



Shaping Our Energy Future: Efficiency and Renewables vs. Coal and Nuclear

Great Rivers Drags Electric Utilities into the 21st Century

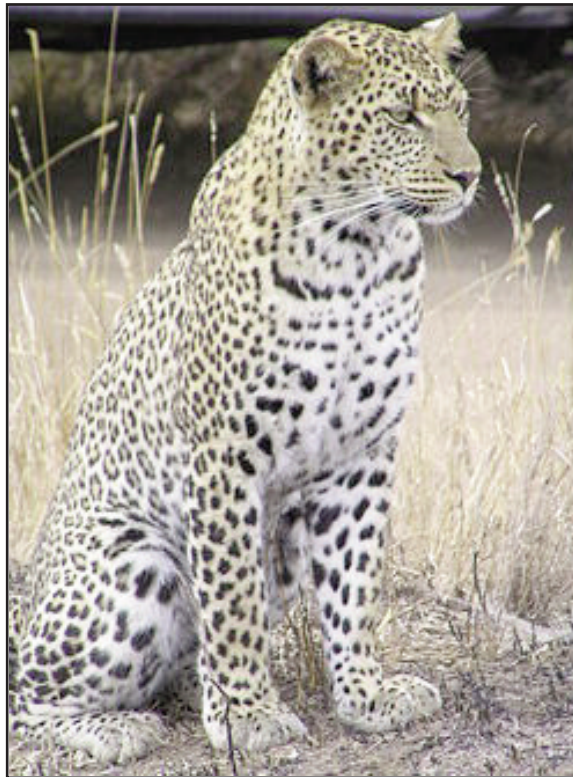


Photo courtesy of US Fish & Wildlife Service

Leopards are one of many species threatened by global warming.

Letter from the President:



One Decade Later: A Look Back

Great Rivers turns 10 on August 1, 2012. We celebrated our anniversary with a picnic in Tower Grove Park in May, complete with cake and ice cream. It is through the time, treasure and talent of our board members that we have made it this far. Many of our board members have served since we started, and were wise choices made by Great Rivers' founder Lewis Green. We are grateful to all our board members, past and present, and know that we would not be here without their dedication to our mission.

We have made significant accomplishments in our first 10 years. We have preserved a park in Rolla, stopped a levee from being built on the Missouri River in Jefferson City, helped numerous citizens' groups and environmental organizations with their efforts to protect public health, and pushed the state regulators and utilities to cleaner energy policies. Currently, our efforts are focused on preserving wetlands, cleaning up pollutants in North St. Louis, shutting down old dirty coal plants, and encouraging cleaner energy and energy efficiency.

Our most valuable assets are individual donors and foundations and board members, who make our work possible. We depend on them to sustain our organization. We are grateful to our board members, individual donors, and foundations who have supported our work over the past 10 years.

Kathleen Henry

Board News

Board member **Kay Drey** is featured in the April 16, 2012 issue of the Huffington Post, in an article entitled, "*No Nukes and Intervening Women.*" Kay made her first speech against nuclear power in 1974 before a Missouri State Senate Committee, and is still fighting the nuclear industry. Kay also serves on the board of **Beyond Nuclear**, a nonprofit "working for a world free from nuclear power and nuclear weapons."

**Great Rivers
Environmental Law Center**
The legal resource for natural resources.
(a 501(c)(3) tax-exempt nonprofit corporation)

Mission Statement

We provide legal services to citizens' groups, organizations and individuals who seek to protect and preserve the environment.

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GREAT RIVERS' FLOODPLAINS AND WETLANDS PRESERVATION PROGRAMS

Great Rivers Advocates for Halting the Rapid Loss of Wetlands in the Mississippi River Corridor

Missouri has lost approximately 4.2 million acres (87 percent) of its wetlands and many more acres of floodplain habitat. Wetlands are an essential link between land and water. They act as a buffer - reducing the frequency and the intensity of floods by slowing, absorbing, and storing large quantities of floodwater. They also serve as the meeting ground where the flow of water and the cycling of nutrients meet to produce highly productive ecosystems with unique plant and animal life. The consequences of not protecting these resources are threefold:

1. Property damage directly related to flood. The National Flood Insurance Program is approximately 18 billion dollars in debt;
2. Damage from high contaminant loads carried in the rivers; and
3. Lost opportunities to reduce flood peaks, remove excess nutrients and sediments from surface waters, recharge groundwater, and support diversified wildlife populations.

