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Court limits Washington greenhouse cut program

By **Karin Rives**

Washington highest court last week upheld the state's broad authority to cap greenhouse gas emissions, but said it could only regulate facilities that directly release pollution and could not impose requirements on oil and natural gas suppliers for reduction of "indirect" emissions caused by the burning of their fuels in motor vehicles and industrial plants.

The 5-4 ruling by the Washington Supreme Court sharply reduced the reach of a 2016 greenhouse reduction rule put in place by Gov. Jay Inslee (D). State officials said the

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Wisconsin PSC approves disputed gas plant just before Dems take over

By **Jim Day**

In one of its last high-profile votes before it flips to a Democratic majority, a divided Public Service Commission of Wisconsin last week authorized the Nemadji Trail Energy Center, a 625 megawatt natural gas plant that was staunchly opposed by greens and industrial customers as expensive and unneeded as the region shifts toward low-cost renewables.

In a 2-1 vote Thursday that ended months of debate over the project, the panel's two Republicans backed the plant as needed for reliability given the increasing amount of intermittent renewables on the state's grid. Democratic Chairperson Rebecca Valco

dissented—but said her vote should not be interpreted as indicating hostility to all gas plants.

Despite the favorable vote in Wisconsin, the project still faces a serious challenge in neighboring Minnesota, where the state Court of Appeals last month overturned Minnesota regulators' 2018 approval of the project.

The \$700 million plant is a joint venture between Wisconsin-based Dairyland Power Cooperative and Minnesota Power, which say it is a low-cost option to provide reliable power and firm up growing renewables as more than 1,000 MW of coal-fired capacity in the region is retired.

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Key DOE waste cleanup plant faces new problems on start-up

By **George Lobsenz**

More than three years after the troubled \$2.3 billion nuclear cleanup facility was completed at its Savannah River Site, the Energy Department is facing new problems in starting up the Salt Waste Processing Facility, with outside inspectors saying DOE has found "significant" shortcomings in final preparations by the project's contractor to begin operations, including safety issues.

In two December memos, inspectors with

the Defense Nuclear Facilities Safety Board (DNFSB) said DOE has rejected key elements of an "operational readiness review" (ORR) conducted by Parsons to demonstrate that the plant it built for the department is safe for startup.

Further, the memos released earlier this month by the DNFSB—which provides independent oversight of safety at DOE nuclear sites—said DOE had "serious concerns" about corrective action plans developed by the contractor to fix problems flagged in that ORR.

At the same time, the memos suggested Parsons has pushed back against the adverse DOE findings about the contractor's readiness to proceed to a DOE-conducted ORR and startup of the SWPF.

The safety issues are the latest in a series of setbacks at the SWPF that already have forced DOE to move back startup of the critical nuclear cleanup plant by a year, potentially jeopardizing DOE's ability to meet a looming September 2022 deadline set by South Carolina regulators for removing millions of gallons of highly radioactive waste from the oldest of 43 aging underground storage tanks at the nuclear weapons and materials storage site near Aiken, S.C.

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Startup of the SWPF is particularly important because those decades-old storage tanks are increasingly prone to leaks, and salt waste represents 90 percent of the 35 million gallons of mixed nuclear and toxic residues that remain in the underground tanks. DOE faces a September 2028 deadline to empty all 43 tanks at the site in preparation to close them in place.

The SWPF is needed to separate out cesium and other high-level radioactive materials in the salt waste so they can be solidified and eventually sent to an underground disposal repository. The remaining low-level waste stream, which constitutes most of the waste in the tanks, is to be mixed into a specially formulated concrete for disposal in shallow burial vaults at Savannah River.

However, despite the SWPF's vital mission, DOE and Parsons have struggled for years to solve technical problems that have delayed construction and startup of the facility—a project launched by the department 18 years ago.

Parsons was initially selected by DOE in 2002 to design the SWPF and then won a follow-on contract in 2004 to build the facility, with a deadline for completion by 2009.

