

Roth: Is this the end of coal as we know it?

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A new report published by the Bloomberg Government website this month has predicted the ultimate demise of coal-fired power plants in the United States. According to “The Twilight of Coal-Fired Power Plants?” report, the cheap price of natural gas and the Environmental Protection Agency’s emission standards for electrical generators are too great for the coal industry in the U.S. to overcome.

The EPA’s new emission standards are born out of a series of court cases and lengthy litigation under the Clean Air Act. In 1990, Congress heavily amended the Clean Air Act in light of its growing understanding of health-based considerations for air quality, economic growth of industry, and emerging technological capability of the industry to meet healthier standards. As Congress crafted the Clean Air Act, it wrote the statute in a way that focuses squarely on getting cleaner air based on health considerations. This goal is prioritized over the costs to the industry to meet that compliance. In the realm of environmental law, the Clean Air Act is considered to be a health-based statute. Ultimately, the EPA’s new emission standards under this law are aimed at achieving a clean quality of ambient air and reducing harmful greenhouse gas emissions. According to the Bloomberg report, new natural gas plants already meet these new standards, while many existing coal plants emit on average twice what is allowed under the new limit. As a result, existing coal plants will need new technology added to their units to be in compliance. This new technology will come at a heavy cost that will be passed on to the ratepayers or customers. However, an alternative is what the industry calls clean coal. This is coal that is built with

carbon capture and sequestration technology, or CCS. According to the Energy Information Administration estimates, electricity generated from coal with CCS is almost 50 percent more expensive than energy generated from conventional coal, and about twice as expensive as natural gas-generated electricity, Bloomberg Government reported. As Oklahomans, we know firsthand what the shale revolution has done for our state, and as Bloomberg Government suggests, what it might do for the country. The discovery of unconventional natural gas in America has created an abundance of supply that drives its price to be incredibly low. So, even without these new forthcoming emission standards, natural gas is already the most affordable and cleanest option. The recent announcement by Public Service Company of Oklahoma to achieve improved air quality objectives by retiring their coal units at Northeastern in Oologah is a real opportunity for an Oklahoma utility to use Oklahoma's cleaner fuel sources of natural gas and wind and keep the home fires burning. Stay tuned as they consider their new energy options. *Jim Roth, a former Oklahoma corporation commissioner, is an attorney with Phillips Murrah P.C. in Oklahoma City, where his practice focuses on clean, green energy for Oklahoma.*