

### Volume 291 June 19, 2012

Coal's days are getting dimmer. With environmental regulators coming down on it in combination with extremely cheap natural gas prices, it is losing market share. But it's also losing some support in the utility community.

Make no mistake. Power companies don't want to forego their productive assets and be forced to build new electric generators, or buy power on the open market. But many now recognize that expending the political capital to fight for plants built in the middle of last century is not worth it -- especially when they can construct combined cycle natural gas facilities with relative regulatory ease while releasing roughly half of the emissions in the meantime. It's not personal. It's business. Those older coal facilities can take much of the credit for increasing this country's net worth. But their useful lives are over. And now the utilities that own them have been forced by regulators to either retrofit them with new pollution control equipment, or to retire them. Rather than cooperate and live up to their "clean coal" campaigns, many of the the utilities and their coal counterparts for years chose to fight the rules. They lost.

Altogether, 112 coal plants totaling 46,000 have been retired, or soon will be, says the Beyond Coal campaign. That is since January 2010. Hamilton a coal industry lobbyist adds that the coal industry in West Virginia is responsible for 60 percent of all business taxes paid. In 2008, the industry employed 20,500 people and paid them \$1.5 billion in that state. As for cheap natural gas prices: Don't expect it to always be that way and when prices rise, coal will be there to fill the void -- if the industry can get some regulatory relief, the group says.

Critics of coal have a different take. They say that the industry has, historically, gotten a regulatory pass. And now that it must comply with stricter air and water regulations, the cost of its product is rising relative to what it cost to generate power from competing sources. The Environmental Protection Agency, for example, often sites health care costs tied to coal-related respiratory illnesses.

Certainly regulations that require improved emissions at coal-fired power plants will create temporary jobs for those installing the equipment and those merchants who benefit secondarily from their commerce," says Sterling Burnett, an analyst with National Center for Policy Analysis. "But a great many of the power plants affected by the regulations will simply be shuttered, putting thousands of workers, who have been in a relatively high-paying field, out of work."

### Electricity Pricing Areas – Jun 19, 2012

#### June

On-Peak	Per kWh
West Hub	\$0.06176
NI Hub	\$0.04595

### ComEd Average Day Ahead LMP Electric Price

Time Period	Average per Kwh
June 1 - June 30	\$0.03851
July 1 thru July 31	\$0.05170
Aug 1 - Aug 31	\$0.04064
Sep 1 - Sep 30	\$0.03058
Oct 1- Oct31	\$0.02968
Nov 1- Nov 30	\$0.02816
Dec 1 - Dec 31	\$0.02971
Jan 1 -Jan 31	\$0.03043
Feb 1-Feb 29	\$0.02963
Mar 1 thru Mar 31	\$0.02894
April 1 - April 30	\$0.02659
May 1 - May 31	\$0.02816
June 1 thru June 18	\$0.02607

### Extended Temperature Forecast: Chicago Area

	Tue	Wed	Thu	Fri	Sat
High	95	95	87	83	81
Low	76	72	67	67	68