However, the project ran into immediate difficulty when the DNFSB raised concerns about whether the SWPF as designed would meet earthquake safety standards, among other issues. That prompted DOE to put the project on hold until design and engineering changes could be made to resolve the board's concerns, which DOE acknowledged were valid.

Parsons began initial construction of the SWPF's foundation and walls in September 2007, at which time DOE officials said they had a validated cost estimate of \$900 million and a new startup date of 2013, four years later than previously planned.

However, due to continuing delays with the project, the department pushed back the startup date to 2015 and in 2007 deployed an interim low-capacity salt waste processing system, the Actinide Removal Process/Modular Caustic Side Solvent Extraction Unit, to maintain some progress on waste removal from the tanks.

The SWPF was finally completed in May

2016, seven years later than initially scheduled, and with an estimated \$900 million in cost overruns.

Following that, Parsons launched a complex effort to commission the plant, which among other things required the development of additional infrastructure to link the underground waste storage tanks to the SWPF.

However, the project continued to be dogged by delays and technical problems, forcing DOE to push back the facility's startup date to December 2018. The continuing severity of the problems was revealed in a highly critical "notice of concern" that DOE sent to Parsons in March 2018 in which the department said it no longer had confidence the contractor would meet a contractual deadline to commission the plant by December 3 of that year.

The letter raised a host of concerns about Parsons' management of key aspects of the SWPF, including safety analyses needed to show the waste processing facility has the necessary controls, operating procedures and design features to protect workers and the public from accidents or other operating problems during waste processing. DOE officials also said they had "lost confidence" in Parsons' ability to provide accurate forecasts of costs and completion schedules, and that the contractor had failed to properly control SWPF operations, resulting in "numerous...reportable and off-normal operational events."

DOE subsequently pushed back the deadline for SWPF startup to December 2019, only to run into the new problems detailed in the recently released DNFSB memos on Parsons' ORR.

"In the final [DOE] report for the contractor operational readiness review, three objectives (fire protection, radiation protection, work planning and control) were graded not met," the DNFSB inspectors said in a December 6 memo.

"In addition to ten findings, the report describes several dozen additional negative observations, many of which appear to be significant and several of which are related to integrated safety management guiding principles and core functions."

The memo went on to say that despite the serious problems cited by DOE, Parsons

quickly pushed for DOE to conduct its ORR—typically one of the final steps in the startup process—even though the contractor had completed only a handful of required corrective actions.

Two days after receiving DOE's critical review of its ORR, "Parsons declared to DOE that they were ready to start the DOE ORR," the memo said. "This was highly unusual since they had only completed 5 of the 21 pre-start corrective actions from their ORR...."

"The scope of the planned corrective actions [is] also very narrowly focused (e.g., revise two radiation protection plans)," the memo added. "DOE management has expressed serious concerns with the above and plans to issue direction to Parsons imminently."

Despite the tensions over SWPF startup suggested by the DNFSB memo, both DOE and Parsons said last week they were cooperating smoothly on resolving the problems, and that they still expected to meet the current deadline for starting up the plant in the first quarter of 2020.

"The contractor ORR objectives that had challenges were in the areas of fire protection, work planning and control, radiation protection and emergency preparedness," DOE confirmed in a statement to The Energy Daily Wednesday. "At the department's request, Parsons submitted a corrective action plan to address the areas where objectives were not met."

"DOE and Parsons are working collaboratively to ensure the actions proposed by Parsons address the areas identified by the contractor ORR. The next step in the SWPF readiness process is the DOE ORR. DOE still expects the startup of SWPF to occur in spring 2020."

Parsons issued a statement Thursday saying it will "deliver an operational Salt Waste Processing Facility to the Department of Energy in the first quarter of 2020, consistent with all previous obligations and negotiations. We are closely aligned and working collaboratively with the Department of Energy to address the contractor operational readiness review team's findings. The Parsons team and the SWPF facility is on-track for the Department of Energy's operational readiness review next month."

