

MDE drops its opposition to city waste plant

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A rendering of the waste-to-energy plant that Energy Answers International plans to build in the Fairfield section of Baltimore.

Plans to build a plant in Baltimore that generates electricity by burning municipal waste can move forward after state officials dropped plans to appeal its approval.

The Maryland Department of the Environment said it has entered into a settlement agreement with Albany, N.Y.-based Energy Answers International over its plan to build a 140-megawatt renewable energy plant in the city. MDE previously opposed a Maryland Public Service Commission ruling that the plant would not require additional air and water permits before construction would begin.

Instead of appealing the PSC decision, the agency said it had secured environmental safeguards through an agreement with Energy Answers. MDE said the safeguards included what it said were the most stringent mercury emissions rate for any such facility in the country.

“Faced with the possibility of pursuing an appeal that would not come out in MDE’s favor, the Department chose instead to obtain a legally binding and enforceable agreement that assures environmental and public health protections will be in place at this facility,” Maryland Department of the Environment Secretary Shari T. Wilson said Friday in a statement.

Energy Answers plans to build the power plant on a piece of industrially zoned land near Curtis Bay owned by the FMC Corp. in the Fairfield neighborhood. The plant will be able to handle processing about 4,000 tons of refuse per day. The plant will take municipal waste, tire chips, automobile waste and other items and shred them into four-inch pieces, which will then be burned to produce steam that generates electricity. The energy produced by the plant will qualify as renewable energy.

“The key to this is going to be the energy sales,” Kurt Krammer, project manager for Energy Answers, said. “We will have 140 megawatts of renewable energy available at a competitive price.”

With the settlement agreement in place, Energy Answers asked the PSC on Friday to issue a final order that would allow for construction to begin.

Krammer said the company plans to start site work in November and have the plant running in 2013. The company could not afford the potential one-year delay needed for extra permitting if it wanted to hit mandatory milestones to qualify for federal stimulus grant money. The company would be eligible for up to \$300 million in federal grant money if it can start construction in 2010 and be generating electricity by 2013.

“A delay could have been deadly for the project,” said Todd Chason, an attorney with Gordon, Feinblatt, Rothman, Hoffberger & Hollander LLC, representing the company. “Three hundred million is on the line, and we had to get shovels in the ground by the end of the year to qualify.”

The site of the plant has been in use since 1915 as an ethanol and acetone production facility to provide war materials, according to the U.S. Environmental Protection Agency. FMC bought the site in 1954 and produced agricultural and industrial organic chemicals there until it ceased production at the plant in 2008.

Energy Answers plans to lease the air rights to the property from FMC, Krammer said, which covers improvements and everything above ground level. Under this arrangement, the EPA’s groundwater contaminate remediation plan will continue to be handled by FMC.

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