



MEDIA RELEASE

Summary and full report at <http://wiseenergyforvirginia.org/>

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Energy Efficiency Trumps Coal in Virginia

New study shows investing in efficiency instead of Wise County coal plant would save most Virginia families up to \$91 a year

Richmond - A new report shows that investing in energy efficiency instead of building the Wise County coal plant to meet the same electricity demand would yield hundreds of millions of dollars more annually for the state and create at least 2,600 more jobs than the controversial 585-megawatt coal-fired power plant. The benefits would be even greater if, as anticipated, the federal government enacts controls on global warming emissions.

The report compares the economic effects of building Dominion Power's Wise County coal plant with investing in energy efficiency measures that would meet the same electricity demand. The study finds that avoiding construction of the coal plant by investing in efficiency would save the average household in Dominion's service territory between \$52 and \$91 per year in 2012.

The analysis was performed by Abt Associates, an independent, global research firm that works with clients including the U.S. Environmental Protection Agency, the Department of Energy and major U.S. corporations. The findings were released by the Wise Energy for Virginia Coalition at a press conference today at the Capitol Building in Richmond.

“[T]he Energy Efficiency Alternative would be both less costly than the [Wise County] Plant for ratepayers, and substantially more beneficial to the Virginia economy in terms of Gross State Product (GSP) and job effects,” the report concludes. Energy efficiency includes “Energy Star” appliances, compact fluorescent light bulbs, better insulation and high-efficiency heating and cooling systems for buildings and other measures that reduce demand.

Because electricity from coal is much more expensive than electricity saved through efficiency, building the coal plant would result in higher electric bills for homes and businesses, which would diminish consumer spending and weaken Virginia's economy. Improving energy efficiency, on the other hand, would lower electric bills, leave more money in the hands of consumers and businesses, and boost our economy, according to the analysis. In addition, efficiency policies will directly create jobs, especially in the contracting industry for retrofitting and weatherizing homes, businesses, schools and other buildings.

“Even if you don’t factor in the issues of mountaintop removal coal-mining, climate change, and toxic pollution and look only at the economics, investing in efficiency instead of more dirty coal is the better choice,” said Tom Cormons of Appalachian Voices. “Energy efficiency is the cleanest, cheapest, and quickest way to meet our electricity needs.”

According to the study, energy efficiency instead of the Wise County plant would boost the state economy by *at least* \$228 million to \$323 million each year between 2012 and 2025. It would also lead to at least 2,600 more permanent jobs than would exist if the investment were made in the Wise County coal plant. The report finds even greater benefits if the federal government implements “cap-and-trade” regulations on carbon dioxide, the main contributor to global warming, which will increase the cost of electricity from coal, according to the report. The Abt researchers estimate that, if such regulations are enacted, efficiency will boost the State Gross Product by up to between \$483 million and \$675 million annually between 2012 and 2025, as compared to the coal plant. It would result in a net gain of between 4,000 to 6,000 permanent jobs during the same period.

“In addition to being better for the Commonwealth economically, energy efficiency can grant a reprieve on the death sentence of the Appalachian mountains which are being devastated by mountaintop-removal coal mining,” said Kathy Selvage of Southern Appalachian Mountain Stewards (SAMS). SAMS has joined Appalachian Voices, the Chesapeake Climate Action Network, the Sierra Club and the Southern Environmental Law Center in filing two lawsuits to stop Dominion’s coal plant.

Although the study focused on the Dominion plant, coalition members said the findings can also be applied to the \$6 billion coal-fired power plant in Surry County recently proposed by Old Dominion Electric Cooperative. “The proposal to build a massive new coal plant in Surry County is extremely concerning and out of touch,” said Glen Besa of the Sierra Club-Virginia Chapter. “Efficiency is a win-win. It allows us to meet our electricity demands while saving money for consumers and preserving the environment. Another conventional coal plant would be a giant step in the wrong direction.”

“From a moral standpoint, choosing energy efficiency is the right thing to do,” said Rabbi Romer of Or Ami Congregation in Richmond. “Through efficiency we will be protecting God’s creation and putting Virginia families first.”

Energy policy will be a top priority for the Virginia General Assembly this upcoming session as it grapples with climate change recommendations and a major budget crisis. Proponents argued that energy efficiency is the best way for legislators to tackle both issues and urged them to enact mandatory efficiency measures this legislative session.

“Let’s declare 2009 to be the year the Commonwealth begins to address global climate change and the devastating practice of mountaintop removal, and gives our children healthier air to breathe and water to drink, all while saving money,” Selvage said. “We can get started on all of these by passing true energy efficiency measures in the General Assembly.”

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The mission of the Wise Energy for Virginia Coalition is to stop Dominion Power’s coal-burning power plant in Wise County and turn Virginia toward a cleaner, sustainable energy future. The coalition includes Southern Appalachian Mountain Stewards, Appalachian Voices, Chesapeake Climate Action Network, Sierra Club and Southern Environmental Law Center.