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**Date:** 7/22/2013 3:58 PM  
**Subject:** FW: DEP Release: Christie Administration Announces Agreement to Drastically Reduce Pollution from Cape May County Power Plant

Hello Nancy,

Below is the news release we discussed

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-----Original Message-----

From: depnews@dep.state.nj.us [mailto:depnews@dep.state.nj.us]  
Sent: Thursday, June 21, 2012 11:52 AM  
To: depnews@listserv.state.nj.us  
Subject: DEP Release: Christie Administration Announces Agreement to Drastically Reduce Pollution from Cape May County Power Plant

IMMEDIATE RELEASE:  
June 21, 2012

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CHRISTIE ADMINISTRATION ANNOUNCES AGREEMENT TO DRASTICALLY  
REDUCE POLLUTION FROM CAPE MAY COUNTY POWER PLANT  
South Jersey Air Quality Expected to see Marked Improvement

(12/P70) TRENTON - One of the New Jersey's oldest power plants, B.L. England in Cape May County, will significantly reduce air pollutants by shutting down one of its coal-fired units and converting two others to clean-burning natural gas, steps that will significantly improve air quality while ensuring continued energy reliability for the southern shore region, Commissioner Bob Martin announced today.

RC Cape May Holdings LLC will shut down one coal-burning unit at B.L. England under the terms of an

Administrative Consent Order with the DEP. The company will repower a second coal-burning unit to a state-of-the-art combined-cycle natural gas turbine and will re-fuel a third, oil-burning unit with natural gas. The power plant is a prominent feature on Great Egg Harbor in Upper Township.

The conversion will nearly eliminate emissions of smog-causing nitrogen oxides as well as sulfur dioxide, which causes acid rain and haze. The two coal-fired units at the B.L. England plant are the last coal-fired units in the state without state-of-the-art pollution control equipment.

"The Christie administration is committed to improving the quality of air in New Jersey, taking a tough stance on holding in-state and out-of-state power plants accountable for reducing air pollution in New Jersey" Commissioner Martin said. "This agreement will bring one of the oldest plants here in New Jersey into the 21st century, and keep it there for a long time to come with extremely low emissions."

"R.C. Cape May Holdings' decision to repower its B.L. England plant with clean natural gas, replacing dirty coal and oil, is good news for residential and business customers in the southern New Jersey shore area," said Board of Public Utilities President Bob Hanna. "This agreement advances the Christie Administration's goals of increasing grid reliability, reducing energy costs, cleaning the environment and enhancing the economic competitiveness of New Jersey."

The steps RC Cape May will take will reduce hourly nitrogen oxide emissions by nearly 98 percent, or 2,800 tons per year. Hourly sulfur dioxide emissions will be reduced by 99.9 percent, or 2,800 tons per year.

Due to the inherent efficiencies of combined-cycle natural gas electricity generation, the overall capacity of the plant will remain at 450 megawatts and could increase to about 570 megawatts, said Jim Maiz, Senior Vice President for RC Cape May Holdings LLC.

"We wish to thank all the state agencies and local officials for their ongoing support of our efforts to identify and implement the most fitting clean-energy redevelopment plan for B.L. England," Maiz said. "This transformative solution provides the best alignment with the overall objectives of all stakeholders, and we're committed to seeing it through."

"This agreement is a win for public health, the environment and the economy," Commissioner Martin added. "Not only will it result in marked improvements to air quality in the region, it will keep the plant economically viable for many years to come. I commend RC Cape May Holdings for working with us toward the betterment of the region."

RC Cape May has owned the plant since 2007. The agreement resolves alleged violations of the federal Clean Air Act that occurred when the plant was under the ownership of Atlantic Electric, Conectiv and Pepco Holdings Co. The previous owners did not make pollution-control upgrades as required by the federal Clean Air Act when they made significant upgrades to operational features of the plant.

The agreement calls for the cessation of operation of coal-fired Unit 1 by fall 2013; until that occurs, the company must take steps to minimize emissions from this unit.

Unit 2, which currently burns coal, and Unit 3, which burns fuel oil and only operates during peak demand periods, are to be converted to natural gas by May 2016. Unit 2 is to be shut down by May 2015 to allow for the conversion. RC Cape May must make interim operational changes, including limiting operations, to reduce pollution during the period leading up to the conversion shutdown.

The permanent shutdown of Unit 1 and conversion of the other unit will result in significantly greater long-term reductions of pollutants than would have occurred under an earlier agreement, originally entered into with the former plant owners, that required additional pollution controls but did not require the change from coal to natural gas.

The agreement also fits in with goals of the Administration's Energy Master Plan, which manages energy

in a manner that protects the environment and creates jobs by promoting a diverse portfolio of clean energy generation.

In addition to establishing New Jersey as a national leader in development of renewable energy, the Christie Administration has adopted policies that promote the use of natural gas as a cleaner, less carbon-intensive fossil fuel.

Over the years, other power plants in New Jersey have been phasing out coal as a power source. Only six coal-fired units are still operating at four other power plants in New Jersey. But they All have been equipped with state-of-the-art pollution controls, the most recent being PSE&G's Hudson Generating Station. Governor Christie has pledged to oppose the opening of any new coal-fired plants in the Garden State.

The Christie Administration has consistently strived to improve the air in New Jersey for the health and welfare of residents statewide. The administration won a major victory with the EPA's precedent-setting approval of New Jersey's Clean Air Act petition that calls for an 81 percent reduction in sulfur dioxide emissions that pour into North Jersey's air from coal-fired units at a Portland, Pa. power plant.

The Administration has also taken the lead in lawsuits against owners of the Homer City Station plant and against Allegheny Energy Inc., to force installation of pollution-control equipment to cut massive emissions of sulfur dioxide and nitrogen oxide pouring from those western Pennsylvania plants.

Other air quality achievements under Governor Christie include:

- \* Adopting a policy of not allowing new coal-fired power plants to be built in New Jersey, while ensuring that additional generation comes from clean energy sources;
- \* Mandating 2015 closure or latest technology upgrades to polluting peak demand period power plant units;
- \* Approving a pilot program to reduce diesel emissions from construction vehicles at state construction sites;
- \* Making a commitment to renewable energy, including making New Jersey a leader in the nation for installed solar capacity;
- \* Accelerating development of offshore wind projects to speed installation and operation of wind turbines that will generate cleaner energy;
- \* Completing retrofits or replacement of diesel engines on 800 NJ Transit commuter buses;
- \* Adopting a new, lower standard for sulfur content for home heating oil;
- \* Aggressively moving ahead with a grant program to finance replacement of dry cleaning machines that pour thousands of pounds of pollutants into the air;
- \* Negotiating a settlement that calls for the Hess Corporation to make \$45 million in pollution control upgrades at its Port Reading oil refinery near Woodbridge.

For a copy of the B.L. England Administrative Consent Order, visit:  
<http://www.nj.gov/dep/docs/20120613104728.pdf>

For more information on the New Jersey Energy Master Plan, visit: <http://nj.gov/emp/>

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