



Organization of PJM States, Inc. (OPSI)

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Public Utilities Commission of Ohio • Pennsylvania Public Utility Commission • Tennessee Regulatory Authority
Virginia State Corporation Commission • Public Service Commission of West Virginia.*

Resolution # OPSI-2012-2

PJM Study to Inform OPSI Members of the Impact of EPA Rules

WHEREAS, the United States Environmental Protection Agency (“U.S. EPA”) has adopted or is considering the adoption of several rules, including those for Cross-State Air Pollution, Mercury and Toxics Standards, Cooling Water Intake, and Coal Ash (“Rules”); *and*

WHEREAS, the implementation and enforcement of the Rules by the U.S. EPA will require that the owners of affected generating units determine whether to retrofit their units to be in compliance with the Rules or retire their units to avoid payments and other penalties associated with non-compliance; *and*

WHEREAS, the Rules have the potential of causing several thousand megawatts of generating units to retire earlier than originally contemplated; *and*

WHEREAS, the OPSI Members want to stay informed about the potential impacts of the adoption and enforcement of the Rules on local reliability; *and*

WHEREAS, in discussions between OPSI Members’ staff and PJM staff, PJM staff has informed OPSI Members’ staff of PJM’s ability and interest in determining the potential impacts of the Rules by conducting load flow studies based on information regarding retrofits and retirements agreed to and provided to PJM through OPSI Members; *and*

NOW, therefore, be it resolved that the OPSI Board directs its OPSI Standing Staff Committee (“SSC”) to identify, using publicly available information or through communications with each state’s respective electric utilities, the generating units that are contemplated to be retrofitted or retired within the PJM footprint as a result of the Rules; *and*

Be it further resolved, that the OPSI Board recommends and requests that PJM conduct a sufficient set of load flow studies using the information provided by the SSC and/or the Independent State Agencies Committee (“ISAC”) to evaluate the impact that a unit(s) retirement or a unit(s) shutdown for the purpose of retrofitting would have on local reliability in each state in the PJM service area and provide detailed results to OPSI and ISAC as soon as possible.

Approved by the Board of Directors of the Organization of PJM States, Inc. on February 6, 2012;
(Virginia SCC abstained).