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DOE worker loses job for helping political candidate tour Hanford

The U.S. Office of Special Counsel last week announced a settlement agreement under which an Energy Department employee agreed to resign over her violation of the Hatch Act, which the watchdog agency said occurred when she took a congressional candidate on a tour of the radioactive waste processing facility under construction at DOE's Hanford site in Washington.

The OSC said the purpose of the tour was to enable the candidate to get information and photos that were subsequently used in

her campaign for Congress, thus violating provisions of the Hatch Act, which bars civil service employees from using their government positions to help political candidates.

"The candidate had repeatedly sought a tour of the plant to demonstrate her familiarity with the project to potential voters," the federal employment watchdog agency said in a Thursday press release on the settlement with the DOE worker. "However, citing potential Hatch Act violations, DOE

denied her requests."

The OSC said the DOE employee—whom it did not identify—then took the candidate on the tour, even though she had been warned by department officials not to do so.

The agency filed a November 8, 2019, complaint against the DOE employee with the Merit Systems Protection Board, saying the employee's actions were a flagrant Hatch Act violation.

After the OSC filed its complaint, the employee voluntarily resigned from her DOE post January 4. As part of the settlement agreement, she admitted to violating the Hatch Act and agreed to a 3-year debarment from federal employment.

Wisconsin PSC approves disputed gas plant...[\(Continued from p. 1\)](#)

The fight over Nemadji Trail is one of several around the country that underscore the razor-thin margins for gaining approval of new gas infrastructure when the falling costs of renewables could make the gas plants uneconomic long before they reach the end of their lifetimes.

It also shows gas plants face growing political perils in swing states like Wisconsin that have recently elected Democratic leaders.

In voting to approve the project, the two commissioners appointed by former Wisconsin Republican Gov. Scott Walker—Mike Huebsch and Ellen Nowak—largely agreed with the commission staff's assessment that environmental impacts at the proposed plant site at Superior, Wis., could be adequately mitigated and that the gas plant will support reliability.

"Because natural gas combined-cycle facilities are capable of ramping up and down quickly, they are appropriate resources to accommodate greater proliferation of intermittent resources," the PSC staff wrote. "They can quickly respond to maintain adequate generating resources to meet demand and ensure reliability."

The vote in favor of the gas plant is likely to be the last high-profile action on the commission for Huebsch, who announced January 13 that he plans to resign in February, about one year before his six-year term expires.

His resignation opens the door for Gov. Tony Evers (D) to appoint a Democrat to the seat, which would place two Democrats on the three-member commission and align it better with Evers' clean energy agenda. Any nominee will have to clear the GOP-controlled Senate, however, although under

Wisconsin law the nominee could join the commission before receiving Senate confirmation.

Evers has joined many other Democratic governors in laying out goals to reach 100 percent carbon-free power by 2050—a target that opponents of the Nemadji Trail plant say is incompatible with building new gas-fired power plants.

Interestingly, Valcq said Thursday that her vote against approval of the Nemadji Trail plant was specific to that proposal and should not be interpreted as a wider assessment of the role gas will play in a changing energy mix.

"My vote is not a referendum on natural gas as a fuel source," she said. "In my view, the record demonstrates that neither the preferred nor the alternate site are in the public interest because both present undue environmental impacts."

Under Walker, Wisconsin lagged somewhat behind some other Upper Midwest states in moving to take advantage of abundant renewable resources, with coal and gas-fired plants accounting for about three-quarters of its generation mix. Neighboring Iowa is among the nation's leaders in wind generation, while utilities in Minnesota led by Xcel Energy have laid out some of the nation's most aggressive greenhouse gas reduction targets.

Minnesota Power, a unit of Allete, said its commitment to clean energy was demonstrated by a recently signed power purchase agreement for 250 MW of wind and plans to complete the Great Northern Transmission line this spring, which will allow deliveries of 380 MW of hydropower from Manitoba

Hydro. With those projects, Minnesota Power expects to receive about 50 percent of its power from renewable resources by 2021.

The company has insisted that the Nemadji Trail plant will be essential to support reliability. Julie Pierce, Minnesota Power's vice president of strategy and planning, said Thursday that "the flexibility of natural gas will provide a superior secondary source of energy when renewable capacity is not fully available."

