

Momentum Continues for America's Clean Power Plan: Power Sector Statements

Supportive of Clean Power Plan and/or Securing Carbon Reductions

Calpine Corporation

Calpine Corp. spokesman Brett Kerr said the move wasn't something the market actually anticipated. "We'll continue to be supportive of the Clean Power Plan," he said, pointing to a "natural evolution of the market anyway" away from less efficient coal plants. "So it won't really dictate us to change our strategy too much, which is to focus on being the premier operator of gas-fired plants in the United States." He said it's not in anybody's interest to have a federal implementation plan that dictates compliance for Texas.

<u>Additional Statement</u>: Calpine Corp. expressed disappointment at the stay, as the company is participating in the litigation in support of the EPA. "The record was extremely voluminous and the fact that they issued a stay within a matter of essentially a weekend, that was surprising and certainly disappointing," said spokesman Brett Herr. "We, Calpine, have long-supported the EPA's Clean Power Plan and have done so publicly, throughout various court proceedings and things like that."

Herr noted that the Supreme Court decision did not address the merits of the underlying case, and said the company will continue to support the regulation. The stay will not change Calpine's strategy, nor is it likely to alter other companies' decisions, due to MATS and other factors, Herr said.

DTE

"Despite being surprised by the U.S. Supreme Court's Feb. 9 decision to stay the Clean Power Plan, DTE Energy Co. Chairman and CEO Gerry Anderson said in a Feb. 10 earnings call that he does not expect much to change in the short term for the company's DTE Electric Co. utility, which serves 2.1 million customers in southeastern Michigan... Anderson said the company is going full steam ahead on the investments to replace retiring plants, even with the stay of the EPA's Clean Power Plan. 'There might be people who don't like the Clean Power Plan and say 'slow down, stop,' but [state Sen.] Mike Nofs won't be one of them, and neither will we,' he said. Nofs is the primary advocate for the comprehensive energy reform in the state Legislature."

Edison Electric Institute

"Electric utilities are investing in clean energy and pursuing energy efficiency," Tom Kuhn, president of the Edison Electric Institute, the largest trade association of electricity providers,

told a gathering of Wall Street investors less than a day after the Supreme Court announced its stay on the Clean Power Plan.

Exelon

Exelon Corp., the nation's largest nuclear operator, said, "Regardless of this procedural development, the Supreme Court already has ruled that carbon is a pollutant the EPA must regulate. Our customers want reliable, clean and affordable electricity, and Exelon remains committed to helping drive the national transition to a low-carbon future."

Great River Energy

Lancaster noted that Great River was not among the utilities challenging the CPP because it believed the rule is consistent with earlier Supreme Court rulings on EPA's standing to regulate carbon dioxide under the Clean Air Act. "It was not our point of view that the rulemaking was contrary to existing law, so we were a little surprised," he said.

• <u>Additional statement</u>: "As far as work being done by utilities, Great River Energy has contracted with California-based nonprofit Electric Power Research Institute to study the economic affect the rule would have, said Vice President and Chief Generation Officer Rick Lancaster.

Lancaster said GRE also has hired a Kansas City-based engineering firm to look for ways to make the company's power plants more efficient. "We're still continuing those things... The stay is just a delay; it's not going to make the rule go away."

Los Angeles Department of Water and Power

LA Mayor Eric Garcetti (via Twitter): "Climate change is the most critical threat of our time. It is already warming the earth, raising our sea levels, and affecting our food supply - and it is our responsibility to stop it. Last year, Los Angeles made a firm commitment in our Sustainable City pLAn to end our dependence on coal by 2025, and we know that the future of our planet, economy, and children's health depends on cities across the world moving forward with us. I am disappointed that the Supreme Court is taking a step backwards by putting a hold on President Obama's sensible clean power plan. But here's the good news: no matter what happens on the federal level, local leaders will not ignore the danger of complacency, or the urgent need for immediate action."

National Grid

"Despite the Supreme Court's decision, National Grid still strongly supports EPA's Clean Power Plan," said Dean Seavers, president of National Grid, U.S. "We stand by our belief that the CPP is not only reasonable and achievable, but imperative to meeting the nation's greenhouse gas reduction commitment established at COP21." "As we continue to stress with our customers and industry partners, tomorrow's power grid and energy supply chain must look different than today's," Seavers went on to say. "Climate change is a global imperative, and we must find ways to transition our energy industry into a decarbonized future. That means every player—including system operators, generators, distributors, and policy makers—must collaborate at a level our country has never seen before."

PacifiCorp

"We're still going to continue to look to ways to cost-effectively expand our commitment to renewable resources," said Ry Schwark, a spokesman for PacifiCorp, which... intends to "continue to work with states as they develop their plans."

