

Stein, Mark

From: Dierker, Carl
Sent: Thursday, January 16, 2014 12:34 PM
To: Stein, Mark; Walsh-Rogalski, William
Subject: FW: The Back Story: Keenan relents on gas plant amendment

[Fyi on Salem Harbor plant...](#)

From: Commonwealth magazine [mailto:pfenton@massinc.org]
Sent: Thursday, January 16, 2014 12:27 PM
To: Dierker, Carl
Subject: The Back Story: Keenan relents on gas plant amendment



CommonWealth BACK STORY

POLITICS, IDEAS & CIVIC LIFE IN MASSACHUSETTS

donate to

MassINC

&
CommonWealth

Stories from

CommonWealth

POLITICS, IDEAS & CIVIC LIFE IN MASSACHUSETTS

Clearing the cops

South Coast Rail worries environmentalists

Healing health care

Post-coal decisions

Pumped over gas tax

Boston's interim school superintendent's bold plan to revamp teacher hiring

Dark money rising

January 16, 2014

Keenan relents on gas plant amendment

The Salem lawmaker at the center of a heated battle over a proposed North Shore power plant has dropped legislation short-circuiting all legal challenges to the proposed plant, saying he'll now let the state's highest court decide the plant's fate.

Salem Harbor Station, one of the largest coal-fired power plants in Massachusetts, is the subject of an intense game of tug-of-war between local officials and environmental advocates. The coal plant is losing money and is in the process of shutting down. The closing is a regional phenomenon, as coal has struggled mightily to compete against a flood of cheap natural gas.

While coal's long fade looks inevitable, it's unclear what will replace coal plants. Salem Harbor is an important test case. It's the largest Massachusetts plant to shut down, and it has the potential to set a precedent, both for smaller coal plant sites in Holyoke and Somerset, and at Somerset's massive Brayton Point plant, which will shut down in

Public defender blues

The blue-red color divide in Massachusetts

Read the latest issue of *CommonWealth*



[Sign up for CW's daily digest, *The Download*, to get a round-up of what's in the news](#)

With support from



2017. Environmental advocates, energy developers, and local officials are all jockeying to shape Salem Harbor's future, because what happens at the doomed coal plant will reverberate across the region.

Footprint Power, a New Jersey-based developer, bought Salem Harbor in 2012, with plans to demolish the coal plant and replace it with a smaller power plant that would burn natural gas. Salem officials, including Mayor Kim Driscoll and Rep. John Keenan, co-chair of the Legislature's Committee on Telecommunications, Utilities, and Energy, have supported Footprint's redevelopment plans. They've run into opposition from a group of environmental advocates, led by the Conservation Law Foundation, who feel more burning of fossil fuels - even cleaner-burning fuels such as natural gas -- is not compatible with the state's greenhouse gas goals. The CLF filed a federal Clean Air Act lawsuit in 2010 that helped force the closure of the Salem coal plant.

Keenan has met CLF's opposition to the Footprint gas plant with a number of legislative maneuvers. He initially tried to pass legislation guaranteeing Footprint a 15-year contract to sell its power to the grid; normally, New England power plant operators compete to sell power in yearly auctions. That effort failed when opponents labeled it a sweetheart deal.

Last fall, Keenan inserted language into a popular bill that would have shut down all legal challenges to the proposed Salem gas plant. He inserted the amendment in an uncontroversial bill meant to control natural gas leaks. Keenan's amendment came just as the CLF was suing to overturn Footprint's state permits; the amendment would have made those permits final. The CLF blasted Keenan's amendment as "unconstitutional and unconscionable," and it earned him stinging criticism from legislative colleagues and outside observers alike. Keenan was unapologetic, though, arguing that if he didn't exempt the Footprint gas plant from lawsuits, legal delays would prevent the plant from being built, even if the courts ultimately upheld the permits.

Keenan recently backed off his hard line and withdrew his amendment. Keenan told *CommonWealth* that he relented after the state Supreme Judicial Court agreed to an

expedited review of the CLF suit challenging Footprint's permits. "As soon as the SJC said they'd expedite it, I pulled back on it," he said. "That's ultimately the best resolution, to have it determined on the merits. I'm very comfortable, and convinced, and confident that the merits will win the case."

The SJC took up CLF's challenge in late December. Initial briefs in the case are due this week.

The CLF lawsuit hinges on the state's **Global Warming Solutions Act**, a 2008 law that commits the state to cutting carbon dioxide emissions by 25 percent of 1990 levels by 2020, and cutting emissions by 80 percent by the year 2050. The CLF has argued that the gas-powered plant in Salem, which would have the capacity to emit 2.5 million tons of carbon dioxide per year, is incompatible with those goals.

"I voted for the Global Warming Solutions Act. I know what it says," Keenan said. "I really do think it is consistent. We don't have enough renewable energy to replace all the aging-out fossil fuel units, so we do need the next generation of fossil fuel plants. That is the best and highest technology that those guys have proposed to build in Salem. In all likelihood, it'll have to happen down in Brayton Point as well."

The state Energy Facilities Siting Board issued Footprint's permits last October. In previous court filings, Footprint had argued that if it is going to open its new Salem facility on time -- it successfully bid into the regional energy auction beginning in June 2016 -- it must begin pre-construction activities no later than the end of this month.

-- PAUL MCMORROW

STAY CONNECTED WITH MASSINC



[Forward this email](#)



Try it FREE today.

This email was sent to dierker.carl@epa.gov by pfenton@massinc.org
[Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#)
MassINC & *CommonWealth* Magazine | 11 Beacon St. | Suite 500 | Boston | MA | 02108