

SEPTA Board must remove conflicts of interest, conduct hearings on Nicetown gas plant

The SEPTA Board of Directors will vote this Thursday, March 23, on a resolution to ratify approval of a natural gas power plant near Wayne Junction in Nicetown. There has been no serious justification for this unnecessary project beyond the buzzword “resiliency.” It is a solution in search of a problem, a [supply of natural gas desperately seeking demand](#). In addition to likely worsening climate change and posing financial risks to SEPTA until at least 2038, the plant will place significant health and safety burdens on the 37,000 Philadelphians who live within a mile of the site, in a ZIP code that already has the Philadelphia’s highest rate of childhood asthma hospitalizations.

Councilwoman Cindy Bass underscored her constituents’ concerns last week in a [strong letter to the SEPTA Board](#), saying that with all the unresolved questions “the only responsible thing” for SEPTA to do is to “move this power generator to another location that does not have a large residential base” or put plans on hold until the community has “the critical information we need.” State Representatives Rosita Youngblood and Chris Rabb have also asked SEPTA to reject the project.

Thus far, the appointed SEPTA Board has refused to heed the objections of the community and democratically elected officials. Why? Philadelphians can only guess. And as we do so, Board member Robert D. Fox’s glaring conflicts of interest threaten to provide a plausible explanation, and undermine public trust in the Board’s ability to impartially judge whether natural gas projects are truly in the long-term best interests of SEPTA and its riders.

That is because Mr. Fox is a managing partner at Manko, Gold, Katcher, & Fox, a law firm with a significant practice area representing [shale gas industry interests](#). His firm is a member of the [Marcellus Shale Coalition](#), the top trade group boosting natural gas extraction in Pennsylvania. It is also a member of the [Greater Philadelphia Energy Action Team](#) (GPEAT) whose stated mission is to “promote pipeline development from Pennsylvania shale gas wells to the Greater Philadelphia region to increase the supply of hydrocarbons used” in Philadelphia.

Has Mr. Fox advocated strongly for the Nicetown project because he believes it is in the best interest of SEPTA? Or has he done so in his hydrocarbon-boosting capacity with GPEAT? Or as a named partner with [a more than 10% financial stake](#) in a law firm whose revenues depend in part on Marcellus shale projects? No doubt he honestly believes these roles are compatible, but his personal conviction does not resolve these intrinsic conflicts of interest.

Mr. Fox must recuse himself from the vote. But, given his significant influence on the

decision-making process, this is not enough. If the Nicetown plant is to be considered, the SEPTA Board must uphold public confidence in its integrity by holding full public hearings with an independent, unbiased examiner.

This process must carefully consider many grave concerns. The *health of the neighborhood* has not been adequately guaranteed, as the study commissioned on air quality did not consider ultrafine particles, the pollutant that most concerns critics, or interactions with already high pollution levels—and it was conducted by Mondre Energy, another member of shale gas advocacy coalition GPEAT.

The *climate change implications* must be confronted, as locking in baseload electricity generation from fossil fuels until 2038 is simply incompatible with acting to avoid climate catastrophe. Comparing coal and natural gas impacts on climate change, as shale backers have done, is like debating the exact temperature of a fire while it burns down a house.

The *safety of the neighborhood* must be guaranteed, especially in light of slashed EPA and Pennsylvania DEP budgets for safety inspections. Already, the Grays Ferry natural gas plant, operated by Veolia Energy (another GPEAT member), has [the most Clean Air Act violations](#) of any power plant in Pennsylvania. Furthermore, the plant would be adjacent to rail lines used by oil trains. An explosion—like [the one that occurred last July at Veolia's Grays Ferry plant](#)—could ignite oil cars with catastrophic consequences.

Finally, the *financial consequences for SEPTA* must be examined. Over the contract's two decades, as renewables' prices continue falling dramatically while natural gas prices will likely rise significantly, the fact that SEPTA is contractually obligated to assume all “energy market risk” from years 6 to 20 may be a good deal for gas drillers, but not transit users.

Fortunately, Philadelphia's two SEPTA board members, Parking Authority director Clarena Tolson and Temple University Assistant Vice President Beverly Coleman, can together veto any resolution pending real answers to these questions. We know that Mayor Jim Kenney believes in acting on climate change. If he also wants to counteract even the appearance that the fracking industry is calling the shots on local infrastructure decisions, he should instruct Philadelphia's representatives on the SEPTA Board to veto the Nicetown plant.

*Adams Rackes is an engineer, and chair of the Climate Justice task force for [Reclaim Philadelphia](#).*