Accord reached on power plants

Deal calls for more wind farms, energy-conservation efforts, cleaner technology.

By KAREN DILLON
The Kansas City Star

In what officials are calling a groundbreaking deal, Kansas City Power & Light will build wind farms and use cutting-edge technology to make its power plants among the nation's cleanest.

The steps are part of an agreement reached Monday with the Sierra Club in Missouri and Kansas and a local citizens group that has been fighting the utility's plans to build another coal-fired plant near Weston.

For their part, the Sierra Club and the Concerned Citizens of Platte County will drop their six-year battle against the Iatan 2 plant, allowing it to be completed.

In a joint statement, the organization and the company said the agreement "can serve as a model for environmental groups and utilities working together."

It will be announced in a news conference at 11 a.m. today at the Discovery Center in Kansas City.

The cost to KCP&L could be hundreds of millions of dollars, according to the Sierra Club.

KCP&L declined to speculate on the cost, citing portions of the pact that will need government approval and legislation.

But the pieces of the plan were clear. According to the settlement, KCP&L will:

• Add 400 megawatts of wind energy. The utility has a 100-megawatt wind farm near Spearville in southwest Kansas that cost more than $150 million. Sites for the new wind turbines have not been determined, but KCP&L will build them by 2012.

• Create 300 megawatts of energy efficiency by encouraging conservation and working with businesses and communities to lower their electricity use.

• Reduce carbon dioxide emissions by 20 percent by 2020, even with a new plant on line. Carbon dioxide, which has not yet been regulated by the federal government, is considered a key cause of global warming.

• Decrease emissions of nitrogen oxide and sulfur dioxide, major contributors to ozone, and other pollutants at Iatan 1 and 2 and at two units at the La Cygne, Kan., plant. The new levels of emissions will be among the lowest in the country, according to a statement by the utility and environmental groups.

• Conduct a study of its Montrose plant in west-central Missouri with the Sierra Club to determine whether to close it or install modern antipollution controls there.

• Work with the Sierra Club and legislators to get approval for "net-metering" in the utility's service area. Net-metering allows residents to generate small amounts of electricity from solar panels and wind turbines in their backyards and sell excess energy to the utility.

• Finance several community projects, including some recommended by the Kansas City Climate Protection Committee to reduce greenhouse gases. Other projects include three more air-quality monitors for the region, upgrading the drinking-water infrastructure in Weston and creating a left-turn lane near the Iatan plants to help motorists avoid coal trains.

Bill Downey, president and chief executive officer of KCP&L, said utility officials were meeting with governors and legislators in Kansas and Missouri on several of the issues in the agreement.

"Finding collaborative solutions is something we started back in 2004," Downey said. "We felt getting into this kind of discussion and bringing Sierra Club into it would be more productive than waging specific legal battles and winding up with partial solutions."

Sierra Club and KCP&L officials promised to work together on getting regulators' approvals for the measures.

Bruce Nilles, attorney and official with the Sierra Club, said the settlement was the most far-reaching ever made with a utility in the United States.

"It is significant, and in our mind it is turning the corner," Nilles said. "KCP&L has raised the bar, and it will be impossible
for any other responsible utility to ignore global warming."

The environmental group hopes the measures to which KCP&L has agreed will create enough wind power and reduce enough demand for power to make additional coal-fired plants unnecessary in the future.

"Out of the fighting for the last six years, an agreement has been reached that we hope will lay a foundation" for KCP&L, Nilles said.

"In essence ... this will be the last coal plant built in the region."

Susan Brown of the Concerned Citizens of Platte County was ecstatic.

"This is so exciting," said Brown, who became involved because of worries over how mercury from the plants might harm her children.

"I never contended they were evil," Brown said. "They were just working in a system that was backward and encouraged people to use and use and use more electricity."

Construction has begun on the 850-megawatt Iatan 2 plant. It is expected to cost $1 billion. But since 2001, the opponents have used the public arena and legal actions to delay work on the plant.

The fight became particularly abrasive last year when the Sierra Club said it had evidence that KCP&L had violated the federal Clean Air Act by failing to install modern pollution equipment on Iatan 1 when it upgraded the plant several years ago.

KCP&L maintained it never performed a major upgrade and had done nothing wrong.

As part of the agreement, the environmental groups agreed to drop all legal actions and challenges.

However, Monday's announcement doesn't have any effect on a federal investigation, Downey acknowledged. Last month a federal grand jury subpoenaed KCP&L records that the Sierra Club had collected on Iatan 1.

Downey said he didn't know why the government was seeking the information.

**Key parts of the deal**

Under the pact, KCP&L will:

- **Build** 400 megawatts worth of wind turbines by 2012.
- **Work with businesses and communities to lower electricity demand.**
- **Reduce** carbon dioxide emissions, a major contributor to global warming, by 20 percent by 2020.
- **Decrease** emissions of nitrogen oxide and sulfur dioxide, major contributors to ozone.
- **Fund** several community projects, including some recommended by the Kansas City Climate Protection Committee.

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To reach Karen Dillon, call (816) 234-4430 or send e-mail to kdillon@kcstar.com.