The most serious, recurring threat to our region's wetlands and floodplain habitat is the Corps of Engineers' "St. Johns Bayou/New Madrid Floodway" project. If built, the project will close one of the last sections of the Mississippi River which is still connected to the River's wetlands and floodplains. The project will single-handedly destroy 50,000 acres of wetlands. In 2007, a United States District Court struck down the project, finding that the Corps of Engineers' analysis



Photo Courtesy of US Fish and Wildlife Service

Interior Least Terns are found in Missouri in the St. Johns Bayou/New Madrid Floodway and are a federally endangered species.

"gave new meaning to the phrase 'results-oriented decision-making,'" and "resorted to arbitrary and capricious reasoning manipulating models and changing definitions where necessary - to make this project seem compliant with the Clean Water Act and the Nation Environmental Policy Act when it is not." The Corps is not going to give up without a fight. As early as next month, the Corps expects to publish a revised analysis in which it will lay out its plan to build its St. Johns Bayou/New Madrid Floodway project.

We are continuing with our work to put an end to this disastrous and wasteful Corps project. **Your support of Great Rivers**, together with your calls and letters to Missouri's government officials expressing opposition to the project, are needed and appreciated.

Great Rivers Works to Support Army Corps of Engineers' Proposal to Restore Shallow Water Habitat at Jameson Island on Missouri River

Although we often disagree with the U.S. Army Corps of Engineers ("Corps"), in this case, we agree. For decades, the Corps has channeled the Missouri River, making it a deep, swift waterway that cannot support habitat for many species. In 2007, as a part of its Missouri River Recovery Program ("MRRP"), the Corps embarked upon a plan to re-introduce sediment to the Missouri River. In the "Jameson Island Project," the Corps proposed to re-introduce sediment to the Missouri River near Arrow Rock, in efforts to restore 30 acres of shallow water habitat for wildlife and fish. But the Missouri Clean Water Commission bowed to the interests of farmers who feared increased sediment would weaken levees and

contribute to greater risk of flooding, and ordered the Corps to cease work on the project. Under the guise of enforcing the Clean Water Act, the Commission determined that the sediment the Corps was introducing to the water was a pollutant, high in phosphorus, which contributes to the Gulf of Mexico's "dead zone," and the Commission ordered the Corps to stop the work.

In 2012, the Corps proposed to continue the Jameson Island Project and in May presented its plan to the Clean Water Commission. Great Rivers is preparing Comments and speaking at the hearings in support of the Corps.

Efficiency and Renewables vs. Coal and Nuclear

It's a busy year for Great Rivers in the Missouri Public Service Commission ("PSC"). We continue to represent **Renew Missouri** in renewable energy and efficiency cases. The **Natural Resources Defense Council** ("NRDC") and its efficiency experts continue to use us as their Missouri counsel. And the **Sierra Club** is bringing the focus of its Beyond Coal Campaign to Missouri as part of its nationwide effort to retire old coal plants; both Ameren Missouri and Kansas City Power & Light ("KCPL") have coal-fired belchers dating back to the 1950s.

We know how to replace these plants—with energy efficiency and renewable energy. And we have tools to work with.

In 2008 voters passed Proposition C, the Renewable Energy Standard (RES) with 66% of the vote. Proposition C requires utilities to use an increasing amount of renewable energy over a specific time period. But the utilities have shot loopholes in Proposition C.

The legislature passed a good piece of legislation, the Missouri Energy Efficiency Investment Act ("MEEIA"), in 2009, which gives utilities financial incentives to offer customers programs to save them energy and money. But it doesn't require the utilities to offer programs at all, so they're gaming the system—if the PSC doesn't give them exorbitant compensation, they'll take their ball and go home.

