

# Utility snuffs coal projects

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Two coal-based power projects planned for southwest Wyoming have been snuffed due to an uncertain political climate regarding greenhouse gases.

PacifiCorp, which operates as Rocky Mountain Power in Wyoming, said it has pulled all coal-based power generation from its plan to meet increasing load demand within the six Western states it serves.

The action scraps a planned 527-megawatt, "super-critical" pulverized coal unit at the Jim Bridger power plant in Sweetwater County. It also scraps a coal-gasification, carbon capture and sequestration demonstration project in partnership with the state of Wyoming at Jim Bridger, according to Rocky Mountain Power spokesman Dave Eskelsen.

"The situation the company finds itself in now is a significant amount of uncertainty about what climate change regulation might do to the cost of coal plants," Eskelsen said Monday. "Coal projects are no longer viable."

California, Oregon, Washington and other states across the nation are forcing utilities to consider the additional cost of curbing carbon dioxide emissions in proposed coal-based generation, due to increasing pressure to address climate change.

The world's top scientists say human-caused CO<sub>2</sub> is almost certainly a key factor in global warming.

In a Nov. 28 filing to the Utah Public Service Commission, PacifiCorp noted that just two weeks earlier the National Association of Regulatory Utility Commissioners adopted a resolution acknowledging that climate change legislation is likely to occur, and likely to target carbon dioxide emissions.

"Within the last few months, most of the planned coal plants in the United States have been cancelled, denied permits, or been involved in protracted litigation," PacifiCorp stated in its filing. "Accordingly, the company submits that IPP 3, Bridger 5, and the IGCC option at Jim Bridger, are no longer viable options for 2012 (request for proposal) for the 2012 and 2014 time frame, respectively."

Coal-gasification provides opportunities to capture carbon dioxide from coal and store the greenhouse gas in deep saline aquifers. But the utility industry and the federal government haven't committed to funding demonstrations considered necessary to deploy the technology at commercial scale.

Eskelsen said PacifiCorp still doesn't have a plan to meet additional electrical generation demand coming in 2014, so it must ask for expedited regulatory review -- even for conventional forms of generation. That cuts coal-gasification out of the picture for projects up to 2014, he said. In fact, coal-gasification isn't even in PacifiCorp's 10-year planning process.

"(Coal-gasification is) probably not a realistic project in the near term, and certainly not in the 10-year cycle," Eskelsen said.

The outside pressures against coal-fired generation are in complete contrast with the treatment conventional coal projects have received from Freudenthal's administration and Wyoming regulators.

At least three new coal-fired power plant projects have been approved in Wyoming in recent years, with no carbon capture or sequestration requirements. All three plants are planned for construction in Campbell County over the next three years.

Among them is Basin Electric Power Cooperative's 385-megawatt Dry Fork Station.

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