

June 19, 2011

A.E.P. Protests Too Much

American Electric Power, one of the nation's largest utilities, warned last week that new air quality rules could force it to "prematurely" shut down about two dozen big coal-fired units and fire hundreds of workers. This is a deceptive and particularly cynical claim. The utility is making a business decision that has little to do with the rules.

Here is what A.E.P. is not saying: These units are, on average, 55 years old. Some are running at only 5 percent of capacity. Many had long been slated for retirement, in part to comply with a 2007 settlement with the George W. Bush administration in which the company agreed to settle violations of the Clean Air Act by spending \$4.7 billion to retire or retrofit aging units.

Blaming the rules is a transparent scare tactic designed to weaken the administration's resolve while playing to industry supporters on Capitol Hill. Fortunately, Lisa Jackson, head of the Environmental Protection Agency, which proposed the rules, refuses to be bullied.

Ms. Jackson called the A.E.P. charges "misleading at best" and made clear she would not retreat from her statutory duty to protect public health. She said she would stick to her timetable and make the rules final this year. We hope that the White House is equally determined.

Two rules are at issue. One, proposed last year, would require utilities to sharply reduce emissions of already-regulated soot and smog-forming pollutants like sulfur dioxide. The other, for the first time, would mandate reductions in toxic pollutants like mercury. Coal-fired plants, which generate the vast bulk of A.E.P.'s power, are by far the biggest producers of all these pollutants. Companies will have to begin complying with the soot and smog rules next year and the air toxics rule by 2015.

A.E.P. says this timeline is "unrealistic" and asks for a delay of up to five years; otherwise, it says, it will have to shut down one-fourth of its coal-fired capacity and lay off up to 600 workers. Yet in a June 1 meeting with investors, Michael Morris, the utility's chairman, who last week warned about the impact of the proposed regulations on "our customers and local economies," told investors that the closings were "the appropriate way to go" for customers and shareholders.

As for the utility's claims of undue haste, they don't stand up to even minimal review. Both rules have been in the works since the Clinton administration, and companies that have made their plants more efficient or invested in cleaner-burning fuels or up-to-date pollution control technologies are by now well prepared to deal with them.

A.E.P., by contrast, has always seemed much more interested in fighting the Clean Air Act than in finding sensible ways to meet its requirements. It fought the statute after it passed in 1970 and resisted efforts to strengthen the law under President George H. W. Bush. Even now it is shopping a bill around Capitol Hill that would block or delay the proposed new standards.

The bill does not so far have a sponsor, though it will likely have plenty of sympathizers among Republicans and some Rust Belt Democrats. It does not reflect the interests or wishes of the vast majority of Americans, for whom cleaner air is rightly a higher priority than any company's bottom line.