Great Rivers Fights Utility Plans to Abandon Energy Efficiency

Ameren's 2011 long-range plan finally made it clear to everyone that energy efficiency programs are the lowest-cost service they can offer their customers, saving energy and avoiding the need for new power plants. However, Ameren will not follow its own analysis unless its shareholders get more money. Instead, Ameren drastically cut back the successful programs it had been offering and then filed a new plan under MEEIA that, if approved by the PSC, would be so generous to the company and its stockholders that customers could lose their incentive to participate in programs.

KCPL-GMO (GMO, or "Greater Missouri Operations," is a separate utility from KCPL and was formerly the utility Aquila) also filed its plan under MEEIA. Great Rivers, with **NRDC** and **Renew Missouri**, is trying to hammer out settlements with Ameren and GMO that will preserve benefits for ratepayers while satisfying the companies.

Litigation over Energy Efficiency Act Continues in Appellate Court

MEEIA was passed in 2009, but it took the PSC two years to finish the rules needed to implement the law. Great Rivers was there the whole way with **NRDC** and **Renew Missouri**. But the utilities and Office of Public Counsel sued to overturn the rules. On behalf of **Renew Missouri**, Great Rivers intervened in the trial court, which upheld the rules. The utilities and OPC appealed the court ruling, and Great Rivers is filing a brief in the court of appeals.

Great Rivers Intervenes in Kansas City Power and Light's Long-Range Plan

KCPL (which still files as a separate utility from GMO), also filed an energy efficiency plan under MEEIA, but then withdrew it. KCPL has excess generating capacity, with a new coal-fired power plant just having come online at latan 2, and sees no need for energy efficiency. We disagree; efficiency could enable KCPL to shut down its oldest, most polluting plants.

On behalf of **Renew Missouri**, the **Sierra Club** and the **Natural Resources Defense Council**, Great Rivers intervened in KCPL's Integrated Resource Plan filed in the Missouri Public Service Commission. We will urge the company and the PSC to embrace energy efficiency and start down the path that leads away from coal. Coal is no longer the cheap power source it once was, in part because the harmful effects of burning coal on human health and the environment have led to long-overdue new regulations by the EPA.

RES "Compliance"

The PSC requires utilities to report annually on their progress in meeting the renewable energy targets of Proposition C. In April, the reports came in for the first year the RES was actually in effect, 2011. The standard was a mere 2% of each utility's sales, but, in

ENERGY PROGRAM

fact, the utilities have done virtually nothing because of loopholes they found in the law. For example, Prop C limits hydropower to 10 megawatts to minimize its environmental damage (“microhydro”), but Ameren claims that its huge, 99-year-old hydro plant on the Mississippi meets this standard because each of the 15 generators in that plant is less than 10 MW.

On behalf of **Renew Missouri** and the **Sierra Club**, Great Rivers will be urging the PSC to enforce the will of the voters.

Great Rivers Intervenes in AmerenMO’s and KCPL’s Proposed Rate Increase Cases

On behalf of **Renew Missouri**, the **Sierra Club** and the **Natural Resources Defense Council**, Great Rivers intervened in the Public Service Commission’s proceedings on the rate increase cases filed by Ameren and KCPL. Both utilities seek significant rate increases from the PSC. Great Rivers argues that utilities’ investments in their coal plants should be disallowed because they are “imprudent.” Energy efficiency is the prudent and least costly way to meet energy demand.

Clean Up or Shut Down Dirty Old Coal Plants!

Great Rivers’ focus these past six months has been on coal combustion waste together with the wastewater generated from its disposal. An increasing amount of evidence shows that this wastewater has the potential to impact human health and the environment. Many of the common pollutants found in coal combustion wastewater (e.g., selenium, mercury, and arsenic) are known to cause environmental harm and present a potential human health risk. Pollutants in coal combustion wastewater are of particular concern because they often occur in large quantities and at high concentrations, exceeding drinking water standards. In addition, some pollutants in coal combustion wastewater present an increased ecological threat because of their tendency to persist in the environment and bio-accumulate in organisms.

