Power Plant's Future Worries Southern IL Residents

JIM SUHR, AP Business Writer

NEWTON, Ill. (AP) — Tiny Newton swaddles itself in all things Burl Ives, the folksy Oscar-winning actor who hailed from around the southern Illinois farm town of 2,850. The Embarras River bridge bearing his name is along the way to the rural graveyard where since 1995 he's spending eternity, and there's a push to raise $35,000 to pay for an Ives memorial on the town square.

But Newton's identity may be more about a 36-year-old electric plant that's easily recognized by its towering smokestacks, employs some 200 people and is considered by locals a regional economic gem. Now, as an effort continues to move Illinois away from coal-based energy, some here worry about the plant's future — and the town that's reliant upon it.

Houston-based Dynegy Inc. wants to buy the coal-fired plant and four other Illinois facilities from Ameren Corp. The caveat: Dynegy wants the same waiver St. Louis-based Ameren got from the state — delaying installation of required soot-control upgrades until 2020 — or the deal could be off.

The Illinois Pollution Control Board will decide that Thursday, a ruling that's certain to be closely watched in affected communities that include Canton in Fulton County, Peoria County's Bartonville, Coffeen in Montgomery County and Massac County's Joppa. Several hundred people work at those plants, which the companies have said contributed more than $1 billion to the economy, explaining why local officials have campaigned on Dynegy's behalf.

If the board denies Dynegy's request and the company aborts the acquisition, St. Louis-based Ameren probably would try to find another suitor, or ask regulators and Indiana-based nonprofit Midcontinent Independent Transmission System Operator if it could close one or more, said Andy Smith, a St. Louis-based Edward Jones analyst.

That's no small matter in any of the affected towns, where populations average just 5,700, and several are considerably smaller.

In Newton, Mayor Mark Bolander said roughly half of the city's property tax revenue comes from the power plant, with much of that going toward the local 1,400-student school district already crimped by state funding cuts. Losing that income could cripple city and school services, forcing homeowners and farmers to make up the difference.

Locals fear that displaced workers would move elsewhere for jobs, selling their homes and causing property values to plunge. Census Bureau figures show the 9,700-resident county already has shed population every decade since 1980, with

the headcount down more than 1,600 since then.

"If we lose this plant, I see this town drying up. I think it will be that bad," George Hesser, a 63-year-old retiree and Vietnam vet, said while staffing his wife's Newton gift shop. A ruling benefiting Dynegy, he insisted, "is survival for us."

"The plant has become very much a part of the fabric of this community," said Jasper County schools Superintendent Dan Cox, who has lobbied locals through his district's blog to back Dynegy. Ameren "has always been a good neighbor to us, and we're trying to be a good one back."

Coal-fired power already is at a crossroads in Illinois, where several plants have shuttered in recent years, one company is bankrupt and the future of other plants remains clouded as the industry feels the squeeze of environmental regulations and natural gas competition.

Jack Darin of the state's Sierra Club chapter, which is pushing hard for renewable energy to supplant coal-fired power, said it's time for the pivot toward cleaner energy, insisting "the writing is on the wall for the coal industry in Illinois." Furthermore, he said coal-fired emissions can drift hundreds of miles, and released mercury can settle in water and taint fish.

The Newton plant's smokestacks and their plumes can be seen for miles from Illinois 33. Emissions generally don't get a whiff of concern locally, likely because the plant is such a fixture. And perhaps because Newton Lake, from which the plant draws water, has flourished.

Folks around Newton, where the eagle is the school mascot, say bald eagles have in recent years taken haven around the 1,700-acre lake, something they contend wouldn't have happened if pollution was an issue. Bolander says "fish coming out of there are enormous," accounting for why anglers are lured from other states and the lake's prime fishing spots are tightly held secrets on the bass-rich expanse that also includes a 240-acre sanctuary for prairie chickens and 22 miles of trails.

"The moral of the story is, if these plants are so impure and polluting our downstate community, then why is this one of the richest areas as far as Mother Nature is concerned?" Bolander said. "We're not saying it's OK to pollute. All we're saying is we need more time."

Hesser contends "it's not as bad as in big cities, which put out 100 times more pollution than this plant does."

That sentiment echoes across Newton, where homage to Ives — the minstrel and actor famously known for voicing Sam the Snowman in "Rudolph the Red-Nosed Reindeer" — gets amplified this time of year with festivals, horse and buggy rides, bonfires and holiday music.

"If they move that (power plant) out of here, we're pretty much up a creek," Vicky Yager, 57 and a lifelong local, said while gearing up for the lunch rush at her Filler

Up Buffet. "It's been here so long that most people think it's always going to be there, and they really don't understand there's a chance it might not be."

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