

Statement to the Annual Membership Meeting

Held at the Community Services Building in Sylva, NC, 538 Scotts Creek Road, on June 30, 2011
Avram Friedman, Executive Director

Welcome to the 2011 annual membership meeting of the Canary Coalition and thank you all for being here. I'm Avram Friedman, the Executive Director of the organization.

This evening we're going to count the ballots and announce the election of the four board positions that are open this year. Then we'll engage in a discussion about the future course of the Canary Coalition.

I'd like to thank the Canary Coalition Governing Board members for the service they've provided to our organization over the past year. And I'd like to thank all the people who have volunteered and participated in our various activities throughout the year. Our accomplishments would not have materialized without you.

Before we begin the business of this meeting, please allow me to recount our activities of the past year and sum up the status of our organization, the progress we've made and the impact we've had on improving air quality in the Appalachian region, which is our core purpose and the reason the Canary Coalition came into existence in the year 2000.

I can report that as of today we have 2274 members and remain the largest grassroots environmental organization in western North Carolina and perhaps in the entire state. We remain a completely independent entity, relying solely on voluntary donations from our membership and those who choose to give us financial support. We receive no money from government agencies or private grant foundations that are funded by polluting industries or by those whose interests conflict with our goals of achieving clean air, reversing climate change, phasing out the use of coal, nuclear power, natural gas and other fossil fuels and transforming to an efficient, renewable energy and transportation-based economy. To my knowledge we are the only grassroots environmental organization in the state of North Carolina who can make that claim.

On April 13 of this year we experienced a breakthrough victory and payoff for a decade's worth of work by the Canary Coalition and its allies. The Tennessee Valley Authority capitulated to the demands of North Carolina in settling a lawsuit filed by Attorney General Roy Cooper. TVA agreed to shut down 18 of its 59 old and dirty coal-burning power plants in Alabama, Tennessee and Kentucky, while retrofitting the remainder with modern emission control equipment that will reduce over-all pollution by more than 65% and dramatically improve air quality in western North Carolina. This lawsuit was filed five years ago in compliance with section 10 of the North Carolina Clean Smokestacks Act of 2002 that mandated the State "use all available means" to compel polluting industries outside of North Carolina to dramatically reduce pollution being transported into our airspace. The same law mandated a clean-up of utility-owned coal-burning power plants throughout North Carolina. The Canary Coalition was instrumental in introducing, publicizing and working for the passage of this law and its key provisions including Section 10. The Canary Coalition was also responsible for including language in the law that specifically prohibited the buying or selling of pollution credits in lieu of actual emission reductions. As a result, these will be actual emission

reductions. There is at least one more thing worth mentioning about the Canary Coalition's role in passing the Clean Smokestacks Act. In March of 2001 the bill had already passed through the Senate, but, there came a moment in the legislative process when the bill was stagnating in the House Committee on Public Utilities. This committee was dominated by representatives from eastern counties in which textile and furniture industries were teetering on the brink of failure. They were concerned that the Clean Smokestacks Act would result in increased electrical rates that would push these industries over the edge into bankruptcy causing a massive loss of jobs in those areas. When it became apparent that the bill would die in this committee if something wasn't changed, Governor Easley decided to offer a compromise that dramatically reduced the standards and respective costs outlined in the bill, by as much as one-third. The rest of the environmental community almost immediately capitulated to this compromise, willing to accept whatever gains seemed possible at the moment, regardless of inadequacies in addressing the public health and environmental consequences they knew would result. But, the Canary Coalition took a different tact, separating itself from the rest.

We undertook a study of the utility industry rate system and its energy distribution system over the previous 10 years and discovered that, apparently, there was a huge discrepancy between their actual income and the amount of profit they were allowed to realize as a regulated monopoly under both North and South Carolina law. They were apparently swimming in excess profits from out-of-state sales of their over-capacity energy production. They were also about to retire a huge debt incurred from the construction of nuclear power plants in the 1970s. This would mean even higher profits even if rates were kept at their *current* levels. With this information in hand the Canary Coalition, alone, with no support from the rest of the environmental community, made a counter-offer to Governor Easley and to the utility industry. We suggested that there be a rate-case review against the utility companies, instead of a rate increase to determine who would have to pay for the emission control equipment and installation mandated by the pending Clean Smokestacks Act. The utility industry wanted to avoid a rate-case review at all costs and immediately reacted by agreeing to the original terms of the Clean Smokestacks Act minus any rate increase at all. In exchange they were granted an additional five-year period before having to face a new rate-case review, which had been staunchly avoided for more than 12 years prior. This agreement removed any objections by members of the House Public Utilities Committee and, in the following session, the Clean Smokestacks Act passed almost unanimously in both Houses of the state legislature, intact, with no compromises to its standards. Governor Easley signed it into law.

