In Ohio Valley, Coal Equals Jobs; And Clean Air Bill Worries Many

Tighter acid-rain law could topple some businesses here like dominoes

By Laurent Belisie
Staff writer of The Christian Science Monitor

MOUNDSVILLE, W.VA. —

A CROSS the river from Pohatcong Point, Ohio, a smokestack three football fields high spews whitish-gray smoke. Laden with sulfur dioxide, it is the type of smoke linked to acid-rain deterioration in lakes and forests hundreds of miles away. But curtailting this smoke threatens grave economic problems for the Ohio River Valley immediately below.

If the United States enacts tighter clean-air standards this year (the first step, a Senate vote, is expected today) plants will close and thousands of people here will lose their jobs.

"It's a tough situation," says Bob Albert, assistant manager of Ohio Power's coal-fired Kammer plant, which is emitting the smoke. "And the hard part about it is that I don't think the people who are making the decision have a very good handle on what the impact is going to be down here."

"Devastation -- that's a good word for it," says R. Emmett Boyle, president of an aluminum-smelting company, a big electricity user supplied with power by the Kammer plant.

The industrial Midwest is raising loud protests as Congress moves toward passage of clean-air legislation. Industry-supported studies suggest that even lenient clean-air provisions would:

Close down hundreds of plants. These include important Midwest industries, such as coke ovens and steel foundries.

Put at risk an estimated 750,000 jobs in the states of Illinois, Indiana, Michigan, Ohio, Pennsylvania, and West Virginia that represent nearly one-third of the nation's total jobs at risk if clean-air legislation becomes law, says a recent study by CONSD Research Corporation in Pittsburgh.

Boost costs disproportionately. Rep. Philip Sharp (D) of Indiana estimates nine Midwest and Southeastern states would have to clean up 77 percent of the nation's sulfur-dioxide pollution even though they are responsible for only about half of it. Under the most stringent clean-air bill before Congress, electric utility rates would skyrocket in the region, according to Edison Electric Institute. West Virginia would see the largest rate increase in the nation, averaging 28.9 percent, closely followed by Ohio (26.1 percent) and Indiana (25.3 percent). California, by contrast, would see rates rise 1.7 percent.

Environmental groups charge that industry is purposely inflating the numbers.

"Unemployment-bonded lead to occur from improvement of health standards is overstated and quite exaggerated," says Casey Paddget, a lobbyist for Enviornment Action, based in Washington, D.C. "And, as far as utility rates are concerned, the bill is coming due in the Midwest -- they've been paying lower rates for years."

But there is no denying what is likely to happen here in the Ohio Valley. Some utility plants will close this year and another anticipated first phase of tighter standards. Others will face the dilemma of closing or raising rates so high they put customers out of business.

Such are the prospects for the Kammer plant, a midsize coal-fired plant just south of Moundsville, W.Va. It burns high-sulfur coal just within legal limits. So any tightening of acid-rain provisions in US law would quickly put the plant's managers in a quandary. They have no room for a scrubbing unit and their boilers will not handle most low-sulfur coals.

The plant successfully experimented with a low-sulfur coal from Virginia recently. But to get that coal, the company had to ship it by train, transfer it to a barge, float it upriver, unload it, then truck it one mile. Added costs: $11,500 per ton. By 1990 packing in low-sulfur coal. A boost like that could put Kammer's big customer, Mr. Boyle's Ormet Corporation, out of business.

"A 40 percent increase in my raw material [costs] -- and my raw material is electrical energy -- will be catastrophic," Boyle says. Fully 35% of the plant's coal, 40% packing in aluminum is the electrical bill. His Hannibal, Ohio, plant spends $800 million a year on power -- enough to light Columbus, Ohio. Should Ormet close the future of Kammer is not good, Mr. Bischoff says (although Ohio Power might close an even less effective plant before closing Bischoff's facilities). Should Kammer close, then the fate of its sole coal supplier, Consolidated Coal's Ireland mine, is also up in the air.