On Thursday, Minnesota Power officials said they planned to appeal the Court of Appeals decision that vacated the Minnesota Public Utilities Commission's (MPUC) approval of the plant, arguing that it could have far-reaching impacts of improperly bringing generation resources in other states under Minnesota regulatory oversight.

Along with expected opposition from environmental groups, large industrial customers claimed the Nemadji Trail plant would increase rates without providing any clear benefits.

In a separate but similar high-profile case, the MPUC on Thursday approved Xcel's plan to buy the 760 MW Mankato gas plant through an unregulated merchant unit. The regulators in 2018 rejected Xcel's original plan to have its regulated utility Northern States Power buy the plant, saying that would place too much risk on ratepayers and potentially raise their costs.

In approving the plan for MEC Holdings, an unregulated unit of Xcel, to buy the Mankato facility, the PUC found that ratepayers would be better protected if the gas plant became uneconomic and had to be retired early.

Pennsylvania PUC approves water company buy of big gas distributor

In one of the few deals involving such a cross-sector merger, the Pennsylvania Public Utility Commission Thursday approved a settlement that allows Philadelphia-based water and sewer services provider Aqua America to buy Peoples Natural Gas Co. for about \$4.3 billion.

When plans for the acquisition were first announced in October 2018, Aqua America said the move to create one of the nation's largest water and gas utility companies

would leverage the companies' shared core competencies of building and replacing infrastructure through regulated operations that guarantee cost recovery and return on investment.

Pittsburgh-based Peoples—the largest gas distributor in the state—had previously floated plans to form a public-private partnership with the Pittsburgh Water and Sewer Authority to improve drinking water quality in the city.

On Thursday, the state PUC voted 4-1 to approve Aqua America's acquisition of the gas company, which serves 740,000 homes and businesses in western Pennsylvania, West Virginia and Kentucky.

The settlement includes various conditions covering infrastructure replacement, employment levels, credits for ratepayers and retail competition, according to the PUC. The settlement was backed by numerous gas groups, unions and the state Office of Consumer Advocate.

Aqua America is one of the nation's largest water and wastewater service companies, serving about 3 million customers in Pennsylvania and seven other states.

Court limits Washington greenhouse cut program...[\(Continued from p. 1\)](#)

ruling meant the Clean Air Rule would now cover only about 18 percent of Washington's overall emissions, down from 68 percent of emissions as the rule was originally adopted.

Most importantly, the ruling eliminates the state's ability to address pollution from motor vehicles, the state's largest source of emissions. State officials say vehicles accounted for 43.5 million metric tons of carbon dioxide (CO₂) equivalent in 2017, representing about 45 percent of total state emissions.

Inslee, who has made fighting climate change a top priority for his administration, said the court decision meant the state legislature needed to take urgent action to provide the authority to regulate indirect emissions. Environmentalists echoed that call, urging lawmakers to adopt clean fuel standards, as have been put in place by California.

"This ruling would significantly affect the state's ability to reduce emissions and we need legislative action this year," Inslee said in a statement Thursday. "Our state will not give up on its commitment to the preservation of our environment, nor our message to the politicians in the other Washington: Action on climate change cannot wait."

However, Inslee has failed in previous attempts to get the state legislature to pass sweeping greenhouse reduction legislation due to GOP opposition. And motor fuel, natural gas and other fossil energy providers have warned that legislation covering indirect emissions would raise a broad array of politically sensitive consumer costs, ranging from gasoline to home heating to food.

The state's 2016 Clean Air Rule requires businesses to reduce their carbon emissions by 1.7 percent annually, using 2017 as a baseline. They can do so by changing their

operations or by using an offset mechanism to pay for carbon reduction projects elsewhere. As adopted, the rule was expected to slash 20 million metric tons of CO₂ by 2035—helping the state reach two-thirds of its target.

Lawyers for the state had argued that the Department of Ecology's implementation of Washington's 2008 greenhouse gas reduction law required it to limit "the quantity, rate, concentration of emissions of air contaminants on a continuous basis," and that the agency could not effectively do so if motor vehicle and other indirect emissions were excluded from regulation.

