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A Nonprofit Public Interest Law Firm Providing Counsel to Protect and Sustain Alaska's Environment

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PRESS RELEASE

FOR IMMEDIATE RELEASE

APRIL 29, 2009

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GROUPS WARN THAT HEALY COAL PLANT CANNOT OPERATE WITHOUT NEW CLEAN AIR ACT PERMIT

Conservation and ratepayers groups today issued a warning to the Golden Valley Electric Association and the Alaska Industrial Development and Export Authority that reactivating the mothballed Healy coal-fired power plant, located just 5 miles from Denali National Park and Preserve, would require stringent new air permits under the Clean Air Act.

Attorneys from public interest environmental law firm Trustees for Alaska and the Sierra Club Environmental Law Program, on behalf of the Alaska Center for the Environment, Sierra Club, Northern Alaska Environmental Center, Denali Citizens Council, National Parks Conservation Association, HEA Member Forum and the MEA Ratepayers Alliance, told project proponents that the \$30-45 million rehab of the never-used facility will be subject to strict permitting requirements to adequately control dangerous air emissions, including mercury and dozens of carcinogens.

The warning came in a six-page letter addressed to Brian Newton, Chief Executive Officer of the Golden Valley Electric Association.

"The facility has been mothballed for so long that regulatory changes have occurred, global climate change has become a significant issue facing Alaska and the world, and public concerns about this facility have multiplied," wrote attorneys Brian Litmans and Sanjay Narayan.

Denali Citizens Council Board Member Anne Beaulaurier agrees: "The only way to ensure public health and air quality are protected is to take the plant through an up-to-date permitting process to fully gauge the proposal's impact and ensure the most protective standards under the Clean Air Act are met."

"Under existing agreements, Homer Electric Association ratepayers will already be saddled with up to \$47 million in costs to re-start this experimental coal plant. With additional costs to come into compliance with required air quality permits, the Healy Coal Plant adds up to a bad deal for HEA ratepayers" said Joel Cooper, spokesperson for the Homer Electric Association Members Forum.

While state Revenue Commissioner Pat Galvin, who is also chairman of AIDEA's board, expressed uncertainty over the status of several permits in a January 2009 briefing, Kate Lamal, GVEA's vice president for power supply, said the permits are still in effect and will not have to be renewed. Today's legal letter argues that this opinion is counter to the Clean Air Act and that EPA will almost certainly require a new permit. It advises Newton to "factor those requirements into the legal, economic, and scheduling considerations for restarting the plant."

"GVEA can't stick its head in the sand and ignore the requirements of the Clean Air Act," said Litmans, a staff attorney with Trustees for Alaska. "The law ensures that facilities like this coal plant utilize the very best technology to protect public health and the environment."

Denali National Park and Preserve receives the strongest federal clean-air protections possible as a designated Class I area under the Clean Air Act, and currently has some of the best visibility and cleanest air in the country.

"As an advocate for healthy Alaskan communities, and as a former resident of the Denali park area, I would strongly urge that all measures be taken to ensure that Denali's pristine environs remain intact," said Toby Smith, Executive Director of Alaska Center for the Environment.

"As one of America's most iconic treasures, Denali National Park is protected by the strongest air quality standards our laws have to offer," said Joan Frankevich, Alaska program manager at the National Parks Conservation Association. "To protect visitor health, wildlife, plants, and other natural resources of the park, the state must ensure that any new pollution source, including Healy, be subject to the best pollution controls as required by the Clean Air Act."

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