NEWS RELEASE
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Contact: Jim Warren
919-416-5077

Energy economist says all NC coal-fired power plants can be replaced by available clean, efficient, affordable energy

North Carolina is among world's top climate polluters; new NC WARN campaign to close coal plants is driven by global warming crisis

Statement from Executive Director Jim Warren:

With an accelerating climate crisis that top scientists warn could be within five years of moving beyond humanity's control, and with North Carolina pouring out more carbon dioxide from fossil fuels than ***186 entire nations,*** clean-energy group NC WARN today announces a grassroots push to close all coal-fired power plants in the state within 15 years.

The campaign is based on analysis of energy industry data by Dr. John Blackburn, presented today at a press teleconference and as testimony this week at a NC Utilities Commission hearing. The emeritus Economics Department Chairman and former Chancellor of Duke University argues that reasonable levels of energy efficiency, renewable power and cogeneration can allow for closing all coal-burning plants operated in the state by Progress Energy and Duke Energy* – including the latter's Cliffside plant, which is under construction but facing cost problems and construction delays.

Dr. Blackburn insists such a clean-energy approach protects the state's economy by creating thousands of jobs and avoiding construction of highly expensive, financially risky nuclear power plants.

THE URGENCY: Persistent climate evidence shows rapidly melting global ice, increasing weather extremes, wildfires and thousands of human deaths across the planet each year. However, fear-based psychological denial, a well-funded climate "confusion" campaign, and diminished civic participation have largely frozen the U.S. from taking action on this planetary emergency.

NASA climate expert Dr. James Hansen and Dr. R.K. Pachauri, chair of the Intergovernmental Panel on Climate Change, both argue that due to several decades of global warming already "in the pipeline," global carbon emissions must start downward by 2015. Otherwise, they say, humanity faces the sobering prospect of even more devastating climate catastrophes and runaway warming toward a planet that could become uninhabitable. Hansen emphasizes that the 2015 target date is accompanied by the need to stop all coal combustion by 2030.

NORTH CAROLINA MUST DO OUR PART: The U.S. Energy Information Administration shows this state is among the world's top climate offenders. This is not a problem to blame on "China and India." Our role is clear: to return to an earlier generation's prudent use of resources and respect for nature. There are no technical or economic reasons the global community cannot transition to climate-protecting energy practices. The barrier is that 20th Century energy corporations continue using their anti-democratic influence to block the way. This is particularly true in North Carolina.

A new Elon University poll shows North Carolinians overwhelmingly favoring solar and wind energy. But Duke Energy and Progress Energy continue to actively impede the development of energy efficiency, solar power and cogeneration. NC WARN will continue seeking rate-restructuring whereby utilities wouldn't need to rely on ever-increasing energy sales. Duke and Progress have in the past declined this offer, but both must now consider being swept aside by a fast-changing energy market – including distributed solar energy – destined to render coal and nuclear power obsolete.

PROTECTING CUSTOMERS: Widespread deployment of energy efficiency and renewable power is far preferable to the utilities' plan to gamble $40 billion on giant coal and nuclear power plants, which would double power bills. Dr. Blackburn and others have shown that such risks are unnecessary, and that solar, wind and efficiency can meet nearly all of North Carolina's energy needs. The clean energy approach would be faster, cost less up-front and afterward, and stem the damage to our economy, environment, and public health. What this state needs is genuine, independent leadership in order to make the transition happen.

THE CAMPAIGN TO CLOSE COAL-BURNING PLANTS: The shift to clean energy must emanate from the community level and a range of interest groups not yet accustomed to participating in activism. We will prioritize proven energy-saving programs, mandates to eliminate wasted energy (like those for water supplies, which ironically resulted from repeated droughts in our changing climate) – and solar water heating. The latter is among the "low-hanging fruit" of energy saving, and is a key area that can sap the influence of the power companies.

We will urge homeowners and businesses to utilize federal and state incentives, the NC Energy Office, and even the modest efficiency programs offered by Duke and Progress. Because those utilities ignore the needs of low-income North Carolinians, we'll amplify the efforts of NC SAVE$ ENERGY, a coalition that has grown to nearly 40 nonprofit organizations with a variety of missions.

The coal phase-out campaign will also be a pro-democracy social movement that builds the political muscle necessary to outmatch the utilities' longstanding control over state energy policy. It will be a call for civic engagement unprecedented in recent years. We will continue calling on Duke and Progress CEOs Jim Rogers and Bill Johnson to work with the public to address climate change in the most economical and quickest manner – energy efficiency. Both companies are pursuing modest energy-saving programs that mainly polish their corporate images while they keep hoping Cliffside and new nuclear plants will become a reality – despite considerable obstacles that grow almost weekly.

The proposed "revival" of nuclear power has run into myriad design, financing and construction problems, leading various business groups, along with private lenders and investors to reject funding new plants unless taxpayers and ratepayers "socialize" the risks of cancellations.

Other benefits of closing coal plants include reducing health damage caused by water and air pollution, and protecting mountain communities now being dynamited to provide coal power to this state. A member-based nonprofit, NC WARN will soon begin deploying various aspects of the clean-energy campaign – some to be announced publicly – including a community organizing approach to engage people across a range of political and economic persuasions. We expect other nonprofits to soon solidify a broad collaboration to phase out coal in this state.

Free markets and some others are moving ahead with clean energy. Despite having two of the nation's largest power companies headquartered here, NC WARN insists North Carolinians are strong enough to restore energy democracy by pressing leaders to resist the old model of "power companies rule."

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*** SUMMARY OF DR. BLACKBURN'S TESTIMONY**
TO THE NC UTILITIES COMMISSION
March 16, 2010

The purpose of my testimony is to address the Integrated Resource Plans (IRPs) of Progress Energy and Duke Energy filed for 2008 and 2009 in Dockets E-100 Sub 118 and Sub 124, including the revision filed by Duke Energy in January 2010.

In my testimony and exhibits, I show that there are alternative paths to meeting the demand as forecasted in these plans, even though the plans may already overstate future demand. The alternative paths would permit a much more rapid reduction in coal-fired generation while not requiring the construction of costly nuclear capacity.

This would be accomplished in our plan by much more vigorous programs of increasing energy efficiency, a more rapid development of renewable sources and the exploitation of a much larger share of combined heat and power potentials in the service areas of the two utilities.

Our proposals are summarized in Tables 1-4 in Exhibit 3 in my testimony. The graphs I have just distributed take the data from those tables and put them in easier to visualize graphs. [See the graphs at the top of www.ncwarn.org]

We propose an accelerated effort to increase energy efficiency in electricity use at a rate of 1.5% per year, cumulated over the planning periods. We do so because it is the least expensive way to proceed. We understand that the American Council for an Energy-Efficient Economy (ACEEE) is proposing a similar path for North Carolina.

We are further proposing that renewable resources of electricity be developed to meet 20% of electricity demand. Seventeen states now have renewable requirements of 20% or more; most of these states started with lower requirements and have raised them once or twice. In my analysis I include existing hydroelectric resources in the 20% renewable recommendation.

Utility customers which use heat, heat-driven air conditioning and electricity can benefit to a much larger extent than is now the case from combined heat and power (CHP) or cogeneration facilities. This technology uses the waste heat now discharged at electricity-only power plants as well as the associated cooling water and air pollution.

We emphasize that following plans like this do not rely on expensive nuclear facilities to meet electricity demand and phase out coal generation. Energy efficiency measures are already cost effective, and like renewable sources or CHP, become much more attractive economically when compared with the enormous costs of four large nuclear plants.