PJM Interconnection

The Supreme Court's stay of U.S. EPA's Clean Power Plan is not altering plans by the nation's largest power grid operator to move ahead with an analysis of compliance options for the 14 jurisdictions within its 243,417-square-mile footprint.

States that are part of the PJM Interconnection are "still interested in hearing from us what our results show from this Clean Power Plan analysis," said Denise Foster, PJM's vice president for state and member services.

PNM Resources

Pahl Shipley, director of corporate communications at New Mexico-based PNM Resources Inc., said the stay doesn't affect the company's plan to lower the use of coal significantly by retiring two units at the San Juan Generating Station. "We'll monitor developments and continue to work with the state, but regardless of the outcome the company is moving forward to cut carbon emissions and add cleaner resources to our portfolio, including solar and natural gas," Shipley said.

<u>PG&E</u>

Pacific Gas and Electric Co. said it was "disappointed" by the ruling. "We believe EPA has ample legal authority to pursue the Clean Power Plan," said Vice President of Federal Affairs and Policy Melissa Lavinson, calling EPA's rule "measured and reasonable." "PG&E will continue to support the Clean Power Plan and will move forward with the many steps we are taking to support California's commitments to reduce greenhouse gases."

PSEG

PSEG "firmly believes that carbon emissions need to be reduced. We do believe that climate change is a serious issue; all the science points to that. It is real, and action needs to be taken; it's not going to wait for us to get our legal or political act together."

"[PSEG has] always been a leader in energy efficiency and various other things that try to balance the need for providing electricity in as environmentally benign a way as possible while paying attention to customer bills. So we'll continue down that path. We've invested close to \$1 billion in solar energy as a company alone. In New Jersey we've invested over \$300 million in energy efficiency, just our company, and we'll just continue marching down that path."

Rocky Mountain Power

"We've communicated pretty clear in recent years that we believe the transition away from coal is going to happen," said Dave Eskelsen, a spokesman for Rocky Mountain Power, Wyoming's largest utility.

Southern California Edison

Southern California Edison expressed disappointment in the court's ruling but added that "SCE supports the Clean Power Plan and will maintain an active role in supporting California's efforts to reduce greenhouse gas emissions, including support for renewable energy, transportation electrification, energy efficiency and innovative, clean energy technologies."

Xcel Energy

"While the Supreme Court's ruling is a significant development in this case, the merits of the case have not been decided and the legal proceedings will continue," Minneapolis-based Xcel Energy Inc. said in a prepared statement.

Regardless of the final outcome, Xcel said it will continue to work with states and stakeholders on plans "to create sustainable and affordable energy futures."

"This approach will not only ensure compliance with existing and new regulations, but also take advantage of new technologies, recognize evolving customer needs and continue to drive improvements in how we produce and deliver energy," the Fortune 500 utility said.

Commitment to Constructive Engagement on Compliance; Securing Carbon Reductions

Allete Inc.

"We feel that our EnergyForward actions have positioned us very well for the CPP and other regulations.

But, like many other utilities, we harbor some concerns about assuring we receive credit for early action taken to the benefit of all stakeholders, as well as the consequential nature of this regulation as it relates to reliability and affordability. While the CPP was stayed last week in a decision by the US Supreme Court, we continue to work with stakeholders in shaping Minnesota's CPP state implementation plan, continue to monitor its legal status, and are taking necessary and prudent action to protect the value of our investment.

. . .

ALLETE Clean Energies are going to continue to pursue acquisitions that make sense along all forms of the renewable space, so wind and solar and hydro, even clean natural gas projects that come up. We still think cleaner energy forms are in vogue.

The CPP even it's stay[ed], certainly, it's basis really is cleaner energy forms, as well. And so, we are going to continue to look. They are going to continue to look."

Minnesota Power (a subsidiary of Allete, Inc.)

"In Minnesota, where utilities began working with state regulators on compliance strategies more than a year ago, officials expressed surprise at the stay. But utilities also indicated they would continue working to meet carbon reduction targets even as EPA stands down on CPP enforcement.

"Amy Rutledge, a spokeswoman for Minnesota Power, said the company welcomes the stay "since it allows time for the lower Courts to hear and resolve the many legal concerns" about the CPP. She said the Duluth-based utility "will continue to stay engaged in the process as the court determines the next steps for this complicated and impactful regulation."

Ameren Corporation

"Ameren Corp. is already making the transition to a cleaner and more diverse generation portfolio in a responsible manner," Ajay Arora, Ameren's vice president of environmental services and generation resource planning, said in a statement.

American Electric Power

For American Electric Power, an electricity provider and one of the country's top coal users, the court case "doesn't change our focus on the diversification of our generation fleet," said spokeswoman Melissa McHenry. Those diversification plans include more natural gas and renewables," she said.