However, industry groups—particularly fuel providers—said it would be unfair to hold distributors of petroleum or natural gas responsible for emissions resulting from combustion of their products in vehicles or facilities they do not control.

The state's high court said last week Ecology misinterpreted the language and intent of the 12-year-old Washington Clean Air Act.

"Left unchecked, Ecology's expansive interpretation of its own authority would sweep many newly branded 'indirect emitters' into the regulatory web," the majority opinion wrote. "We are confident that if the State of Washington wishes to expand the definition of emission standards to encompass 'indirect emitters,' the legislature will say so. In the meantime, Ecology may not claim more authority than the legislature has granted in the act."

However, the court's minority in their dissent said the law did not clearly limit Ecology's authority to direct emitters.

"At no point do these provisions state that only entities directly emitting air contaminants may be regulated under the act," they

wrote. "Rather, the plain language of [the law] reflects that 'emission standards' need only be a requirement that limits the concentration of emissions; it does not reflect that 'emission standards' be a requirement that limits the concentration of emissions from direct sources."

Still, the minority acknowledged: "Arguably, the act remains at most ambiguous as to whether it applies only to direct emitters or to both direct and indirect emitters, as the majority notes."

The state's carbon rule has been in limbo since 2018 after a lower state court ruled that Ecology could only apply its carbon rule to direct emitters. Subsequently, that court rejected requests by the state and environmentalists to let Ecology proceed with regulation of direct emitters, saying the rule was fundamentally flawed and thus could not be implemented.

The state then appealed to the high court, and business groups weighed in with arguments challenging the state's very authority to regulate greenhouse gas emissions.

While business groups lost that fundamental argument, they said the court's ruling barring regulation of indirect emitters was a major victory.

"We are pleased the court recognized the Department of Ecology went too far in its attempt to regulate greenhouse gas emissions," Kris Johnson, president of the Association of Washington Business, said in a statement. "The rule would have forced natural gas and fuel suppliers to pass on increased costs to families, making it more expensive to heat homes, drive to work and buy groceries, and it would have raised transportation and other costs for all employers, particularly small businesses."

Clean Energy Spotlight

Empowered Virginia Dems move on clean energy—and Dominion

By Eric Lindeman

With their takeover of the state legislature this month, Democratic lawmakers in Virginia are moving quickly on sweeping energy legislation that would set the state's first mandatory renewable energy requirements for its incumbent utilities, open the door for competitive suppliers to provide clean energy to corporate buyers and eliminate utility fees that green groups say discourage rooftop solar.

However, passage of that legislation could be complicated by other bills that target Dominion—the state's biggest utility—by accelerating the reinstatement of state regulatory reviews of the company's earnings. That is a politically sensitive subject given huge overcharges reaped by the utility after lawmakers in 2015 suspended those reviews at Dominion's request.

The legislature in 2018 sought to defuse controversy over the overcharges by requiring Dominion to use the excess earnings to build thousands of megawatts of renewable energy facilities—including the nation's largest offshore wind project—without regulatory review.

Clean energy bills introduced to date would leave it up to state regulators to determine whether to review Dominion's renewable projects, but such action by the State Corporation Commission (SCC) could prompt the utility to back off those initiatives, which Democrats support as critical to efforts to reduce Virginia's greenhouse gas emissions.

Meanwhile, Dominion is unlikely to be pleased by new legislative efforts to change current laws that bar competitive power suppliers from providing renewable energy to corporate customers in Virginia unless they meet 100 percent of those clients' electricity needs. Dominion has strongly backed those existing laws in litigation brought by competitive suppliers over the 100 percent requirement.

And while Dominion has not commented on Democrats' plans to impose a mandatory renewable portfolio standard (RPS) on the state's utilities, company officials have

generally suggested it is not needed because the utility already is moving on multiple large-scale solar and wind projects.

