FirstEnergy Closing Six Coal-Fired Power Plants

AKRON, Ohio (AP) — FirstEnergy Corp. said Thursday that new environmental regulations led to a decision to shut down six older, coal-fired power plants in Ohio, Pennsylvania and Maryland, affecting more than 500 employees.

The plants, which are in Cleveland, Ashtabula, Oregon and Eastlake in Ohio, Adrian, Pa. and Williamsport, Md., will be retired by Sept. 1. They have generated about 10 percent of the electricity produced by FirstEnergy over the last three years, the company said.

In a statement James Lash, head of the company's generation unit, indicated that a review of the company's coal-fired plants determined it would not be cost-effective to get the older ones into compliance with environmental regulations the U.S. Environmental Protection Agency announced in December.

The new standards are designed to reduce emissions of mercury and other toxic pollution from coal- and oil-fired power plants. An Associated Press survey found that the changes were likely to result in the mothballing of dozens of units in the Midwest and in the coal belt — Kentucky, West Virginia and Virginia.

The Obama administration was under court order to issue a new rule, after a court threw out an attempt by the Bush administration to exempt power plants from controls for toxic air pollution.

Two factors have made it easier for utilities to shut old coal plants in recent years. Power demand has been weakening in recent years because of the slow economy and energy efficiency programs. And natural gas prices, which have fallen to decade-low levels in recent weeks, have allowed utilities to switch from coal to natural gas without impacting customer bills. Meanwhile, demand from China and elsewhere has driven up the price of coal.

FirstEnergy said its decision would directly affect 529 employees. Some of them could end up transferring to other FirstEnergy facilities and work sites, while others could take advantage of a retirement benefit being offered to employees 55 years and older, the company said.

FirstEnergy has a total of 17 coal power plants, including those that will close by September.

The plants targeted to shut down have been producing less power over the last few years, mainly during times of peak demand, the company said.

Eastlake, a community of about 18,500 people and located alongside Lake Erie northeast of Cleveland, will lose $590,000 a year in taxes, or about 4.5 percent of

its regular budget, Mayor Ted Andrzejewski said.

With about 100 good-paying jobs, the plant was among the top employers in the community, according to the mayor.

Most communities weren't caught off guard by the decision to shutter the plants.

"This wasn't much of a surprise," said Michael Beazley, city administrator in the Toledo suburb of Oregon where about 80 people will lose their positions.

A message requesting comment from the Utility Workers Union of America in Cleveland was not immediately returned on Thursday.

The announcement marks a big day for the people of Ohio and the fish of Lake Erie, said Henry Henderson, the Midwest program director for the Natural Resources Defense Council, which has been working to shut down two of the plants.

"Make no mistake, these plants were operating well-beyond their intended lifespan for a reason: it has been cheap to be dirty," he wrote on a Council website. "And utilities have taken advantage." He noted that he was encouraged by the company's efforts to help impacted workers and said the company's investments in clean energy "will ultimately create more jobs in Ohio and the region."

FirstEnergy's electric system has 6 million customers in Ohio, Pennsylvania, New Jersey, West Virginia, Maryland and Virginia. Coal and nuclear power plants generate about 80 percent of the company's output. The company employs about 17,000 people.

The new EPA rules include setting standards for mercury and other toxic pollutants that billow out of smokestacks and reducing air pollution in states downwind from the power plants.

FirstEnergy has taken steps at several of its coal-burning plants to make them cleaner for the environment. It said that once the closings are completed, nearly all of its power will come from low emission sources.

Last month, an Associated Press survey found that more than 32 mostly coal-fired power plants in a dozen states will be forced to shut down and an additional 36 might have to close because of the new federal air pollution regulations.

Together, those plants produce enough electricity for more than 22 million households, the AP survey found.

Energy reporter Jon Fahey in New York contributed to this report.

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