Since then, the Canary Coalition has been a high-profile leader on air quality related issues, if somewhat separated from the rest of the North Carolina environmental community in tactics and messaging. We are known within most activist circles, for better or worse, for our unwillingness to compromise in either substance or principle. And that reputation is deserved. The basis on which we operate is that the political landscape can be changed, but, scientific realities cannot. Following in the footsteps of the founding mothers and fathers of modern environmental activism such as Rachel Carson, Paul Erlich, Bill McKibben and others, our job can best be served by simply speaking the truth, regardless of perceived political realities, and demanding real solutions on a scale that will address the real global environmental crisis confronting the world today.

It would be accurate to assert that just the existence of the Canary Coalition is a profound statement and a powerful demonstration of deep public concern for air quality and climate change issues. Just by being a member of the Canary Coalition you are making a statement. And every moment that we exist as an organization and as a movement, every time the name of our organization appears in a newspaper, on a radio or television station, on the internet, on Facebook, every time a legislator, County Commissioner or government agency administrator hears the name of the Canary Coalition, it's a drum beat. And the drum beat gets louder and resonates more deeply each time until it becomes difficult to ignore.

But, we've done much more than maintain a presence as a constant drum beat. We've realized results from our actions, in raising public consciousness, in effecting laws and regulations, in influencing judicial decisions, and in manifesting cleaner air. Once again it has been proven that people have real power when they organize and choose to exercise it. While the recent TVA settlement marks a major manifestation of our original work as an organization, we have already moved into a new phase of our activities that addresses the issues of air pollution and climate change on a different level. With the apparent acceleration of climate change and a consensus by the international scientific community that dramatic steps are necessary to avoid catastrophic consequences, the task at hand clearly points toward effecting public policies that will result in reduced energy consumption and a rapid transformation to clean, safe renewable energy technologies.

Once again, this time in the 2011 North Carolina legislative session, the Canary Coalition separated itself to develop and introduce a legislative proposal that confronted the core issues and offered real solutions regardless of how the current political landscape was perceived. Initially, no other organizations joined us in this effort. But, we were very fortunate that Representative Patsy Keever, of Buncombe County, was willing to introduce House Bill 135, the Efficient and Affordable Energy Rates Bill. In recognizing that economics will ultimately determine the pattern of energy use by households, businesses, industries and government, HB 135 is a groundbreaking piece of legislation that can be used as a model in other states and other nations for dramatically reducing energy consumption while compelling a transformation to a renewable energy economy. By mandating an inverted rate structure for all ratepayers, H135, changes the direction of current state energy policy by 180 degrees. If and when this bill passes we will no longer be preparing for endless growth in energy consumption by building and operating a new generation of polluting and environmentally destructive coal, nuclear and natural gas power plants. We will instead be reducing energy consumption by 40-60 percent within the next 10 years as we phase out the highly centralized power plants, replacing them with decentralized rooftop solar systems, geothermal home heating systems, industrial co-generation systems and other forms of energy production that are much less destructive.

When we first introduced H135 our expectation and goal for this session was to find a handful of legislators to co-sponsor it just to get the conversation going. We would have been happy to find 3 or 4. Instead, after a group of 11 of us spent a day lobbying in February, H135 had 12 sponsors. Two weeks later, two senators co-sponsored a companion bill in the Senate, Senate Bill 367, with identical language, special thanks to Senator Ellie Kinnaird. In addition, now seven other environmental organizations chose to sign on to a letter we sent to Governor Perdue and members of the NC General Assembly asking support for H135/S367.

As expected, neither of these bills moved past their respective first committees in the legislative process during this session. It was stonewalled by the Republican majority in both Houses. My response to this is "So what?" We've still successfully taken the first step we would have had to take regardless of who occupied the North Carolina General Assembly. It doesn't matter if Democrats, Republicans, Libertarians, the Tea Party, Mohamar Khadafy or Benito Mussilini is in power. Our task remains the same. The science remains the same. The climate change crisis remains. Mountaintop removal mining continues. Hydrofracking for natural gas continues. The Fukishima nuclear catastrophe continues and worsens. The economics of peak oil production hasn't changed. Our task of speaking the truth, generating public awareness, organizing and offering viable solutions remains the same, regardless of how the political landscape may appear on any given day. It's as simple as that. We have to have the solutions in hand and available for acceptance when the political pendulum swings again and a majority of our elected leaders are ready to listen. We have to build the support and the movement to make sure this happens sooner rather than later. It doesn't matter if the legislature is in session or out of session. It doesn't matter what Congress, the President, the EPA or the Supreme Court is doing. We're not on their schedules. We have our own agenda and that schedule is dictated by science and the pending destruction of our life support system on planet earth. And so, I'll end this report with these thoughts in mind, and I'll pose the question to those who are hearing and reading this: How can we best address this task from this moment forward? Lets talk about it. And lets act on it.

Thank you.