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**FirstEnergy wants YOU (to pay for its overpriced power)!**

**Who is FirstEnergy, and how does this affect me?**

FirstEnergy, the parent company of Mon Power and Potomac Edison, is one of two major electric utility companies in the state of West Virginia.

FirstEnergy wants its West Virginia ratepayers to bail out one of its struggling coal­fired power plants. Currently owned by one of FirstEnergy’s deregulated Ohio subsidiaries, the Pleasants power plant is failing to compete against less expensive power sources in that market. The company’s CEO suggested to shareholders that FirstEnergy would seek to transfer ownership of the Pleasants Power Plant from Ohio’s Allegheny Energy Supply to Mon Power (Brown, “FirstEnergy CEO”). The first step was taken on December 16, 2016, when MonPower submitted a Request for Proposals (RFP) for 1,300 megawatts of generation capacity. It is no coincidence that the Pleasant’s Plant would uniquely qualify.

**How would that benefit FirstEnergy?**

Because, in West Virginia’s regulated utility market, Mon Power is guaranteed a positive rate of return. This means that West Virginia ratepayers would be forced to pay for more power generation instead of cheaper alternatives.

**Has FirstEnergy done anything like this in the past?**

Yes, in October 2013, the PSC approved a similar transfer when MonPower purchased a 79.46% share of the coal-fired 1,984 megawatt Harrison Power Station from Allegheny Energy Supply. MonPower argued that this was in the public interest, but instead, estimates by the Institute for Energy Economics and Financial Analysis show “that customers have lost more than $160 million relative to what they would have otherwise paid for electricity” (Kunkel).

**How does FirstEnergy justify forcing West Virginia ratepayers to pay for their bad investments?**

FirstEnergy submitted an Integrated Resource Plan, or IRP, to the West Virginia Public Service Commission. Integrated Resource Planning is a process by which utilities determine the mix of resources they will use to meet projected demand for electricity at the lowest possible cost to consumers. ​The IRP submitted by FirstEnergy predicts extensive demand growth and a shortfall of generation capacity within this year, but considers very few energy efficiency programs.

**So FirstEnergy needs access to more power to meet growing demand for electricity?**

Not necessarily. FirstEnergy’s IRP justifies a power plant transfer based on a predicted 850­Megawatt (MW) shortfall in generating capacity in the coming decade (Tincher, “Groups say FirstEnergy”). But that shortfall only occurs if FirstEnergy actually sees electricity demand grow by more than 2% ​*each year*​ (Brown, “FirstEnergy being questioned”).

**Can FirstEnergy minimize its projected demand growth?**

Yes! There are many ways that FirstEnergy can minimize demand growth: through energy efficiency programs; ​demand response technology; and investments in renewables like solar, wind, and biomass.

For workable alternatives to more coal­fired power, look no further than West Virginia’s ​*other*​ major electric utility. In contrast to FirstEnergy, American Electric Power and its subsidiary Appalachian Power are taking steps to diversify their power sources while reducing carbon emissions from existing coal­fired plants. According to its 2016 Sustainability Report, American Electric Power expects to add around 3,400 MW of solar and 6,300MW of wind power by 2034. The report states, “Our strategy to diversify includes increasing our use of natural gas and renewable generation and reconfiguring the grid to support further integration of distributed energy resources, increased energy efficiency and demand response, and the growth of other customer­driven technologies. The expansion of renewable resources is a key driver of growth in our transmission business” (qtd. in Tincher, “AEP confronts coal”).

Yet, FirstEnergy refuses to consider any of these viable and necessary alternatives to its outdated and regressive business model.​ ​Instead, it wants a bailout from working West Virginia families.

**These other options...are they cheaper than coal­fired power?**

According to a 2012 analysis by Optimal Energy, an aggressive energy efficiency program could reduce power demand by 1.2% per year, at a cost of $17­$40 per Megawatt/hour (MWh). In 2013, FirstEnergy proposed a similar transfer of its Harrison power plant, at a cost of $74 per MWh. And if a "cost of carbon emissions" is included (as expected under the EPA’s Clean Power Plan), the cost of electricity from the Harrison plant will rise to $81 per MWh. Rising generation costs make energy efficiency even more competitive!

**Energy efficiency sounds like a win­win!**

Indeed, it is. Energy efficiency is the cheapest and simplest way to minimize energy demand growth. In addition to saving consumers money, energy efficiency creates new jobs and business opportunities, and reduces greenhouse gas emissions. So it is especially concerning that energy efficiency does not play a larger role in FirstEnergy's resource planning. Rather than spending our hard­earned money on ​another dirty coal­fired power plant​, FirstEnergy should be working to build a more sustainable energy future and helping to secure West Virginia’s place in America’s booming clean energy economy.

**What can I do to help?**

1. Write a “Letter of Protest” to the WV Public Service Commission. Cite **Case # 17-0296** and tell them to reject Mon Power’s petition to transfer the Pleasants power station. Write to: Ms. Ingrid Ferrell, Executive Secretary, Public Service Commission of WV, 201 Brooks Street, Charleston, WV 25323. Or file comments at the PSC webpage at: <http://www.psc.state.wv.us/scripts/onlinecomments/default.cfm>
2. The Sierra Club’s Energy Efficiency Campaign is planning activities, including petitions, formal comments to the PSC, and public rallies. For more information: Jim Kotcon (jkotcon@gmail.com), Laura Yokochi (lyokochi@aol.com)​, or Pamela Ellis (pamelaellis500@gmail.com).

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