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Indiana polluter to pay \$400,000

Duke Energy to pay state as emissions cut to curb acid rain in Adirondacks

By BRIAN NEARING, Staff writer

ALBANY -- The owners of an Indiana coal-fired power plant will reduce the pollution that causes acid rain and pay New York \$400,000 to support state pollution control programs under a settlement announced Tuesday by Attorney General Andrew Cuomo.

Duke Energy will cut almost 35,000 tons of sulfur dioxide emissions each year, or about 86 percent of the current total from its 550-megawatt Gallagher Generating Station in New Albany, Ind. "This settlement shows that New York will hold dirty coal-burning power companies accountable for breaking clean air laws," Cuomo said.

"The attorney general has helped to rid us of a public nuisance," said Brian Houseal, executive director of the Adirondack Council. "His actions today will help to curb acid rain across the Adirondack Park, and will make the air cleaner and healthier."

In August 2001, the attorney general's office, leading a coalition of states that included Connecticut and New Jersey, joined two environmental groups and the federal government in suing Duke for violations of the federal Clean Air Act.

The suit claimed Duke increased air pollution at four of its power plants in Indiana and Ohio without installing required pollution controls.

In May, a jury found Duke had done improper modifications at the New Albany plant. The issue had been set to go before another jury in February.

Under the agreement, Duke will either shut down part of the plant or convert it to burn cleaner natural gas. It will also install additional pollution control equipment.

The federal Department of Justice has estimated it will cost Duke about \$85 million to make the improvements.

The settlement requires Duke to pay a civil penalty of \$1.75 million, as well as pay states a total of \$1 million for environmental projects, with New York state receiving \$400,000.

Also, the company will be required to spend \$5.25 million on other environmental projects.