If Consolidated could not find a new buyer for the Ireland mine's high-sulfur coal, it would take a hard look at closing it and other mines in the vicinity, says a Consolidated spokesman.

Potential direct job losses: 1,350,000 at Ohio Power, 3,000 to 5,000 at Bischoff and 300 to 550 at Consolidated.

"The domino effect is the sad thing," says Ken Carpenter, a 24-year employee with Ormet. The 35,000 tons of aluminum that hangs over this region so long workers seem resigned to whatever happens. But it will not lessen the problem, Carpenter and others here will face.

"You just work day to day," he says.

American Business Touts ‘Environmentally Safe’ Products; But Are They?

By Brad Knickerbocker
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ASHLAND, ORE. --

W ith Earth Day 1990 just around the corner, corporate America is running flat out in the competition to be "greener than thou."

Companies are racing to produce "recyclable," "biodegradable," and "photodegradable" products such as trash bags, diapers, and fast-food containers. They are scrambling to beat the competition in cutting back their production of greenhouse gases, ozone-depleting substances, and toxics. They are lining up to be corporate sponsors to the global celebration scheduled for late April. And they are being clustered together for promotion with other "environmentally responsible" firms to attract investors concerned with more than the bottom line.

Addressing the National Wildlife Federation recently, Monsanto chairman H. Paul moundy said: "The torch of environmentalism -- if not yet bursting into flame -- is at least being lit in corporate America."

Mr. Mahoney might have said it was being lit under boardroom lights. His indications are clear that America is ready to put their greenbacks on products and investments in line with pollution cleanup and natural resource protection.

According to a New York Times/CBS poll, the portion of the public agreeing that requirements and standards for protecting the environment are too high and that游艇 improvements "regardless of cost" jumped from 45 percent to 79 percent between 1981 and last year.

Aimed with this apparent public backing, a coalition of envi- ronmental groups and investor groups last December invited 3,000 companies to sign on to the "Valdez Principles" -- a code of conduct for protecting the global environment. So far, reports Tom Grist of the Social Investment Forum in Boston, there has been "some real good positive feedback as well as criticism."

The pressure is also international. Speaking in Vancouver, British Columbia, recently, Gro Harlem Brundtland, the former prime minister of Norway and chairman of the World Commission on Environment and Development, told officials from 600 companies representing 30 countries that "environmental concerns must be an integral part of the conception and planning of new products."

"Some "green" products seem more symbolic than substantive -- like Ben & Jerry's "rain forest crunchy" ice cream with Brazil nuts or Fair Trade coffee with fair trade coffee, says Brad Knickerbocker

But activist organizations are now recognizing the good works of companies they are more used to sniping at. In New York last week, the Council on Economic Priorities issued its "America's Corporate Conscience Awards" to Fortune 500 types like American Telephone & Telegraph Company, which has pledged to ban all its ozone-depleting chlorofluorocarbons by 1994.

But the business hoopla over saving the earth has brought increasing criticism as well.

A recent article in the San Francisco Bay Guardian charges that many investment funds touted for their concern with the environment have included major polluters.

And in a report titled "Breaking Down the Degradable Plastics Scam," the non-regulatory group Greenpeace says current scientific data do not substantiate corporate claims. Instead, charges Greenpeace, such products as "Bunnies" diapers (which have a corn-starch additive to hasten degradation) may actually introduce new toxic chemicals to the world's landfills. (Photodegradable plastics would not decay buried under other trash and away from the sun, for example.)

The producers of such products deny the charges and say they welcome investigation by the Federal Trade Commission. FTC chairman Janet Steiger said last month that "the word 'degradable' should be vigorously pursued." deceptive advertising and packaging.

Apparently bowing under the threat of legal action by the attorneys general in eight states, Mobil Corporation said last week that it would remove the word "degradable" from boxes of its Hefty plastic trash bags because of "mounting confusion" over the meaning of such claims.