



For Immediate Release
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Utility giant pulls plug on untenable project that threatened to smother Ohio's growing renewable energy market

FirstEnergy abandons Burger project days after OEC's appeal to Ohio Supreme Court

(Columbus, OH)—Utility giant FirstEnergy Corp. announced today that it is abandoning plans to repower its R.E. Burger facility with unknown sources of “biomass” material. The proposal had been mired in legal battle for months, with consumer and environmental advocates alleging that the plant would be both unsustainable and prohibitively expensive.

The utility giant proposed to switch from coal to wood at the Burger plant to comply with U.S. EPA penalties after it was found guilty of violating clean air laws. The Burger facility is a 312-MW electric power plant located on the Ohio River in Shadyside, Ohio.

FirstEnergy had hoped to use the energy generated at Burger to meet its obligations under Ohio's Renewable Energy Standard, which requires investor-owned utilities to begin investing in “renewable” energy sources.

Will Reisinger, staff attorney for the Ohio Environmental Council and lead counsel on the case, praised the decision as good news for both the state's environment and economy.

“FirstEnergy now has the opportunity to follow the lead of forward-looking utilities and invest in truly renewable energy sources such as wind and solar, instead of relying on unknown energy sources with dubious economic and environmental benefits. FirstEnergy can now start growing—not smothering—jobs in Ohio's emerging renewable energy industry.”

Under a sweetheart law change it secured in last year's state operating budget, FirstEnergy could have accrued Renewable Energy Credits at the Burger plant that were 4.5 times as valuable as any other REC generated in Ohio. The American Wind Energy Association predicted the law change would have “catastrophic effects on Ohio's renewable energy marketplace” leading to a “death spiral” for Ohio's green energy marketplace.

In a press release today, FirstEnergy conceded that the project was not economically viable. “Despite our best efforts, we were unable to overcome the challenges of the difficult economy to cost-effectively repower the Burger Plant to burn biomass,” said Gary R. Leidich, executive vice president and president of FirstEnergy Generation.”

“While other Ohio utilities have started investing in wind, solar, and energy efficiency resources, FirstEnergy chose to put all its eggs in one basket—and the Burger plant proved to be both unsustainable and uneconomical,” said Reisinger.

FirstEnergy made the announcement two days after the OEC filed an appeal (<http://bit.ly/c2rhMd>) of the Burger proposal to the Supreme Court of Ohio.

“Although the Burger project has been cancelled, our case at the Supreme Court still goes forward,” Reisinger added. “The PUCO erred in the manner in which it handled the biomass energy question, and those errors should not become precedent in Ohio.

“In order to qualify as clean ‘renewable energy’ under Ohio law, biomass fuel must be harvested and utilized in a sustainable fashion. We will continue to press the appeal.”

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The mission of the Ohio Environmental Council (OEC) is to secure healthy air, land, and water for all who call Ohio home. The OEC is Ohio’s leading advocate for fresh air, clean water, and sustainable land use. The OEC has a 40-year history of innovation, pragmatism, and success. Using legislative initiatives, legal action, scientific principles, and statewide partnerships, the OEC secures a healthier environment for Ohio’s families and communities. For more information, visit www.theOEC.org.