

Appalachian Voices • Carolinas Clean Air Coalition  
Clean Water for NC • Conservation Council of NC  
Environment North Carolina • NC Conservation Network  
NC Sierra Club • NC WARN • NC Fair Share • Southern Environmental  
Law Center • SURGE • Pamlico-Tar River Foundation • Southern  
Alliance for Clean Energy • Waterkeeper Alliance

July 11, 2007

Speaker Joe Hackney  
North Carolina House of Representatives  
16 W. Jones Street, Room 2304  
Raleigh, NC 27601-1096

Dear Speaker Hackney,

We write as members of the environmental and public health community, and on behalf of the tens of thousands of members and concerned citizens who make up our organizations, regarding S. 3, "Promote Renewable Energy/Baseload Generation."

S. 3 is a major piece of legislation affecting all of your constituents. We support the bill's renewable energy and energy efficiency portfolio standard ("REPS"), which would benefit North Carolina's consumers, environment and economy. However, we feel it is critical that the provisions in S 3 that promote new coal and nuclear power plants are removed or improved before the bill becomes law. In addition, we seek safeguards to ensure that the biomass resources promoted in the bill, especially animal-waste-to-energy sources, do not have negative public health and environmental impacts. We would like to work with you to address our concerns in the following areas:

**Financing for new coal and nuclear plants:** The baseload financing provisions in S. 3 reverse decades-old policy intended to protect consumers from the growing financial risks of constructing new nuclear and coal plants. Effectively, these provisions accelerate the construction of the very plants that renewable energy and efficiency measures are intended to offset. The renewable and efficiency portions of the bill grew out of and were informed by a study process convened by the Utilities Commission at the request of the Environmental Review Commission. However, no such process has been conducted to examine the policy and fiscal impacts of the provisions to promote new nuclear and coal plants. We believe ratepayers' exposure to rising costs of new coal and nuclear plants should be capped, allowing renewable sources and energy efficiency to compete on a level playing field, and ensuring that your constituents are not put at a disadvantage in order to benefit the utilities' shareholders.

**Animal Waste to Energy:** It is important that the renewable energy portion of the bill reinforce the work the General Assembly has done for more than a decade to promote best practices for management of animal waste. To that end, we believe that the swine waste set-aside in the bill should be linked to the performance standards as set forth in Sen. Albertson's other major environmental bill pending this session, S. 1465, "Swine Farm Environmental Performance Standards." Affordable technology exists to protect environmental health while at the same time creating a new source of revenue for farmers through the sale of waste-to-energy.

Finally, we are concerned that the poultry-waste-to-energy requirement in S. 3 could undermine the General Assembly's long history of reducing and preventing health-threatening air pollution. Poultry litter incineration facilities emit large amounts of air pollutants. To be eligible for inclusion in the REPS, poultry litter-to-power facilities must, at a minimum, be designed and permitted to be cleaner than the conventional generating plants they will displace.

North Carolina has many times been on the cutting edge of environmental leadership in our region. We now have a tremendous opportunity to lead the Southeast toward a new energy future. We look forward to working with the House to ensure that S. 3 will protect ratepayers, promote a clean healthy environment for generations to come, and boost our clean energy economy.

Sincerely,

Mary Anne Hitt  
Appalachian Voices  
Boone

Molly Diggins  
North Carolina Sierra Club  
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Cc: Honorable Members of the North Carolina House  
Senate President Pro Tempore Marc Basnight  
Governor Mike Easley