

# SIERRA CLUB CHALLENGES GREENHOUSE GAS PERMIT FOR PROPOSED OCOTILLO NATURAL GAS PLANT

## Environmental Group Argues that Agency Must Consider Energy Storage Alternative

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Tempe, Ariz. - Today the Sierra Club filed an [appeal](#) with the U.S. EPA's Environmental Appeals Board to challenge an air permit issued by the Maricopa County Air Quality Department for the Ocotillo natural gas plant proposed by the Arizona Public Service Company (APS). Environmental groups have pushed back repeatedly against the proposal to build a new natural gas "peaker" plant, arguing that it would increase greenhouse gas emissions and exacerbate air quality in an area that already violates standards for soot and ozone.

The permit would allow Ocotillo, a 500 MW simple-cycle natural gas plant, to emit greenhouse gases at a rate that is higher than what is allowed for a new coal plant. According to a recent EPA rule, newly constructed coal plants must meet a greenhouse gas emission rate of 1,400 lb CO<sub>2</sub>/MWh (pounds of carbon dioxide per megawatt-hour). In contrast, the proposed Ocotillo plant would be allowed to emit greenhouse gases at a rate of 1,460 lb CO<sub>2</sub>/MWh - higher than a coal plant.

The abysmal greenhouse gas rate is a result of APS's desire to idle the 500 MW facility at low and inefficient loads. APS asserts that such operation is necessary to balance variable supply from renewable energy sources. Sierra Club appeal claims that APS failed to consider a cleaner and even more responsive alternative: energy storage batteries.

"Utilities and regulators are out of step with changing energy markets and emerging technologies," said Travis Ritchie, Staff Attorney with the Sierra Club's Environmental Law Program. "In order to serve their ratepayers best, APS should look into all proven and affordable technologies for managing variability in renewable energy production. Instead they have stuck like glue to their plan to build an outdated, inefficient natural gas plant that fails to comply with Clean Air Act requirements. Integrating energy storage with conventional generation is part of the picture of any modern grid - it's time for regulators to start factoring in this established approach when determining whether proposed natural gas plants meet regulatory standards for emissions."

The Maricopa County Air Quality Department issued the Prevention of Significant Deterioration or "PSD" air permit, required under the federal Clean Air Act, on March 22. The Sierra Club filed an appeal to that permit today that requires a response by May 12. APS is prohibited from starting construction during the appeal process.