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States' Battles Over Energy Grow Fiercer With U.S. in a Policy Gridlock

By [FELICITY BARRINGER](#)

Utility executives in Kansas were shocked last fall when a state environmental official rejected two coal-fired power plants because of the millions of tons of carbon-dioxide emissions they could produce. In a state where coal generates 73 percent of the electricity, the pro-coal forces were unable to work their will.

That ineffectiveness will be underscored as early as Friday if Gov. Kathleen Sebelius, as expected, vetoes an effort by the Kansas State Legislature to ensure the plants are approved. A handful of lawmakers seeking a new energy policy are blocking the attempt to override.

The struggle over those plants is an example of a growing trend in climate-change politics. In the absence of clear federal mandates for emissions from smokestack industries, states that have been proving grounds for new environmental approaches to energy are becoming battlegrounds as well.

“There are certainly battles happening all over the nation,” said Steve Clemmer, the Clean Energy Program research director at the [Union of Concerned Scientists](#). In Kansas and Washington State, the battles are over individual plants. Other fights, as in California, are over how to structure carbon controls — essentially, who will have to pay, and how much. Some, as in Minnesota, are over how much renewable energy must be created and what forms are appropriate.

And that list does not take into account major battles between the states and the federal government, exemplified by the [Environmental Protection Agency](#)'s refusal to let California control greenhouse-gas emissions from automobiles.

What to do about the greenhouse-gas emissions from fossil fuels — particularly the coal that fuels the lion's share of electricity in 25 states — is a question Washington has largely dodged. But politics, like nature, abhors a vacuum. The national gridlock over climate-change policy has led to an ever-increasing number of state initiatives.

Currently 18 states seek to cap carbon dioxide emissions for industry and 25 support mandates for renewable energy; renewable-mandate legislative battles are under way in Ohio and Michigan. There are three multistate compacts intended to limit emissions and allow trading of carbon allowances; governors of 10 Midwestern states, including Ms. Sebelius, joined such a pact last fall.

The trend has not been slowed by the Bush administration's approval of new gas-mileage standards for new trucks and cars, or its nearly simultaneous refusal to give California and 17 other states the waiver needed to control emissions from cars.

For example, Washington State last year passed a law limiting the amount of greenhouse-gas emissions that any new power plant could produce. After the law was passed, regulators blocked a power plant that would be partly coal-fired, saying it would emit an illegal amount of carbon dioxide.

But in a state reliant on emission-free hydropower, that is a less controversial decision than the rejection of new coal plants in Kansas.

The more a state depends upon coal, the more likely resistance will be fierce. About half the states get more than half their electric power from coal.

In states like California that are well on the way to establishing a carbon-constrained regime, the battles are over how to structure carbon controls, how to distribute permits allowing limited emissions and how to ensure that companies with tight controls are given credit for acting before new rules are adopted. But when the public utilities commission's first rough draft was unveiled, the largest coal-consuming utility in the state, the Los Angeles Department of Water and Power, lashed out at state regulators, saying their proposals would unfairly favor some utilities over others.

The Los Angeles facility is not alone. The industry, generally united five years ago against controls on carbon emissions, now presents a broad spectrum of opinions, with low-coal utilities like Pacific Gas & Electric in Northern California favoring the certainty that carbon controls will bring, and embracing mandates for renewable energy. Meanwhile, coal-dependent utilities like the Southern Company in Georgia firmly resist both ideas.

All the utilities cite fairness as their objective, but they define it differently. The same is true in discussions about climate-controls in the political arena. In Kansas, the arguments over fairness and economic harm took on a particular fierceness after two plants proposed by the Sunflower Electric Corporation were rejected by Rod Bremby, the secretary of health and environment, in October. A pro-coal lobbying group, Kansans for Affordable Energy, was soon formed. Its report, filed with the Kansas Ethics Commission and obtained by DeSmogBlog.com, shows \$120,000 of its \$140,400 assets came from Peabody Coal, which could supply the new plants from its mines in Wyoming. Another \$25,000 came from Sunflower itself.

The new group placed newspaper advertisements with pictures of the smiling faces of Presidents [Mahmoud Ahmadinejad](#) of Iran, [Vladimir V. Putin](#) of Russia and [Hugo Chávez](#) of Venezuela — suggesting that if the coal plants were killed, those natural-gas exporting countries would benefit. The advertisement made no mention of the fact that none of these countries actually export natural gas to the United States.

Then the Republican-controlled Legislature moved to save the project by stripping state officials of any power to base power-plant decisions on potential greenhouse-gas emissions.

Eighty-five percent of the power would be sold out of state, mostly to Colorado. The fact that most of the electricity is not needed now by Kansans is a central argument made by the anticoal forces. Steve Miller, a spokesman for Sunflower, argues that Kansas's economy depends on exports of commodities like grain, and that the new electricity would be another valuable export.

Both chambers of the Legislature passed bills to strip Mr. Bremby of the power to make a decision on the

plants based on greenhouse-gas considerations. But the majority in the House was not veto-proof. At the end, the pro-coal forces tried to win over dissenters by sweetening the measure with an amendment requiring that renewable sources, like wind, make up 10 percent of electrical generation by 2012, 15 percent by 2016, and 20 percent by 2020.

The dissenters did not budge. Utility lobbyists like Scott Segal of the Electric Reliability Coordinating Council see these state-by-state battles as examples of why a single national policy is preferable. Congress is considering several bills setting mandatory controls on carbon dioxide emissions; the Bush administration remains committed to voluntary actions.

“There is a growing recognition among national politicians and many in the states that it will not do to have a state-by-state approach to global [climate change](#),” Mr. Segal said, adding, “the notion that any one state or group of states could make a material contribution to solving the problem is farcical.”

Joshua Svaty, a representative from central Kansas, disagrees. He said in an interview that the pro-coal forces in the state “started with the mindset of how can we maintain business as usual?” But he added, “The national mood — not just of politicians but of people — is that we’re tired of business as usual and we want to move forward with a new energy policy.”

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