



Dodgy Deal: **Dynegy coal power plants** United States

update

This dodgy deal is no longer being updated

banktrack contact

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Description

Dynegy LS Power is currently planning to construct more new coal-fired power plants than any other company in the USA, which will result in very large increases in greenhouse gas emissions (GHG). GHG emissions contribute to climate change, as well as increased discharges of pollutants that threaten public health and air quality.

what must happen

Banks should declare a moratorium in financing new coal-fired power plants as an urgent climate protection measure. Capital should instead be directed at energy efficiency and renewable energy financing opportunities.

Other issues

Coal power plants are the leading source of Greenhouse Gas (GHG) emissions in the USA. The GHG emissions from just one typical new coal fired power plant is like adding one million new cars to the road. Dynegy is proposing to build 10 new coal fired power plants in 8 states, at a cost of nearly \$12 billion, which is the biggest build out by any single company currently proposed in the USA. If financed and built, these plants would put out more than 65 million tons of CO2 emissions per year.

These new emissions would negate 70% of the UK government's Kyoto Protocol reduction commitment, or 90% of Japan's Kyoto Protocol reduction commitment. In fact, these new emissions would have the same effect on the climate as doubling the total GHG emissions of certain countries, including those of Sweden, Austria, Denmark, Finland, Ireland or New Zealand.

Additional health, social and environmental impacts from these plants are associated with coal mining and transportation as well as other dangerous emissions that come from coal combustion. Those include mercury, sulphur dioxide and nitrous oxides.

What must happen

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Updates

Dec 03, 2009

Power plant financing is on a plant by plant basis, with most in advisory/pre-financing status. Proposed Dynegy-LS Power coal-fired power plants are reported to include:

- "White Pine" 500-1600 MW coal-fired plant in White Pine County, Nevada
- "Elk Run" 750 MW coal-fired plant in eastern Iowa
- "Elk Run" 1600 MW coal-fired plant in Sussex County, Virginia
- "Sandy Creek" 800 MW coal-fired plant in Riesel, Texas
- "Marion City" 1100 MW coal fired plant in Marion City, South Carolina
- "Plum Point" 665 MW coal-fired plant in Osceola, Arkansas
- "Long Leaf" (2) 600 MW coal-fired plants in Early country, Georgia
- "Baldwin" (2) 650 MW coal-fired plants in Baldwin, Illinois

By 2009, both White Pine and Elk Run coal plants have been canceled.

financial institutions involved

banks

Bank of America -

- Credit facility in May 2007

Barclays -

- Credit facility in May 2007

BNP Paribas -

- Project finance: for Sandy Creek project, closed in August 2007

Citigroup -

Citi have provided share and bond issuances.

- Credit facility in May 2007
- Issuing of bonds: (May 2007)

Crédit Agricole -

- Credit facility in May 2007 through its subsidiary Crédit Agricole CIB
- Project finance: through subsidiary Crédit Agricole CIB (August)

Credit Suisse Group -

- Credit facility in May 2007
- Issuing of bonds: (May 2007)
- Project finance: (August 2007)

Dexia Group -

- Project finance: (August 2007)

Goldman Sachs -

- Credit facility in May 2007

ING Group -

- Project finance: (August 2007)

JPMorgan Chase -

- Credit facility in May 2007
- Issuing of bonds: (May 2007)

Morgan Stanley -

- Credit facility in May 2007

Royal Bank of Scotland -

- Credit facility in May 2007
- Project finance: (August 2007)

Scotia Bank

- Credit facility in May 2007
- Project finance: (August 2007)

WestLB AG -

- Project finance: (August 2007)

investment funds

Merrill Lynch

companies

Dynegy