



# SWITCHBOARD

Natural Resources Defense Council Staff Blog

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## What New Coal Plants?

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As EPA prepares the first-ever national standards for carbon pollution from new fossil fuel powerplants, the coal industry is embarking, predictably, on its latest dis-information campaign to try to block these desperately needed public health and climate safeguards. New coal plants are dirty, risky, and expensive. No wonder the smart money won't touch them.

Flacks for the coal lobby have their hair on fire about the rumored content of draft EPA standards that haven't even been released. They say the standards will kill new coal plants. Haven't they been paying attention? No one wants to build new coal plants. Except for a handful already underway, no more are planned for the foreseeable future. We don't know what the EPA draft standards say but we should all be asking a simple question. Exactly why should EPA write a standard that is gerrymandered to make room for dirty powerplants that the private sector does not want to build?

Let's look at the facts. Starting about ten years ago, there were waves of announcements for scores of new coal plants. In all, nearly 200 coal plants were proposed. Now only a handful of these projects are technically alive and they are on life support. A small number of proposed plants have permits but like many previous plants with such permits, most if not all of these proposals will turn out to be vaporware. A permit may get a developer a meeting with project financiers but it will not get their money. The finance community understands new coal plants are simply not economic, given the alternatives that are available.

Other than a few plants under construction there is virtually no prospect of new conventional coal plants being built in the next quarter century according to the Energy Information Administration. EIA [reports](#) no new conventional coal plants coming online after 2012 and only two gigawatts (GW) of coal plants with carbon capture and sequestration coming online around 2017; then nothing more through 2035, the end of the EIA forecast period.

Are the rumored new EPA CO2 standards responsible for the collapse of the new coal plant boom? No. Market forces have rejected new coal plants. Abundant supplies of natural gas have produced

Despite the coal lobby's rhetoric, building new conventional coal plants is a bad economic bet for society as well as for individual investors. Even in countries where building a new coal plant appears to be cheaper than investing in cleaner energy, the International Energy Agency reports that going down such a path will produce huge net economic losses. IEA [reports](#) that for every dollar "saved" by investing in a dirtier power plant before 2020, countries will wind up spending more than four dollars after 2020 to overcome the impact of those dirty investments.

So let's have the debate. The market has walked away from conventional coal plants. Should EPA try to hold back the tide of market forces? Should EPA set CO2 standards for new power plants that are twisted to make the coal industry happy? Or should EPA follow the law and good policy and set standards that provide a level playing field for coal and natural gas and avoid locking us into another round of new multi-billion dollar old coal technology that will cost us more and damage our health and the only climate we have?