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**\$2.5 Million Restoration Fund, Pollution Reductions Result from Settlement
of Coal Plant Air Quality Lawsuit**

Conservation Groups, Portland General Electric Reach Agreement

(Portland, OR) – Northwest residents can look forward to cleaner air in the next ten years as conservation groups and Portland General Electric (PGE) today announced an agreement that establishes a \$2.5 million fund for environmental restoration and job-creating clean energy projects in Oregon, reduces acid-rain causing pollution from PGE’s Boardman coal-fired power plant, and requires the plant to cease burning coal by no later than 2020 through a court-enforceable decree.

In 2008, Columbia Riverkeeper, Friends of the Columbia Gorge, Hells Canyon Preservation Council (HCPC), Northwest Environmental Defense Center (NEDC) and the Sierra Club, with legal representation from Pacific Environmental Advocacy Center (PEAC), launched a campaign to clean-up the Boardman plant. Today’s agreement successfully concludes that campaign and resolves a pending federal lawsuit alleging illegal pollution from the plant.

“Ending the burning of coal in Oregon creates business opportunities for reliable renewable energy that will bring economic improvement and cleaner air and water to Oregonians.” said Bill Corcoran, Western Region Director for the Sierra Club’s Beyond Coal campaign.

Pollution from the PGE Boardman plant is a major threat to human health and the environment. The power plant is the largest stationary source of haze-causing pollutants in Oregon and is responsible for damaging air quality in the Columbia River Gorge, Hells Canyon and ten other protected areas in Oregon and Washington. Studies have found that pollution from coal-fired power plants contributes to four of the five leading causes of death in the United States - heart disease, cancer, stroke and chronic lower respiratory diseases. The plant is also the largest source of global-warming pollution in Oregon.

“This settlement is a win for the environment, for human health and for special places like the Columbia River Gorge,” said Michael Lang, Conservation Director of Friends of the Columbia Gorge. “PGE has agreed to pay \$2.5 million toward restoring damage caused to the environment, make additional reductions in pollution and lock in closure of the plant by 2020.”

(more)

The agreement cuts the amount of sulfur dioxide PGE can emit by at least 3,000 tons below the requirements of state rules passed in December 2010 and requires the plant to cease burning coal through a court-enforceable consent decree by the end of 2020. PGE further agreed to allow the groups to monitor pilot studies beginning in 2013 to establish final sulfur dioxide limits under state rules.

The agreement requires PGE to pay \$2.5 million into a fund managed by the Oregon Community Foundation – a neutral third party organization – which will provide:

- \$1 million for habitat protection and environmental restoration in the Columbia River Gorge;
- \$625,000 for habitat protection and restoration in the Blue Mountains, Hells Canyon and Wallowa Mountains;
- \$500,000 for local clean energy projects, such as solar panels on houses; and
- \$375,000 for community-based efforts to reduce air pollution.

The groups and PGE agreed their respective organizations would not have access to the funds.

Mark Riskedahl, Executive Director of the Northwest Environmental Defense Center said, “The Boardman plant operated for decades without modern pollution controls. Not only does this agreement ensure that the unnecessary degradation will stop, but it makes great strides toward remediating the damage.”

“This is a major victory for public health in communities along the Columbia River,” said Brett VandenHeuvel, Executive Director of Columbia Riverkeeper. “Coal-fired power is a significant source of toxic mercury pollution. Children are particularly susceptible to serious neurological damage from eating mercury-contaminated fish. Ending coal-fired power in Oregon is an important step toward reducing mercury in Columbia River fish.”

The groups filed the lawsuit in federal court in 2008 after requests for pollution reductions and early closure of the plant were rejected by PGE. The environmental groups’ case was strengthened when, after the lawsuit was filed, the federal Environmental Protection Agency issued a Notice of Violation against PGE citing similar violations to those alleged in the lawsuit. With the lawsuit underway and potentially hundreds of millions of dollars in pollution controls and millions of dollars in penalties at stake, PGE and the Oregon Department of Environmental Quality rapidly began discussions to bring about pollution reductions at the plant, which eventually led to the adoption of the 2010 “BART” Rule (Best Available Retrofit Technology) requiring modest pollution reductions at the plant and scheduled closure by the end of 2020.

Brian Kelly, Restoration Coordinator for Hells Canyon Preservation Council, said, “Hells Canyon and the alpine peaks of the Wallowa Mountains deserve clean air - not pollution and haze. This settlement will help improve air quality in the region and restore important wild lands.”

“This outcome demonstrates that pollution control laws like the Clean Air Act provide tremendous benefits to public health and the environment,” said Aubrey Baldwin, Staff Attorney at the Pacific Environmental Advocacy Center.