

July 7, 2010

## **Sierra Club Applauds MPSC Staff Finding No Need for Holland Coal Plant Expansion**

### **Alternative sources including efficiency and purchased power would meet electric needs cheaper than coal plant expansion proposal**

Sierra Club volunteer and Holland area resident Jill Henke says “we really don’t need another polluting coal plant in this area,” so she was thrilled to hear that the Michigan Public Service Commission staff agrees with her. Jill has been actively involved in the fight for clean energy options and to stop the Holland Board of Public Works (HBPW) proposed expansion of the existing James DeYoung coal-fired power plant in Holland over the past couple of years.

On July 7, the MPSC staff issued its findings that HBPW did not make the case that this plant was needed, and that the municipal utility failed to adequately consider alternatives, was overly optimistic about growth in demand, and is proposing the coal plant expansion even though it will cost Holland residents and ratepayers more than other options. The MPSC staff report was prepared for the Department of Natural Resources and Environment (DNRE) based on the HBPW Electric Generation Alternatives Analysis (EGAA) and wide ranging public input and comment. The MPSC staff report is considered by the DNRE as part of its review of the proposed air pollution permit to install HBPW is seeking for its proposed coal plant expansion.

Governor Jennifer Granholm issued an Executive Directive in early 2009 requiring that DNRE consider the need the proposed power and the availability of alternatives to meet that need before issuing air pollution permits for proposed coal plants. DNRE denied a permit application by Wolverine Power Supply Cooperative this May, but issued a permit in December to CMS for a proposed plant. CMS in May put that proposed coal plant expansion near Bay City on hold after also concluding that it did not make sense to proceed with their plant proposal at this time. Timing for the DNRE decision on the HBPW permit is not known, but could take several more months and involves review of thousands of individual comments and technical and legal input on pollution issues as well as need and alternatives.

“ I really praise the Public Service Commission staff for their findings,” said Jan O’Connell, Sierra Club Michigan Beyond Coal Campaign organizer. “There’s been a growing concern in the Holland community about coal. This is really a great opportunity for the Holland Board of Public Works to go back to the drawing board and get it right.”

The MPSC staff report is here: <http://efile.mpsc.state.mi.us/efile/docs/16077/0077.pdf>