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## **Groups challenge final pollution permit on controversial “Smith” plant** *DAQ approved air permit, despite massive financial uncertainty of cooperative*

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WINCHESTER, Ky. – On May 7, groups challenged the Kentucky Division for Air Quality’s approval of the final air pollution permit for a proposed coal-burning power plant in Clark County. The agency issued the permit despite the fact that East Kentucky Power Cooperative faces severe and systemic financial problems, as a recent management audit uncovered.

“EKPC is in the midst of a perilous financial situation. The best move would be for the co-op to stop wasting taxpayers’ and ratepayers’ money by withdrawing the permit and reassessing the options,” said Billy Edwards, a business owner in Clark County and Clark Energy customer. “We can create affordable and reliable forms of energy that do not require an addition \$1 billion of unnecessary debt to that will ultimately be paid for through higher electricity bills.”

Wallace McMullen, chairman of the Sierra Club’s Cumberland Chapter Energy Committee, is concerned that the DAQ issued the permit for the proposed Smith plant as a way to skirt new federal air quality protections.

“The agency issued this permit the day before new, protective air quality standards were released by the EPA. Because the permit is based on outdated air standards, it fails to heed best available science to protect health,” McMullen said. “This decision is not only a threat to health, it’s going to hurt ratepayers, who will have to pick up the cost of non-compliance when this plant fails to meet these new regulations down the road.”

At the public hearing for the draft air permit in February, hundreds of citizens – including local residents, students, conservation groups, faith leaders and health experts – turned out to express their concerns to the DAQ, urging the agency to review less financially and cleaner sources of energy than a billion-dollar coal-burning plant.

“EKPC does have a lowest-cost option, and it’s not the Smith Plant,” said Elizabeth Crowe, director of the Kentucky Environmental Foundation. “Investments in energy efficiency, weatherization and renewable energies, including hydroelectric generation at existing dams, could offset the energy, while curbing pollution and saving ratepayer dollars.”

“The DAQ has a duty to protect public health and ensure all other options have been adequately considered – and they’ve failed to do this.”

According to the air pollution permit, the Smith plant, which would burn coal with outdated technology, would emit thousands of tons of harmful pollutants if built. The pollution permit would allow its smokestacks to put out:

- More than 300 tons of soot, which can cause severe respiratory problems and even death
- Nearly 2,000 tons of sulfur dioxide, the main cause of acid rain
- Nearly 1,900 tons of nitrogen oxides, a key chemical in the formation of ozone pollution, or smog, which harms lungs
- More than 100 pounds of mercury, a potent neurotoxin that can cause learning disabilities in infants and young children.

“Medical research shows clearly that air pollution from coal-burning plants like Smith causes human diseases and death,” said Philip Curd, a Jackson County physician and member of the Jackson Energy Co-op. “We could prevent a lot of disease and death by building fewer coal-fired plants and putting more resources into renewable energy and energy conservation.”

The audit, which was ordered by the Kentucky Public Service Commission and released late last month, detailed deep and disturbing financial problems throughout EKPC. It also found that one of the main obstacles to the electric cooperative becoming more stable was EKPC’s inexplicable fixation on the proposed Smith plant and the nearly billion dollars that building it would add to EKPC’s already unhealthy debt burden. The audit recommended that the co-op reassess its decisions to build the plant and instead find a less financially risky option for electric generation.

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