The RPS requirements are the centerpiece of the Clean Economy Act, which was introduced January 7 by Delegate Rip Sullivan and Sen. Jennifer McClellan, both Democrats. That bill is aimed at meeting an executive order issued by Gov. Ralph Northam (D) in September committing Virginia to a carbon-free grid by 2050.

The bill requires the state's utilities to get 30 percent of their power from renewables by 2030 and to be 100 percent decarbonized by 2050. Notably, the RPS provisions allow Dominion to count its existing nuclear plants in the state as carbon-free resources.

Overall, the bill sets relatively gentle annual progress requirements for Dominion and the state's other regulated distributed utility, Appalachian Power, a subsidiary of American Electric Power that serves part of western Virginia.

Dominion would be required to increase renewable energy by only 3 percent of load per year from 2021 to 2050. But the bill also sets energy efficiency mandates—with a significant enforcement mechanism. The utility must achieve energy savings of 2 percent per year starting in 2027, and failure to meet the efficiency milestones would, in most cases, result in Dominion not being authorized to build new generation.

Supporters of the bill also say it will give ratepayers more control over their energy consumption by removing burdensome regulations that have effectively blocked many investments in residential distributed solar. It would lift utility fees that green groups say penalize rooftop solar homeowners by not compensating them for the full value of the excess power they return to the grid. And it would help municipalities and local governments enter into power purchase agreements with independent solar providers.

In tandem with the Clean Energy Economy Act, the Fair Energy Bills Act, introduced December 12 by Del. Lee Ware

(R) and Del. Jerrauld Jones (D), is aimed at speeding the reinstatement of reviews done by the SCC of Dominion's earnings. Jones suggested the bill was ripe for action due to the Democrats' takeover of the state legislature in last year's elections, which he said was accompanied by a growing political "appetite" for utility reform.

Clean Virginia, a green group, sought to whet that appetite last week by releasing a report that charged Dominion over the last decade has overcharged its customers by more than \$2.3 billion and that, to date, less than 5 percent of that money has been refunded, based on data from SCC reports and orders.

Hundreds of millions of dollars of those overcharges stemmed from a 2015 law that froze rates for Dominion through 2022 and for Appalachian Power through 2020. Dominion said the rate freeze was needed to protect ratepayers from high compliance costs the utility was likely to incur to meet Obama administration rules to cut carbon emissions from power plants—rules that the Trump administration subsequently rolled back.

Importantly, the 2015 law also barred the SCC from conducting biennial reviews of the utilities' earnings for those years to see if they complied with their SCC-allowed rates of return.

Lawmakers responded to the controversy over the overcharges by passing the Dominion-backed Grid Transformation and Security Act into law in March 2018. That law returned some of the SCC's rate oversight but gave Dominion the right to use the overcharges to fund renewable energy projects instead of refunding the money to customers.

It also required the SCC to approve the renewable energy projects, regardless of public need or their cost, and it limited the SCC's authority on review of the utility's earnings to cut rates more than a total of \$50 million—a far cry from the total amount of overcharges, opponents said.

Importantly, while not rolling back any funding for renewable energy projects authorized under the Grid Transformation and Security Act, Ware and Jones say their Fair Energy Bills Act will return to the SCC its full regulatory authority to review Dominion's 2021 rate case and order refunds for overcharges going forward.

Clean Energy Spotlight

Microsoft vows to be ‘carbon negative’ by 2030

In an ambitious push to become “carbon negative” by 2030, Microsoft announced Thursday that it will shift the remainder of its data centers, buildings and campuses to renewable energy by 2025, electrify its global campus operations by 2030, and begin this year to phase in its corporate \$15 per-ton carbon tax on all business activity across its entire supply chain.

The tech giant also announced a new Climate Innovation Fund that will invest \$1 billion over the next four years to accelerate development of emerging technologies that can remove carbon from the air, with the ultimate goal of offsetting all its past greenhouse emissions.

“Like most carbon-neutral companies, Microsoft has achieved carbon neutrality primarily by investing in offsets that primarily avoid emissions instead of removing carbon that has already been emitted,” the company’s president, Brad Smith, wrote in a blog post Thursday. “That’s why we’re shifting our focus. In short, neutral is not enough to address the world’s needs.”

