POWER PLAY

Does the proposed gas-fired generator in Coburg make sense?

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When springtime hits Coburg, locals roll up their sleeves. Freshly shorn sheep graze the pastures, blossoms streak the orchards with color, and irises bloom on Carolyn Kinnan's small, neat lawn. Like most of the town's 969 residents, Kinnan, a 66-year-old great-grandmother of 11, works from dawn until dusk — but she doesn't tend to livestock or crops. Instead, she visits neighbors and organizes meetings in an effort to stop a local developer from building a natural-gas-fired power plant less than a half mile from her home.

The site of the proposed plant is a 100-acre plot of farmland next to the Weyerhaeuser veneer mill in northern Lane County, just a few miles south of the Linn County border. For years it has been used to grow grass seed, but the site also has commercial potential. Nearby power lines carry energy into the valley, and a gas pipeline runs through the soil. This infrastructure, says developer Gary Marcus, makes the site perfect for a natural-gas-fired power plant. The plant, if built, will take up 40 acres, and another 55 acres will become wetlands.

Some locals argue that the area is badly suited for industry. Because of the 3,500-foot Coburg hills that hem in the valley to the east, the airshed is prone to temperature inversions, when stagnant cool air gets trapped below a layer of warmer air, holding pollution low to the ground. On rainy days, clouds hang in front of the hills as if too tired to surmount them. Opponents of the plant worry that emissions from the plant's 195-foot stacks would hang in the valley like those clouds.

The grassroots struggle against the facility began in 2001, when Marcus submitted an application to the Lane Regional Air Pollution Authority (LRAPA) to permit air emissions from a 600-megawatt gas-fired power plant in Coburg. A community group called Save our Valley (SOV), spearheaded by Kinnan, rallied against the proposal, but Marcus folded when Enron, his prospective buyer, collapsed.

In November 2003, Marcus emerged with a revised proposal to build a 900-megawatt plant. It consists of a base load with a 600-megawatt capacity and six peaking generators able to produce 50 megawatts each. Marcus claims that the plant, called the West Cascade Energy Facility, will supply enough power to serve all of the electricity needs of Lane, Linn and Douglas counties, and then some. Once construction on the $485 million plant begins, the South Dakota-based Black Hills Corporation will take over principal control of the facility.

As Marcus pushes ahead with his proposal, clashes intensify. Opponents challenge West Cascade on the basis of the burdens it will place on local residents and its lack of public accountability. Supporters say that the facility will provide Lane County with reliable, low-cost energy while bolstering the local economy.

Lately, the battle has intensified. Former County Commissioner Tom Lininger and Marcus spar on the opinion pages of *The Register-Guard*. Marcus courts support from municipal agencies, and SOV forms alliances with environmental groups. The arguments on both sides are compelling and complex.

At a time when global warming threatens to change life as we know it and the national energy industry is undergoing a sea change, both sides may be missing the point. Looking beyond the personal attacks, the not-in-my-backyard arguments, and the smooth sales pitches, this becomes a local fight with global implications.

DO WE NEED IT?

Proponents of the plant liken it to an energy insurance policy for the Willamette Valley, saying that it will lessen local reliance on transmission lines from east of the Cascades while providing emergency backup power. Opponents counter that Oregon already has an energy surplus, so we don't need more energy.

Existing power demand in Lane County is 875 megawatts during peak hours. That demand is projected to grow by 175 megawatts over the next 20 years. West Cascade is designed to add generating capacity in phases, as demand increases, up to 900 megawatts.

Only several hundred megawatts of reliable electricity are currently generated inside the Willamette Valley. The rest — about 625 megawatts in Lane County alone — travels across transmission lines from BPA's Columbia River dam and power plants east of the Cascades. Utilities will need to build additional transmission lines if Lane County imports more power from outside the valley. This is expected to increase electricity rates.

Generating power from within the valley, on the other hand, would relieve incoming pressure on the lines. The BPA power that flows into Lane County now would go somewhere else.

Marcus claims that the plant has a wide range of supporters. "This plant is backed by the public utilities commission, it's backed by the governor's energy office, it's backed by BPA," he says. "Anybody who knows anything about electrical infrastructure issues is behind this."

The endorsements are hard to verify. "I spoke to a number of staffers and nobody seems to be able to confirm that," says Bob Valdez, spokesman for the Oregon Public Utilities Commission. "It seems unlikely." The Black Hills Corporation did not respond to requests for comment.

But Springfield resident Garrett Paulson, a retired wastewater engineer, supports the proposed plant. "Because the Willamette Valley has one of the largest energy demands, this project just makes sense," he says. "It seems to me a win-win situation."

Whether there is a need for the plant or not, the fact remains: Marcus has the legal right to build it. Oregon used to have a need standard, which meant that when a developer applied for building permits, the siting council considered the need for the facility. But several years ago, the Oregon Legislature banished the need standard because it wouldn't hold up in court under national deregulation policy.

A carbon dioxide mitigation standard took its place. It requires new power plants to pay into the Oregon Climate Trust, which funds projects to offset 20 percent of the plants' carbon dioxide emissions. The carbon standard is the first of its kind in the country, but the need standard is dead. "Everybody can yell about how we don't need it or we do need it," says senior energy analyst for the Northern Energy Coalition Steve Weiss, "but it doesn't get you anywhere with the siting council."

WHO BENEFITS?

Customers in Lane, Linn and Douglas counties would use the energy generated by West Cascade. But on the power grid, *use* is different from *sale*. Although the regions closest to the power source use its electricity, the energy can be sold anywhere on the grid.

"People inject power into the grid at one point, and then somebody somewhere else takes it out," says Weiss. "As long as there's a way for the power to travel, nobody color-codes the electrons."

Marcus says that West Cascade will only sell to Northwest utilities. "We're not negotiating with any out-of-state customers," he says. "There are no lines to California." True or not, Marcus is under no legal obligation to limit his sales to Willamette Valley utilities. His target utilities include Pacific General Electric (PG&E), which sells to Portland and Salem, and PacifiCorps, which serves six states, including Oregon.

If West Cascade doesn't sell to California, chances are good that it will free up other facilities' energy for export. The Northwest already has a surplus of energy, and developers have proposed dozens of new gas-fired plants in Oregon and Washington. Because energy cannot go onto the grid without a buyer to take it off, someone has to send the excess energy somewhere.

"A portion of these new plants are intended to benefit out-of-state consumers," says Lininger. "When you add up the proposed generation for Oregon and Washington, and it far exceeds the local demand, that's California dreamin'."

"Unless he's crazy," says Weiss, "when prices are real high in California, then that's where he should be selling."

POWER PLANNING

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