

Largest Coal-Fired Plant In NE To Close By 2017

AP

BOSTON (AP) -- A Massachusetts power plant recently cited by federal regulators as one of the state's heaviest polluters is planning to shut down.

Owners of the coal-fired Brayton Point Power Station in Somerset filed papers Monday indicating the plant will no longer provide power to the region's electricity grid when it is retired as of May 2017.

The announcement came just months after the plant was sold by Virginia-based Dominion to Energy Capital Partners, a private equity firm with offices in New Jersey and California. Dominion bought the plant in 2005.

The plant's new owners pointed to a number of reasons for the planned shutdown, including low electricity prices from a surplus of natural gas and the need to invest "significant capital to meet environmental regulations and to operate and maintain an aging plant."

"We understand the impacts that this decision to retire Brayton Point Station will have on the employees of Brayton Point, local community and other stakeholders," Curt Morgan, CEO and President of Brayton Point Energy, LLC., said in a written statement Monday.

Morgan said the company will work to ease those impacts. Brayton Point Station, the largest of six coal-fired plants in New England, employs approximately 240 workers.

Environmental groups had long sought to close the plant, which topped the Environmental Protection Agency's list for most toxic emissions in Massachusetts in 2011.

"It's a very clear indication that coal-fired power is no longer economically viable," said Jonathan Peress of the Conservation Law Foundation.

Pauline Rodrigues, a longtime resident of Somerset, said she's pleased the plant will no longer be burning coal, but is worried about the loss of jobs and the financial hit to the town.

"It feels like a big hole in the town because there is no plan in place to help the economy of our town," she said. "We didn't want anything to happen until the town planned for it."

Marcia Blomberg, spokeswoman for ISO-New England, the region's electric grid operator, said the retirement of older fossil-fuel powered plants has been considered as part of the grid's strategic planning process. She said there are a lot

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of economic forces working against coal-fired plants, which are often older facilities that need anti-pollution upgrades to meet tougher environmental standards.

Coal's decreasing competitiveness prompted Dominion in 2011 to ask for permission to shut down the 60-year-old coal- and oil-fired Salem Harbor Power Station. It was later purchased by a company that planned to build a natural gas plant on the site.

Dominion had spent about \$1.1 billion to modernize the five-decade-old Brayton Point station, which also burns oil and natural gas.

But despite the effort, the estimated earnings had been bleak. A report last year by USB Investment Research projected Brayton Point would lose \$3 million in 2014.

Coal accounts for 3 percent of electricity production in the region compared to 52 percent for natural gas. Its small supporting role in New England's energy production is at odds to its role in the nation as a whole. In 2010 coal accounted for nearly 45 percent of all power produced in the country, according to the U.S. Energy Information Administration.

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