For the most part the Department of Natural Resources has stood by the commitment it made to Great Rivers and the public following our efforts on the AECL New

Madrid coal-fired power plant. MDNR has, for the most part, required the State’s coal-fired power plants to assess the threats posed by their coal ash impoundments as permits have come up for renewal. The City of Columbia Municipal Power Plant permit has been an exception. The City of Columbia Municipal Power Plant has an unlined coal ash impoundment which discharges wastewater to an unnamed tributary to Bear Creek. MDNR issued a draft permit to the City of Columbia Municipal Power Plant, but imposed no requirement upon the City to evaluate the extent to which its ash impoundment presents a threat to human health and the environment. Great Rivers submitted comments on the draft permit, and is pressing MDNR for permit revisions to deal with this potential threat now.

Callaway Nuclear Plant

In 2009, Ameren had to shelve its application to the Nuclear Regulatory Commission (“NRC”) to build a new nuclear reactor at its Callaway County plant because it could not get the Missouri legislature to grant more favorable rate treatment. Great Rivers filed in opposition to the new plant on behalf of the **Missouri Coalition for the Environment**.

Recently, Ameren, Westinghouse Corp. and Governor Nixon announced a partnership to make Missouri the leader in developing small modular reactors (“SMRs”). Supposedly, these would be a cheaper alternative to the big reactor Ameren originally planned to build. Even if that’s true, the small modular reactors would still be very expensive and would not solve the radioactive waste problem. Moreover, no one can build a reactor until the NRC certifies the design, and no one has even filed an application to certify an SMR. Ameren may revise and reopen its license application sometime in the future.

Meanwhile, the **Coalition** is also challenging Ameren’s application to relicense Callaway 1, which received a 40-year license in 1984 and is allowed to seek a 20-year extension. Since the original license still has 12 years to run, this seems a little premature. Great Rivers is assisting nationally renowned anti-nuclear attorneys in seeking a hearing on the relicensing.

AIR QUALITY AND PUBLIC HEALTH PROGRAMS

Great Rivers Fights to Bring Environmental Justice to North St. Louis

Last summer, Great Rivers' attorney Bruce Morrison, was invited to an "environmental justice bike ride" sponsored by Trailnet and Grace Hill Settlement House. He and the bikers traveled the River Trail that extends from Laclede Power Building to the Old Chain of Rocks Bridge. Along the route, guides identified different polluting industries that affect North St. Louis' air quality. The residents of the neighborhoods of Old North and Hyde Park are disproportionately impacted by environmental hazards as compared to the rest of the metropolitan area. Decreased life expectancy, as well as increased risk of asthma, hospitalizations, cancer and chronic conditions cause these communities to have decreased health standings. Because these neighborhoods are mostly low-income, minority populations, this area has been condemned to environmental injustices, as toxic industry tends to

settle where people have limited resources to resist it.

That is where Great Rivers comes in. With the help of a donation from the R. V. Sager Foundation, we are investigating whether any of these polluting industries in North St. Louis are out of compliance with local, state or federal laws. In the event they are, we are prepared to take appropriate action to alleviate the unequal environmental burdens that confront these communities. This project will include grassroots efforts to mobilize community-members to take action, as well. We will work to educate residents on how to identify and report environmental hazards so that they may have a voice in stopping the contamination that affects them. There is no shortage of threats to the health of North St. Louisans, so we anticipate being hard at work thanks to the generous donation to this effort.

MEET BROOK SPEAR, Great Rivers' New Staff Attorney

We are excited to announce that we hired a new attorney in April. Brook Spear is a native St. Louisan who received her Bachelor of Science degree in Business Administration from the University of Missouri - Columbia in 2006. She graduated from the University of Missouri at Kansas City School of Law in 2010, with an emphasis in environmental law. She worked for us as a summer intern and volunteered for us after completing law school. We are delighted to welcome her here as a full-time staff attorney.



