



**MIDWEST  
GENERATION**

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## **PROPOSED ORDINANCE TO SHUT DOWN CHICAGO POWER PLANTS THREATENS JOBS AND RELIABLE DELIVERY OF ELECTRICITY**

CHICAGO – The owner of the Fisk and Crawford power plants -- joined by hundreds of employees, organized labor, business and community representatives -- told a City Council hearing today a proposed ordinance intended to shut down the plants would put hundreds of jobs at risk and jeopardize reliable delivery of electricity.

Given substantial emissions reductions already achieved by Midwest Generation and additional cuts in progress under regulations imposed by the state and federal governments, the ordinance would not produce any meaningful local health benefits, Midwest Generation testified.

And, a scientific analysis of emissions from the two plants finds that their impact on local air quality is a tiny fraction of what is portrayed by proponents of the ordinance. A study claiming local health and economic impacts is inaccurate and draws misleading, unreliable conclusions.

Midwest Generation told a joint hearing of the Committees on Health and the Environment it already has made substantial emissions cuts and is making additional reductions under a 2006 environmental agreement with the State of Illinois.

As a result of that agreement, Midwest Generation led the nation in installing mercury controls at Crawford and Fisk in 2008, is installing new nitrogen oxide controls this year, and must install additional sulfur dioxide controls at Fisk by 2015, or retire that generating unit.

Furthermore, the facilities are also heavily regulated by the US Environmental Protection Agency, which last month alone issued nearly 1,500 pages of newly proposed air emission and water regulations affecting the plants and is slated to issue proposed regulations for greenhouse gases in July.

“Because of these actions, the only real-world impact of this ordinance would not be environmental, it would be economic. It would risk 200 jobs at the two stations, hundreds of part-time jobs for members of the building and construction trades, and the reliability and stability of the electric grid serving Chicago,” said Douglas McFarlan, president of Midwest Generation.

Despite claims by proponents that they “just want to clean up the plants,” McFarlan said their public statements reveal their true agenda: to shut down the plants and strike a blow nationally against coal-fired power generation, the source of half the nation’s electric supply.

Pedro Pizarro, president of Edison Mission Group, parent of Midwest Generation, told aldermen his company is one of the nation’s largest developers of clean, renewable wind energy, with 30 projects in 11 states. Its single largest wind energy project is in northern Illinois.

“That is who we are as a company – a leader in the transition to more renewable and other alternative sources of energy,” said Pizarro. “But as we make the transition, the responsible use of coal remains essential to ensuring that our nation, this state and this city have a reliable and affordable supply of electricity. And it will be that way for quite some time. The Obama administration has recognized this in its approach to implementing new air quality regulations.”

Pizarro said new regulations from Washington are in many respects just catching up with what has been required of Midwest Generation by the Illinois EPA, which makes the proposal for the City to add another layer of regulation all the more troubling, he said.

Another key factor arguing against the ordinance is an analysis by leading environmental, risk science and air quality monitoring firms, which found that the two plants have far less impact on Chicago air quality than is alleged. The analysis found that emissions from Crawford and Fisk account for less than one-half of 1 percent of the fine particulate matter, or airborne dust, in Cook County air. In other words, more than 99 percent of fine particulate matter air pollution in Chicago and Cook County is caused by other sources – including cars, trucks and buses, Metra and freight train diesel locomotives, and dust from construction sites.

“Even if the plants did not exist, more than 99 percent of the fine particles in Chicago’s air would still be present,” said Dr. Peter Valberg of Gradient Consulting in Cambridge, MA. “So you simply cannot make a science-based case that people who live near Crawford and Fisk, or elsewhere in Cook County, are adversely affected by Crawford and Fisk emissions.”

The air quality impact analysis cited by Valberg and conducted by Enviroplan Consulting of Wayne, NJ relied on actual air measurements from 12 government-installed air quality monitors in Cook County. The analysis used the same models and data employed by the Illinois EPA to determine emission limits required to protect the health of the state's residents.

At the request of Midwest Generation, Valberg also analyzed a report issued last fall by the Environmental Law and Policy Center alleging that pollution from Crawford and Fisk has imposed high public costs on the local population from health and related damages.

“The Chicago-area public health impacts and associated costs alleged for the Fisk and Crawford power plants are wrong. The ELPC report used data and methods that are not appropriate for measuring local, Chicago-area air quality impacts. It draws misleading and unreliable conclusions about the local impact of these plants,” said Valberg, who has advised government clients such as the US EPA, World Health Organization and National Academy of Sciences.

“If we were advising the City of Chicago, we would raise a red flag about basing a major policy change such as this proposed ordinance on either the ELPC study or the one issued nearly a decade ago by two researchers at the Harvard School of Public Health,” said Valberg, who holds a master's degree from that school and has served on its faculty. He noted that the proposed local Chicago ordinance would override years of federal and state environmental regulations from both Republican and Democratic administrations.

Valberg also addressed concerns about asthma, pointing out that asthma rates have still been increasing in urban areas as emissions having been going down.

“We're seeing the same time trend around the world: Asthma rates continue to rise in cities, both here in the US and in other developed countries, at the same time that air pollution levels have steadily declined,” he said. And he noted that asthma experts are concluding that indoor air, mildew, allergens, dust mites, pet dander and other factors have a greater influence on asthma rates than outdoor air pollutants.

Also joining Midwest Generation in opposing the ordinance was the president of the union representing plant workers, Dean Apple of IBEW Local 15. Among others scheduled to testify against the ordinance were Tom Villanova, president of the Chicago and Cook County Building and Construction Trades Council and leaders of individual locals within the various building trades. They were to be joined by others testifying in opposition, including representatives of the Chicagoland Chamber of Commerce, Illinois State Chamber of Commerce, community organizations and residents of the neighborhoods surrounding the plants.

**About Midwest Generation**

Headquartered in Chicago, Midwest Generation operates the Fisk and Crawford stations, Waukegan Station, Joliet Station, Will County Station in Romeoville and Powerton Station in Pekin. The company has approximately 1,100 employees, about 70 percent of whom are represented by the International Brotherhood of Electrical Workers. Midwest Generation is a subsidiary of Edison Mission Group (EMG) of Irvine, Calif., which manages the competitive power generation businesses of Edison International (NYSE: EIX). Based in Rosemead, Calif., Edison International is a generator and distributor of electric power and an investor in infrastructure and energy assets, including renewable energy. Edison International is the parent company of Southern California Edison, the largest electric utility in California, and EMG.

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