Evolving Impact of Environmental Laws on Cross-border Power Between Mexico and the United States

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October 20, 2003
New Generation Projects of Northern Mexico
La Rosita and Termoelectrica de Mexicali Power Plants
Forecast California Price for Power v. Break-even Costs for New Generation

![Graph showing forecast California price for power compared to break-even costs for new generation. The graph indicates a projection of price from 2003 to 2015, with a distinct downturn in 2006 and subsequent recovery and increase over the years. The graph includes lines for forecast, $14/MWh, and $12/MWh, illustrating the variability and trend in the market.]
California Demand and Reserve Margin Forecast

Source: Platts Research and Consulting
BPPWG v. DOE, et al
Phase 1

- EAs undertaken by DOE were inadequate under NEPA
- DOE did not consider impacts on Salton Sea
- DOE failed to address 412 comment letters
- EAs did not adequately analyze CO2 and Ammonia emissions
- DOE performed adequate human health impact analysis
- DOE did not act arbitrarily regarding impact of Ozone emission
- DOE had properly addressed NOx and PM-10 increases
BPPWG v. DOE, et al
Phase 2

- Rejection of temporary restraining order
- Mexicali plants were cleaner than existing alternatives
- Treatment of wastewater would improve Salton Sea and New River
BPPWG v. DOE, et al

Phase 3

- Public interest factors that kept Gonzalez from issuing injunction:
  - Environmental benefits from sewage treatment plants
  - Displacement of dirtier plants
  - Foreign policy implications of injunction
  - California’s need for additional capacity

- What the power companies won:
  - Permission to continue to transmit power
  - No requirement for an EIS

- What BPPWG won:
  - Judge retained jurisdiction, and requires updated EA by summer 2004
Future actions by BPPWG

• NOx and PM-10 offsets
• Operation of wastewater treatment plants 24 hr. / 7 day