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Broad energy coalition condemns action to subsidize failing coal, nuclear plants
Proposed action to bail out nuclear, coal plants is misguided, would hurt consumers

WASHINGTON June 1, 2018 - A diverse group of energy industry associations including energy efficiency and storage, natural gas, oil, solar and wind issued the following statement condemning the administration's [draft plan](#) to bail out coal and nuclear plants across the country.

Todd Snitchler, American Petroleum Institute Market Development Group Director (API):

"The administration's draft plan to provide government assistance to those coal and nuclear power plants that are struggling to be profitable under the guise of national security would be unprecedented and misguided. The natural gas and oil industry is committed to strengthening national security and is playing a leading role in reducing our decades long dependence on foreign energy. As the world's largest producer and refiner of oil and natural gas, which today is the number one source of U.S. electricity, our nation is on track to achieve the President's vision for energy dominance. However, unprecedented government intervention in the energy markets to support high cost generation will put achieving that vision in jeopardy and hurt customers by taking more money out of their pockets rather than letting people keep more of what they earn – a key priority of this administration. Cleaner and abundant U.S. natural gas and the infrastructure that supports it is powering one in three homes and businesses today and serving as a critical partner in renewable generation. As an industry we stand ready to do our part to protect our nation's energy and national security."

Malcolm Woolf, Advanced Energy Economy Senior Vice President of Policy (AEE):

"The Administration's plan to federalize the electric power system is an exercise in crony capitalism taken solely for the benefit of a bankrupt power plant owner and its coal supplier. It would be a command-and-control mechanism that fundamentally disrupts and undermines the competitive electricity markets that have improved our electricity system's reliability, resilience, and affordability, while fostering innovation. As has been well established – by FERC, by grid operators, by industry experts – there is no emergency that would justify propping up uneconomic power plants that are superfluous in an over-supplied region. The Administration's plan to alter competitive electricity market outcomes through the use of narrow emergency authorities crafted by Congress to protect the nation from true imminent threats to electric reliability is wholly unprecedented and legally indefensible. We will fight this needless energy tax on businesses and families with every tool at our disposal."

Todd Foley, American Council on Renewable Energy Senior Vice President of Policy and Government Affairs (ACORE):

"The Administration's draft plan for potential emergency action would be unwarranted, and would actually undermine competitive markets, raising electricity costs to consumers and

businesses across the country. Arbitrary market interventions deprive businesses of the certainty they need to invest in power plants of all types, harming not helping electric reliability. We strongly urge the Administration to reject this ill-conceived draft plan and adopt a policy approach that promotes market forces and competition in our nation's power system, which is the central approach to assure a reliable and affordable grid system in the future."

Amy Farrell, American Wind Energy Association Senior Vice President for Government and Public Affairs (AWEA):

"Independent energy regulators, grid operators and other experts have gone on the record to declare that orderly power plant retirements do NOT constitute an emergency for our electric grid. Infrastructure and processes are already in place to ensure that remains the case. The reported proposal would be a misapplication of emergency powers, there's certainly no credible justification to force American taxpayers to bailout uneconomic power plants."

Lisa Jacobson, Business Council for Sustainable Energy President (BCSE):

"Resilience and reliability issues are paramount to the electric sector. The portfolio of currently available clean energy technologies and services in the energy efficiency, natural gas and renewable energy sectors – working with other technologies and services – is meeting the needs of the grid affordably and reliably today and can meet the needs of an evolving electric grid into the future. The actions under consideration would impose unnecessary costs on consumers and businesses through increased electricity bills."

John Hughes, Electricity Consumers Resources Council President and CEO (ELCON):

"Any action taken by the Department of Energy today to use 202(c) and DPA to prop up uneconomic coal and nuclear plants is unnecessary, anticompetitive and would increase the price of electricity to businesses and consumers, resulting in a substantial loss of U.S. manufacturing capacity jobs."

John E. Shelk, President and CEO, Electric Power Supply Association (EPSA):

"There was no emergency when coal and nuclear interests sought federal relief and there is none today that justifies such unprecedented Executive Branch intervention in the economic life of the country. The economic consequences are profound for power suppliers and consumers. This proposed federal action is a bell that cannot be called back once it is rung. Forever more suppliers and consumers will be at the whim of the fuel preferences of whoever happens to be in office. This needlessly raises costs for consumers and merely shifts the risk of premature retirement to newer, more efficient power plants that compete with coal and nuclear."

Kelly Speakes-Backman, Energy Storage Association CEO (ESA):

"The Energy Storage Association (ESA) strongly advocates for open and fair competition for all market participants that rely on consistent and stable price formation signals. Any action that undermines market stability to support new entrants like energy storage – resources that enhance grid resilience and reduce costs to consumers – will erode opportunities to create a more reliable and resilient, efficient, sustainable and affordable grid."

Dena E. Wiggins, Natural Gas Supply Association President and CEO (NGSA):

"Propping up aging and uneconomic power plants through the Defense Production Act, the Federal Power Act or other unnecessary federal intervention is a short-sighted action that drives up customer costs and undermines well-functioning power markets. It is an inappropriate use of the federal government's emergency powers that is even more egregious when even the regional power grid authorities at PJM say there is no emergency. We need to move away from a narrow focus on resuscitating individual projects and refocus the discussion on what lies at the heart of resiliency – the ability to reliably serve power customers in the most cost-efficient manner over both the short and the long-term."

Christopher Mansour, Solar Energy Industries Association Vice President for Federal Affairs (SEIA):

“A policy to spend billions of dollars keeping uneconomic power plants afloat, while trying to put clean and affordable solar on the sidelines, is not a recipe for economic success. Energy experts across a range of industries, within the federal government and in academia have agreed that this sort of effort will create a bloated power sector deploying outmoded technologies. We urge policymakers to again block this ill-advised effort to keep plants running that most electric utilities have already decided to abandon, and for good reason.”

Contacts:

Michael Tadeo	API	press@api.org	202-682-8114	www.api.org
Monique Hanis	AEE	mhanis@aee.net	202-391-0884	www.aee.net
Evan Vaughan	AWEA	evaughan@awea.org	202-431-4640	www.awea.org
Gil Jenkins	ACORE	jenkins@acore.org	202-777-7584	www.acore.org
Lisa Jacobson	BCSE	ljacobson@bcse.org	202-785-0507	www.bcse.org
John Hughes	ELCON	jhughes@elcon.org	202-682-1390	www.elcon.org
John Shelk	EPSA	jshelk@epsa.org	202-349-0154	www.epsa.org
Tori Montano	ESA	tori@teamsilverline.com	202-765-2803	www.energystorage.org
Daphne Magnuson	NGSA	daphne.magnuson@ngsa.org	202-326-9314	www.ngsa.org
Morgan Lyons	SEIA	mlyons@seia.org	202-556-2872	www.seia.org

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