American Public Power Association

"With the caveat that we don't 'advise' our members per se, but if asked, our suggestion would be to continue to participate in the state's process if they intend to continue with it."

Berkshire Hathaway, Inc.

"We kind of wish that [the stay] hadn't happened," said Cathy Woollums, chief environmental counsel at Berkshire Hathaway Energy Co., a division of billionaire Warren Buffett's business conglomerate.

MidAmerican Energy Co., one of the company's utilities, based in Iowa, announced two weeks ago that it would invest \$3.6 billion in wind power in the state. The move would reinforce Iowa's position at the second-biggest, wind-power-generating states nationwide, behind Texas.

"Having the Clean Power Plan kind of be set aside for a temporary period of time creates that level of uncertainty... We have to a vision to go to 100 percent" renewables for MidAmerican, she said.

Consumers Energy

"The company will continue moving forward with its transition to a cleaner energy portfolio that includes investments in cost-effective, customer-driven renewable energy and energy efficiency programs, and the retirement of seven of our older coal units."

Dominion Power

Dominion spokesman David Botkins, said "We will work constructively with the Commonwealth and other stakeholders on a compliance plan that has our customers as the first priority, ensures reliability, and maintains a diverse mix of electric generation."

Dominion Virginia Power

Dominion Virginia Power spokeswoman Janell Hancock said her company will continue to move forward on the Clean Power Plan's original timetable despite uncertainty surrounding the rule's future.

Duke Energy

Duke Energy Corp. will continue on its five-year plan to transition to a cleaner electric and gas company regardless of what happens with the Obama administration's signature rule to cut greenhouse gas emissions, the company's chief executive officer said yesterday.

Lynn Good laid out the company's plan to invest in renewable energy, natural gas and grid modernization during its 2015 earnings call with analysts. This multibillion-dollar plan -- designed to coincide with 4 to 6 percent earnings growth through 2020 -- will stay in place even if there's a possibility that U.S. EPA's Clean Power Plan does not.

"As I look at this five-year plan, whether there's a stay on the Clean Power Plan or not, we believe the plan that we're on is one that makes sense for our customers and our communities and our states," Good said, responding to an analyst's question about what the Supreme Court's ruling to halt the rule meant for Duke and the states it serves.

Entergy Corporation

Entergy Corp similarly said the Clean Power Plan stay does not change its commitment to maintaining CO2 emissions from its power plants and from controllable power purchases through 2020 at 20% below year-2000 levels.

FirstEnergy

FirstEnergy Corp. spokesman Todd Schneider: "While the legal challenges are addressed, we will work with our states if they chose to continue development of their compliance plans."

<u>Midcontinent Independent System Operator (MISO) & Southwest Power Pool (SPP)</u> (Joint Statement)

Southwest Power Pool (SPP) and the Midcontinent Independent System Operator (MISO) -which spread across the middle section of the United States -- said during a joint meeting yesterday that they would keep up their individual number-crunching. They also will work together to send the same message to states looking to ensure against power outages and price hikes as they shift away from coal and toward lower-carbon electricity sources under the rule.

Otter Tail Power Company

"Overall, we view the Supreme Court's decision favorably and believe it is prudent to stay implementation until all legal issues have been decided by the courts," Tollerson said last week in an email exchange.

Yet, he added, the company will remain at the negotiating table in Minnesota, since the current "planning process will form the foundation of future efforts -- regardless of whether the CPP ultimately moves forward."

Talen Energy Corporation

[Talen Energy] is taking a state-by-state approach to the Clean Power Plan, [spokesman Todd] Martin said. In states such as Pennsylvania, which have said they'll continue with implementation plans, Talen will continue to remain involved in discussions, he said. "We will continue to focus on a plan that will ensure reliability, so to ensure that there's not an adverse economic impact or an increased cost for customers," Martin said.

TECO Energy Inc.

TECO Energy Inc. and subsidiary Tampa Electric Co. will continue to look at options to invest in reducing their carbon footprint,

Tennessee Valley Authority

TVA President Bill Johnson said the court order Tuesday halting the Environmental Protection Agency's Clean Power Plan isn't changing plans to close more TVA coal plants. The federal utility plans to replace its coal-fired generation with lower carbon-emitting sources of power, including nuclear, natural gas, solar, hydro and wind.

"The stay of the Clean Power Plan will not affect our actions in any way," Johnson said after a TVA board meeting in Chattanooga. "For us, we're probably as well positioned as anyone in the country to comply (with the EPA regulations) so I don't think this will change any of our actions or decision making. It really wasn't driving our decisions in the first place."