## Financial Concerns about Coal Plants Spread as Cobb EMC Chief Dwight Brown Is Indicted

Brown's Business Schemes Included Power4Georgians

Media Release CONTACTS:

January 7, 2011 Katherine Helms Cummings, FACE - 478.232.8010

Colleen Kiernan, Georgia Chapter of the Sierra Club - 404.992.9745

Ulla-Britt Reeves, SACE - 828.713.7486

Midge Sweet, Georgians for Smart Energy - 404.667.4476

Justine Thompson, GreenLaw - 404.659.3122

ATLANTA, GA – Environmental organizations across the state were not surprised to learn that Dwight Brown, the Chief Executive of Cobb EMC and the organizer of Power4Georgians, has been indicted by the Cobb County District Attorney for theft and racketeering. Cobb EMC has already been embroiled in litigation questioning the EMC's financial accountability to its members. Questions had also been raised about Cobb EMC's involvement in the proposed construction of two coal-fired power plants which could cost over \$4 billion. As CEO of Cobb EMC and of Cobb Energy, Brown organized Power4Georgians, a corporation with five other EMCs, to build and operate the two coal-fired plants, Plant Washington and Plant Ben Hill.

Cobb EMC rate-payers are being socked with the financial liabilities that will come from building these coal plants at a time when coal-fired power plants across the nation are being cancelled by most states and utilities. No coal plant has commenced construction in over two years, and dozens have been cancelled due to concerns that they are not sound financial investments. In fact, four of the original ten EMCs have pulled out of Brown's Plant Washington project, citing these exact concerns, yet under Dwight Brown's leadership, Cobb EMC has proceeded.

During the hearing on the Plant Washington air permit in October of last year, Dean Alford of Power4Georgians testified that Power4Georgians received a no-bid contract to develop the proposed coal-fired power plant.

According to the *Marietta Daily Journal*, "the indictment alleges that Brown used Cobb Electric Membership Corporation as a piggybank to fund various operations and activities of Cobb Energy without approval by the cooperative's members, as required in EMC's bylaws." It is estimated that the development of Plant Washington has cost \$27 million to date, of which Cobb EMC paid a significant portion that has never been approved by the coop's members.

Katherine Cummings, Director of the Fall-Line Alliance for Clean Energy (FACE) and a customer of Washington County EMC, a member of Power4Georgians, posed this question, "Will Washington EMC be able to get its rate-payers' money back from Dwight Brown's Plant Washington scheme?"

Ulla Reeves of Southern Alliance for Clean Energy responded to this development: "Investing in a coal plant is already a bad idea. Investing money where corruption has been alleged at the helm is a boondoggle and simply irresponsible. The EMCs involved in Power4Georgians ought to take a hard look at their involvement in this plan."

Mark Woodall, Chair of the Georgia Sierra Club observed that, "a lot more transparency for the customer-owners of these electric coops is needed in this state to prevent the sort of acts that Dwight Brown is accused of committing."

###