressive pursuit" of energy conservation.

In addition to pushing for energy conservation, the electric association is also the first electric co-op in the state to adopt the nationwide 25x25 Initiative, Polikalas said. The initiative pushes for 25 percent of all energy to come from renewable sources by the year 2025.

But that's just part of the solution, and the association wants to see Tri-State give more attention to conserving energy to lower rates, he said.

To get that word out, association customers received a 12-page newsletter last week defining the rate increase and the local co-op's opposition to relying on more coal-fired plants to produce electricity.

"The key to minimizing the number of new, more expensive coal-fired power plants is energy efficiency, demand-side management, demand-response programs and other ways to optimize the plants already in service," the brochure reads, in part. "If the need for one additional coal-fired plant can be deferred or eliminated through such efforts, all ratepayers will benefit."

The newsletter points out that for many years natural gas was the “fuel of choice” for energy, but when gas prices shot up, utility companies all over the world turned more and more to coal.

That drive for coal-based energy prompted a heated discussion at a recent Gunnison County commissioners meeting that led one citizen to suggest the local electric co-op not renew its contract with Tri-State, according to the Crested Butte News.

That’s always an option for the electric association, Polikalas said.

“We’re evaluating our contract and trying to persuade Tri-State into looking to locally generated energy,” he said. “That does a good job of providing energy, but right now there’s a 5 percent cap, and we’d like to see that go up.”

Coal-fired plants are not only the bane of people who worry about global warming, they also cost too much, according to the association, and are one of the most expensive ways to produce energy,

Tri-State uses coal for 68 percent of its energy generation, and the high cost of transporting it also hikes consumer prices, according to the association. Another factor is the cost of reducing emissions from coal-fired plants.

“The cost of pollution controls to reduce acid rain, suspended particulates, mercury and other emissions are worthwhile and appropriate; however, they’re expensive,” reads the association’s brochure.

Not included in the current cost of coal energy is a tax on carbon emissions that’s being proposed in the United States and other countries, according to the electric association.

Because Tri-State and the association are member-owned, Polikalas said the best thing members can do to avoid the higher cost of coal energy is conserve energy and show Tri-State that it works.

“Nobody at DMEA is arguing that they don’t need the first one,” he said, referring to a coal-fired plant. “But we would like to see aggressive energy conservation programs and see what those effects would be,” he said. “Then we would have the potential to defer (future plants).”

Some argue that Tri-State shouldn’t build any new coal-fired plants at all. Polikalas referred to a study by Western Resource Advocates and the Southwest Energy Efficiency Project that there are “less costly and less risky options” for meeting energy needs and “that the three new power plants are unnecessary.”

A news release on the study was handed out at the association’s news conference and states that “Tri-State should try again” instead of asking its members to pay for “the \$5 billion boondoggle.”

Beverly Corbell can be reached via e-mail at bcorbell@qjds.com.