



American Lung Association of Santa Clara-San Benito Counties
Position Paper, Metcalf Energy Center

Although the American Lung Association of Santa Clara-San Benito Counties recognizes that power plants always emit pollution, it must consider that newer power plants such as the one proposed at Metcalf are far less polluting than older plants. Although the Association urges energy conservation in order to reduce electricity needs, it must be practical when others fail to heed these pleas. After lengthy and careful review of Metcalf Energy Center plans, the Association believes that stringent air quality standards on this project, decreased reliance on existing older plants and diesel generators, and the permanent retirement of air emission offsets will actually result in a net improvement to regional air quality if Metcalf is built. We, therefore, support the proposed Metcalf Energy Center.

New Facilities vs. Old Facilities

The power plants currently used in the Bay Area were almost exclusively built in the 1950's and 60's. They utilize an outdated technology that creates large amounts of nitrogen oxide (NOx) (as well as other precursors of smog) with concentrations of upwards of 60 to 90 parts per million. By comparison, NOx emissions from modern facilities will be permitted at only 2 parts per million. The new era of electric utility deregulation has provided an environment for independent power producers to invest in new natural gas-fired power plants using improved combined cycle technology. This technology produces electricity more efficiently than older power plants currently being used in the Bay Area, consuming 40% less natural gas and reducing emissions by up to 90%. Stricter conditions must be met or a facility cannot be built or operated. In addition, all facilities are monitored 24 hours per day after construction and regulated by the Bay Area Air Quality Management District and the California Energy Commission. Therefore, as additional modern gas-fueled power plants come online in the Bay Area, our air basin could experience a net improvement in air quality. The new plants would be used for normal energy needs and the older plants would only be called into service during periods of peak demand.

Emergency Situation

Over the past few decades, our population has boomed, yet our electricity supply has not increased. The digital economy has created a new level of demand for reliable electricity supplies. On June 14th, for the first time in PG&E history, the Bay Area experienced rolling blackouts due to lack of electricity supply. The operator of California's electrical grid ordered PG&E to turn off the electricity to more than 97,000 homes and businesses in order to keep our regional electrical system from collapsing. Some people living with sensitive health conditions were forced to be without electricity for hours. This situation is likely to happen again.

Lack of Electric Supply Impacts Air Quality

Currently, Silicon Valley's burgeoning energy demands are being addressed by the increased use of diesel generators at local corporations, generators that have few if any pollution controls. While there are few permitting requirements for emergency back-up generators, air quality experts estimate that there are over 500 diesel generators in Santa Clara County alone, and over 2,000 in the Bay Area. Regulation is so loose that we cannot say exactly how many there are. By way of comparison, a one-megawatt emergency diesel generator releases approximately the same NOx emissions as would the 600-megawatt Metcalf Energy Center. Problems with diesels are exacerbated because hot days when electricity is in short supply are often also very smoggy days. The American Lung Association has long been concerned about diesel emissions, which have now been labeled as toxic air contaminants by the California Air Resources Board. Toxic air contaminants cause increased incidents of asthma attacks, decreased immune system response, and cancer. Sensitive populations such as seniors, children, and people with lung disease are especially at risk.

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The Metcalf Energy Center

The most timely and air quality-friendly way to meet our local need for electricity is to build more modern, natural gas generation capacity within the South Bay. Two local companies, Calpine and Bechtel, have purchased land with plans to develop a 600-megawatt power plant on a 14-acre site next to the 40-acre PG&E substation in South San Jose, at the northern entrance to Coyote Valley along Monterey Highway. The application was submitted to the California Energy Commission in April of 1999 and has been going through a rigorous review process by more than a dozen regulatory and government agencies. If approved, the Metcalf Energy Center could potentially be providing electricity to the South Bay by the summer/fall of 2002. The identified site would allow what is essentially an "in-fill" project, since it does not require long transmission lines over the hillsides or throughout the neighborhoods. It is conveniently adjacent to both transmission lines and a natural gas pipeline.

The Alternatives

If this plant is not approved, we may continue to have blackouts during which corporations will rely on their diesel generators to provide them with emergency power. Our air quality could be drastically affected for the worse. If we wait for other transmission projects to be built, relying on power from remote power plants, we could be waiting several years due to habitat/environmental issues associated with locating new power lines. During this time, diesel back-up generators would continue to pollute our air. In addition, people with health problems might increasingly face interruptions in their power supply, which could threaten their health. This project faces opposition from some Santa Theresa neighbors who want the plant to be built somewhere else, but Calpine and Bechtel will not build at another site. Having studied thirteen sites, they have concluded that this is by far the best site in the South Bay at this time.

Support

It is important for the American Lung Association to endorse this project in order to help people understand the importance of replacing old-style power plants with new, clean natural gas-fueled technology and reducing corporate reliance on diesel generators. With modern power plants, there will be fewer adverse affects on air quality.

Approved by ALA Board on September 21, 2000
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