

August 28, 2026

Submitted via Email

Indiana Utility Regulatory Commission
Research, Policy, and Planning Division
URCCComments@urc.in.gov

**Re: Sierra Club's Comments on Commission Staff Report I.C. 8-1-8.5-13(S),
HEA 1520 'S' Report, Unit Retirement Commission Staff Report - Rockport Unit 1**

Dear IURC Staff:

On behalf of its 8,000 Indiana members, Sierra Club submits these comments on Staff's draft Report I.C. 8-1-8.5-13(S), HEA 1520 'S' Report, Unit Retirement Commission Staff Report - Rockport Unit 1 ("Rockport Unit 1 Report").¹ Sierra Club supports and agrees with Staff's proposed conclusions in the Rockport Unit 1 Report that 1) I&M's recent IRPs support a finding that the retirement of Unit 1 has been reasonably planned; 2) the IRP supports a positive recommendation for the retirement's consistency with good utility practice; 3) the IRP supports a positive recommendation that the retirement is supportive of Indiana's Five Pillars; 4) the IRP supports a positive recommendation that the retirement will not adversely and unreasonably impact service; and 5) the retirement capacity is being replaced.²

Sierra Club respectfully asks that Staff update its Rockport Unit 1 Report to include more information that supports the finding that retiring Rockport Unit 1 is consistent with the Five Pillars and other state goals, specifically:

- 1) Staff should consider updating the Rockport Unit 1 Report to include reference to PJM Interconnection LLC's ("PJM") deactivation analysis, which found no NERC violations associated with the 2028 deactivation of Rockport Units 1 and 2. This PJM analysis supports a positive finding on three of the five pillars: resilience, stability, and reliability.
- 2) Staff should consider adding fleetwide equivalent availability factor data for all PJM plants to put the Rockport figures in context. In the context of fleetwide data, the availability of Rockport Unit 1 is low, which is consistent with a decision to retire the unit and replace it with more efficient generation.

¹ Ind. Util. Regul. Comm'n, HEA 1520 Staff Report (Unit Retirement Commission Staff Report) Rockport Unit 1 (July 29, 2026) [hereinafter "Rockport Unit 1 Report"], *available at* https://www.in.gov/iurc/files/IURC-Staff-Report_IC-8-1-8.5-13s_IM-Rockport-1.pdf

² Rockport Unit 1 Report at 8.

1. PJM Found No Impact on the Stability, Resilience, and Reliability of the PJM Grid from the Proposed Rockport Deactivations.

In PJM, like other grid operators, a generating unit may not deactivate without first filing a notice with the grid operator to allow for a study on the deactivation's impact on the stability and resilience of the grid. In PJM's process, the study process looks up to 15 years ahead, using standard criteria to identify any resulting potential transmission system problems. Should any potential violations of reliability standards be identified, PJM may then order transmission upgrades or additions to be built to ensure the safety and reliability of the bulk electric system.³

In response to AEP's March 28, 2025 notice to PJM of the intent to deactivate both Rockport coal units on December 31, 2028, PJM completed a study that found no impacts to the grid:

In accordance with Section 113.2 of the PJM Open Access Transmission Tariff (PJM Tariff), PJM System Planning and the affected Transmission Owner performed a study of the PJM Transmission System and did not identify any reliability violations resulting from the proposed deactivation of Rockport Unit 1 & Unit 2. Because there are no reliability violations associated with the deactivation of this generator, consistent with Section 113.2 of the PJM Tariff, Rockport Unit 1 & Unit 2 may deactivate on 12/31/2028.⁴

Staff should consider adding a reference to this PJM study to the Rockport Unit 1 Report as the PJM study supports a positive finding on three of Indiana's five pillars: resilience, stability, and reliability.⁵ In conjunction with information already in the Rockport Unit 1 Report related to the Indiana Michigan Power Company's work to replace the capacity of the Rockport Unit 1, the PJM study tends to support a conclusion that all aspects of reliability—resource adequacy, stability, resilience—will be maintained after the retirement of Rockport Unit 1.

³ PJM Inside Lines, *What Happens When an Owner Wants to Close Its Power Plant*, PJM Inside the Lines (June 11, 2019), available at <https://insidelines.pjm.com/what-happens-when-an-owner-wants-to-close-its-power-plant/>.

⁴ Letter from Jason P. Connell to Jessica A. Cano (May 30, 2025), available at <https://www.pjm.com/-/media/DotCom/planning/gen-retire/deactivation-notices/rockport-units-1-2-pjm-response.pdf>.

⁵ See Ind. Code § 8-1-2-0.6 (2025).

2. Rockport Unit 1's Availability is Lower Than Average for the PJM Fleet.

Rockport Unit 1's Equipment Availability Factor ("EAF") is lower than the PJM average. The Rockport Unit 1 Report observes that Unit 1's EAF—the portion of time the plant is available to generate power if called upon by the market—was 59% in 2025, 67% in 2024, and 45% in 2023.⁶

In 2025, the PJM aggregate equivalent availability factor was 81.9 percent.⁷ In PJM, the aggregate equivalent availability factor in 2024 was 83.2 percent.⁸ In 2023, the PJM aggregate equivalent availability factor was 83.2 percent.⁹ These figures include data for all generating units in PJM. In other words, the availability of Rockport Unit 1 is far below the fleetwide average in PJM. This observation is consistent with the finding that retiring the unit is consistent with reasonable resource planning and good utility practice.

Conclusion

Sierra Club thanks Staff for your thorough work on the Rockport Unit 1 Report. The upcoming, long-planned retirement and replacement of Rockport Unit 1 will dramatically improve the environment in Indiana and for downwind communities.

Respectfully submitted,

/s/ Tony Mendoza

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⁶ Rockport Unit 1 Report at 7.

⁷ PJM, *2025 State of the Market Report for PJM*, Volume 1: Introduction, at 40 (Mar. 12, 2026), available at https://www.monitoringanalytics.com/reports/PJM_State_of_the_Market/2025/2025-som-pjm-vol1.pdf.

⁸ PJM, *2024 State of the Market Report for PJM*, Section 1: Introduction, at 39, available at https://www.monitoringanalytics.com/reports/PJM_State_of_the_Market/2024/2024-som-pjm-sec1.pdf.

⁹ PJM, *2023 State of the Market Report for PJM*, Volume 1: Introduction, at 39, available at https://www.monitoringanalytics.com/reports/pjm_state_of_the_market/2023/2023-som-pjm-vol1.pdf.

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