



# Big Green, Inc.'s Assault On The Coal Industry

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TEMBER 17, 2018



This week, the Institute for Energy Research released [Big Green, Inc.](#), a database that details the substantial financial network supporting the environmental movement in the United States. One of the goals of Big Green, Inc. is to provide concrete examples of how environmental groups with deep-pocketed donors influence American energy and environmental policy.

There is no better example of this influence than the Environmental Left's all-out assault on the American coal industry over the past two decades. Many people argue that the "War on Coal" has been overstated as the Clean Power Plan has yet to be implemented, and that the real cause for the decline of the American coal industry was the emergence of hydraulic fracking and its impact on natural gas prices. But that's only one part of this story. The other, lesser-known part, is the abuse of the legal system by environmental groups to inhibit coal development at the local level.

According to the data we have collected, the Sierra Club, for example, received at least \$17 million in grants from several left-leaning foundations for the explicit purpose of blocking the development of coal-fired power plants across the United States from 2008 to 2016.

One specific case is a 2009 grant to the Sierra Club for \$1.08 million from the Energy Foundation. The purpose of the grant was “to defeat new coal-fired power plants in Kentucky, Louisiana, Michigan, Pennsylvania, South Dakota, and Wyoming.” Subsequently, in the period leading up to and directly following 2009, the Sierra Club was directly involved in blocking the development of new coal-fired power plants in those states. The following examples illustrate just how that money was used by the Sierra Club to intervene in energy development projects in each of those states.

## **Michigan**

In 2008 and 2009, the Sierra club launched a grassroots campaign to stop the development of [a new coal-fired power plant in Midland, Michigan](#). The campaign demanded a moratorium on coal-fired power plants in the State of Michigan. In a direct response to the campaign, Governor Jennifer Granholm asked the Michigan Department of Environmental Quality to halt the permitting for seven proposed power plants in February of 2009. In May of 2009, LS Power announced it had cancelled its plans to construct the \$1.9 billion coal plant in Midland. The company cited regulatory uncertainties for the decision.

## **Kentucky**

Another example of this money's influence can be seen in the Sierra Club's involvement in blocking [the construction of the Smith 1 Project in Winchester, Kentucky](#), from 2008 to 2010. In 2007, the East Kentucky Power Cooperative proposed construction of this new 278-megawatt coal-fired power plant. In March of 2008, the Sierra Club sued the federal

Rural Utilities Service (RUS) on the grounds that the RUS failed to properly conduct an environmental assessment of the new facility. This lawsuit was later dismissed, but succeeded in driving up production costs and delaying the project.

In April of 2009, the Sierra Club filed comments challenging the project's Clean Water Act permit. In response, the State of Kentucky adopted an "emergency regulation" that required new energy sources to demonstrate that their nitrogen oxide emissions would not violate overly strict ozone air quality standards. They later filed a petition for a hearing to contest the final air permit for the new project and filed a complaint against the RUS for failure to comply with a NEPA statute. After all of this, in November of 2010, the Kentucky Power Cooperative agreed to halt the plan to build the new facility.

## **Louisiana**

The Sierra Club was also involved in blocking [the construction of the Big Cajun II Unit 4 Expansion in New Roads, Louisiana](#). In 2009, the Sierra Club filed a lawsuit in Louisiana state court challenging the final modified PSD/construction permit issued by the Louisiana Department of Environmental Quality for the Big Cajun II plant. The next year, NRG abandoned their plans to construct the plant.

## **Pennsylvania**

From 2007 to 2011, the Sierra Club was also involved in blocking the development of [the Greene Energy Resource Recovery Project in Cumberland Township, Pennsylvania](#). In this case, the Sierra Club issued a legal challenge citing the developer's "failure to begin construction in accordance with the time limitations set out in their permit from the Pennsylvania Department of Environmental Protection."

The case was quickly dismissed, but again, the Sierra Club was successful in driving up production costs and delaying the project. Between 2009 and 2010, the project was halted in order for the developer to obtain permits to develop a 500-ton coal vein that was

discovered during construction. In 2010, the Sierra Club and other environmental groups asked the PDEP to deny Greene Energy Resource Recovery an extension on their permits to develop the site. These comments influenced the PDEP to modify the permit to include new emissions controls, making it difficult for Greene Energy Resource Recovery to secure funding for the project.

## **South Dakota**

The Sierra Club also filed a federal lawsuit, which eventually helped block [the Milbank Project in Big Stone City, South Dakota](#), and they also filed a petition asking the EPA to block the project in 2009. The Otter Tail Power Company eventually withdrew its plans to develop the project; they cited high regulatory costs and the probability of federal climate change legislation as the main reason why they decided to scrap the project. Finally, the Sierra club also intervened in a similar manner in the development of [a new coal-to-liquids power plant in Medicine Bow, Wyoming](#).

## **Conclusion**

As we have demonstrated here, and as the new [IER project Big Green Inc.](#) demonstrates more broadly, the impact of environmental organizations on the energy industry and American's access to reliable and affordable energy runs deep. Their assault on the coal industry takes place mainly at the local level through aggressive litigation that raises production costs and delays projects. This is just one example of how the Environmental Left works to carefully orchestrate and advance their environmental agenda, ultimately at the expense of the American people who are forced to pay higher energy costs as a result.

We will dive into more of these examples in the coming days.



[View Big Green, Inc. here](#)

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