

EPA urged to adopt federally-enforceable regulations for coal ash

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Investment groups managing over \$240 billion in assets under management urged the U.S. Environmental Protection Agency (EPA) to adopt "Subtitle C" regulations governing coal ash disposal to prevent environmental and health risks.

Potential environmental concerns from coal ash refer to pollution from impoundment and landfills leaching into ground water and structural failures of impoundments, like that which occurred at the Tennessee Valley Authority's (TVA) plant in Kingston, Tennessee.

TVA faces over \$1 billion in costs along with dozens of lawsuits after one billion gallons of toxic coal ash burst through a dam near the power plant in December 2008.

Coal ash, also referred as coal combustion residuals (CCRs), is a byproduct of the combustion of coal at power plants and is disposed of in liquid form at large surface impoundments and in solid form at landfills. The toxins in coal ash have been linked to cancer, organ failure, and other serious health problems.

In a letter to the EPA, the investors said the catastrophic coal ash spill at the TVA showed that current regulations are not enough to alleviate environmental and financial risk for utilities and their shareholders.

The group highlighted the financial assurance requirement in the proposed regulations as a critical measure to assist shareholders in understanding the financial risks associated with coal ash and evaluating which companies are financially prepared to deal with coal ash-related impacts.

The letter, which comes the day before a public hearing in Chicago on the proposed regulations, is signed by 22 institutional investors including the Connecticut State Treasurer's Office, New York State Comptroller Thomas DiNapoli, and Oregon Treasurer Ted Wheeler.

"It's not just the possibility of another TVA spill that presents risks to companies that store or dispose of coal ash. There is documented evidence of coal ash contamination from leaching or spillage at over 67 different sites in the U.S.," Emily Stone, Shareholder Advocate at Green Century Capital Management said.

For years, power and coal companies have been dumping poisonous coal ash into unlined landfills and unsafe ponds. Lax regulation of coal ash means companies often do the bare minimum to comply with the regulations that exist, and unfortunately this can lead to serious environmental and health risks.

"We need consistent, federally-enforceable regulations that bring all companies up to best practice," Stone said.

"The EPA coal ash ruling for subtitle C is critical to prevent another TVA disaster from ever occurring again and to ensure these sludge ponds and landfills don't create public health problems for local communities, said Andrew Behar, chief executive of As You Sow, one of the signatories to the letter.

The Resource Conservation and Recovery Act Subtitle C establishes a federal program to ensure that hazardous waste is handled in a manner that protects human health and the environment. To this end, there are Subtitle C regulations for the generation, transportation, and treatment, storage or disposal of hazardous wastes.