Take the Great Rivers' 10th Anniversary Picnic Quiz

- Name two species of birds you saw today on a birdwatching tour in Tower Grove Park.
- What road kill is the most prevalent on Highway 44 between Joplin and St. Louis? Hint: the species recently moved into Missouri due to global warming.
- If all the world's water were fit into a gallon jug, the fresh water available for us to use would equal how much?
 - One teaspoon
 - One tablespoon
 - One half cup
 - One cup
- How long does it take the average American to make half a ton of garbage?
 - Less than a year
 - About two years
 - Ten years
 - A lifetime
- How many miles of navigable (by canoe or larger vessel) rivers are there in Missouri?
 - 3,000
 - 2,000
 - 1,000
 - 500
- True or false: Missouri has enough wind to power the needs of the entire state several times over.
- If every household in the U.S. replaced one light bulb with a Compact Fluorescent Light bulb, it would prevent enough pollution to equal removing how many cars from the road?
- What type of trash takes up the most space in US landfills?
 - plastic
 - metal
 - paper
 - yard waste
- According to the National Academy of Sciences, the earth is the hottest it has been in:
 - 50 years
 - 100 years
 - 400 years
 - 1,000 years
- When Great Rivers' Super Lawyer of the Year Bruce Morrison started working at the law firm of Green, Hennings and Henry (the predecessor to Great Rivers) in 1988, where did partners Lewis and Jack Green tell Bruce he would find the Avery mailing labels? Hint: It was not in the supply cabinet.

Answers: See page 7

***We extend our heartfelt thanks to our supporters.
Without your support, we would not be able to carry on our projects.***

Contributions received November 1, 2011 - May 15, 2012

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Great Rivers started a Sponsorship program in the Summer of 2006. Sponsors are entitled to certain benefits based on their level of contribution. Our levels are:

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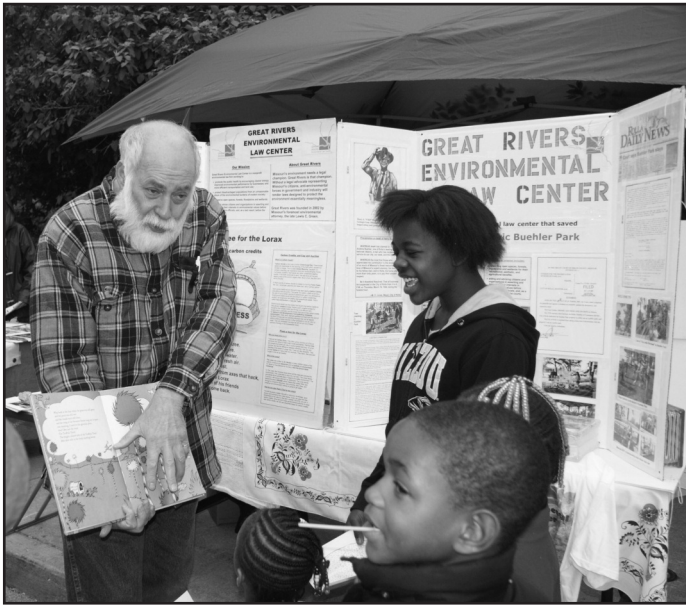
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Answers from page 6

1. Woodpecker, robin, warbler; 2. Armadillo; 3. b; 4. a; 5. c; 6. True; 7. 800,000 cars; 8. c; 9. c; 10. The little fridge in Lewis' office.

Great Rivers' Board Member Tom Sager Again Enchants Children in Columbia



At the Earth Day Festival in Columbia, MO, in April 2012, Great Rivers' Board Member Tom Sager again put up his remarkable display of Great Rivers and the battle to save Buehler Park, and his large game based on the Lorax by Dr. Seuss. In this game, Tom reads the Lorax to children passing by with their parents, and then blind-folds the children, spins them around, and has them "plant a tree for the Lorax," by placing the velcro tree on the game-board. Each child then receives three "carbon credits," or Hershey's chocolate kisses, in exchange for planting a tree. Tom concludes by saying, "Great Rivers speaks for the trees." Actually, Tom does not "say" this, he booms it out in his wonderful story-telling voice. This is the fourth year that Tom has put on his one-man show at the Earth Day festival in Columbia. His time and talent are amazing and much-appreciated by Great Rivers.

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