Microsoft expects to emit 16 million metric tons of greenhouse gases this year,

most of which consists of so-called “Scope 3” emissions—stemming from a vast array of business activities and sources like building material, employee business travel and even electricity that Microsoft customers consume when using the company’s products.

Not accounting for such broad emissions has been a shortcoming Microsoft has shared with many other businesses and that the company will now address, Smith wrote.

“Starting in July, all our business divisions will also pay an internal carbon fee for all their scope 3 emissions,” Smith wrote. “We will start at a lower price per ton than our current fee for other emissions, but we will phase in increases over time until all our...emissions [categories] are charged the same rate.”

This will both increase incentives across the company to reduce all scope 3 emissions and fund the added work to reduce our own scope 3 emissions and invest in carbon removal activities.”

The company will also introduce new procurement processes in 2021 to incentivize global suppliers to reduce their emissions, while weighing in on public policy issues to

try to advance carbon reduction efforts.

On Microsoft’s policy list for the government in the United States and beyond: removing regulatory barriers to carbon reduction technologies and implementing carbon price mechanisms to boost clean energy development.

While generally applauding Microsoft’s announcement, a few green groups pressed the company to go further by committing to stop working with energy companies that use the company’s technology to expand fossil fuel production, particularly artificial intelligence (AI).

“While there is a lot to celebrate in Microsoft’s announcement, a gaping hole remains unaddressed: Microsoft’s expanding efforts to help fossil fuel companies drill more oil and gas with machine-learning and other AI technologies,” Elizabeth Jardim, a senior climate campaigner with Greenpeace, said in a statement. “Teaming up with Exxon, BP, Chevron and others to extract more oil and gas is a major disconnect and makes the climate crisis worse. To truly become carbon negative, Microsoft must end its AI contracts with Big Oil.”

NRDC backs BLM decision backing big solar farm in California desert

With support from some environmentalists who previously opposed such renewable energy projects in sensitive desert ecosystems, the Interior Department’s Bureau of Land Management last week announced preliminary approval of First Solar’s proposed 450-megawatt Desert Quartzite solar farm in eastern Riverside County, Calif., authorizing construction and operation of the arrays on 3,000 acres of federal land.

The initial decision by BLM is significant because many solar energy projects in the pristine California desert have been opposed by conservation groups that say sprawling arrays adversely affect critical habitat for endangered tortoises and other threatened species.

However, BLM said the Desert Quartzite project falls within the California Desert

Conservation Area Land Use Plan, the Obama-era regulations approved in 2016 that were issued jointly by the BLM, the California Energy Commission, the California Department of Fish and Wildlife and the U.S. Fish and Wildlife Service to protect such critical habitat.

BLM denied protests filed against the project by the Colorado River Indian Tribes and Basin and Range Watch, saying its environmental review showed the Desert Quartzite project site was suitable for solar development under the agency’s Western Solar Plan and the Desert Renewable Energy Conservation Plan.

“The Western Solar Plan identified specific locations that, at a plan level, appear well-suited for utility-scale production of solar energy where the BLM would prioritize development (i.e., solar energy zones

or SEZs) as well as categories of lands to be excluded from such development,” BLM said in its decision issued Wednesday. “The area of the Desert Quartzite project was designated as the Riverside East SEZ, signifying that the...site and the surrounding area are preferred for large-scale solar energy development based on environmental and technical suitability for such development.”

Further, BLM said that as a result of its two-year environmental review, the footprint of the Desert Quartzite project was cut by more than 1,000 acres to mitigate possible impacts on wildlife, particularly desert tortoises.

Notably, the Natural Resources Defense Council, which has in the past been a vehement opponent of solar projects sited in the desert, last week agreed with BLM, saying approval of Desert Quartzite properly balanced renewable energy needs and ensuring resource protection.

Construction of the estimated \$1 billion project is expected to take up to 30 months, with anticipated operation by 2022.