
FEDERAL UPDATE

Kee Suggests Federal Bailout for Struggling Nuclear Plants

Nuclear industry consultant Edward Kee proposed that the US government should buy up nuclear plants in much the way it bailed out banks and automakers after the 2008 financial crisis. He added recent announcements of nuclear plant closures show that there is a market failure that's killing nuclear plants. If the federal government intervened it could buy those and other vulnerable plants at a discount — and then wait for a time when carbon-free energy is more valuable to resell them.

Agency Projects Less Expensive Renewable Energy Will Significantly Cut Electricity Generation Costs

The International Renewable Energy Agency projects that electricity costs worldwide could drop by as much 59 percent for photovoltaic generation and at least 26 percent for onshore wind power by 2025. Improved technology, reduced overall systems costs, and favorable policies are contributing factors to the prediction. The group forecasts the global average electricity price from solar PV and onshore wind will be approximately 5 to 6 cents per kilowatt hour by the end of the decade.

Nonprofits Ordered to Put Up \$98M Bond to Advance Appeal of Duke Energy Power Plant Permit

The North Carolina Utilities Commission has told the nonprofits NC Warn and Climate Times they must put up a \$98 million bond to appeal a power plant construction permit issued to Duke Energy. "The statute plainly places on the appealing party the financial risk of what potentially could be extensive additional costs," the commission said in its order. "Otherwise, these costs would be added to the cost of the generating facility to be recovered from consumers through higher rates." Duke had originally sought a bond of \$240 million to cover costs of an appeal it estimated would delay the project by two years. The nonprofits say they cannot afford the bond and that it blocks their access to the court system.

Senate Democrats Introduce Bill Pushing Carbon Capture Tax Credits

A bill has been introduced by Senate Democrats to bolster carbon capture technology for fossil fuel power plants. The bill, released by Senators Sheldon Whitehouse and Heidi Heitkamp, would expand a federal research tax credit for carbon capture and sequestration technology at power plants. Lawmakers signing on to the bill noted broad support for the carbon capture research tax credit among industry groups, companies and environmental organizations.

STATE UPDATE

Exelon Takes Next Step to Close Cordova Nuclear Plant

Exelon Generation announced that it has formally notified grid operator PJM Interconnection of its plans to retire the Quad Cities Generating Station in Cordova, Ill., on June 1, 2018. The step is the latest of several procedural notifications that Exelon is required to make before closing the Quad Cities and Clinton, Ill., nuclear stations.

Upcoming Activities in 2016

NRECA Tax, Finance & Accounting Conference – Washington, D.C.	July 31 – August 3, 2016
IAEC District 3 Meeting – Charles City, IA	August 2, 2016
IAEC Districts 4 & 6 Meeting – West Des Moines, IA	August 3, 2016
IAEC Districts 5 & 7 Meeting – Storm Lake, IA	August 4, 2016
IAEC Districts 1 & 2 Meeting – Coralville, IA	August 5, 2016
NRECA INTERACT Conference – Indianapolis, IN	August 13 – 17, 2016
Maquoketa Valley Electric Cooperative Annual Meeting – Farley, IA	August 18, 2016
Consumers Energy Annual Meeting – Marshalltown, IA	August 27, 2016
T.I.P. REC Annual Meeting – Brooklyn, IA	August 27, 2016
CIPCO Board Meeting – Des Moines, IA	August 30, 2016
2016 Farm Progress Show – Boone, IA	August 30 – September 1, 2016

Consumer Price Index

Month	Seasonally Adjusted Change from Previous Month
June 2016	0.2%
May 2016	0.2%
Apr. 2016	0.4%
Mar. 2016	0.1%
Feb. 2016	-0.2%
Jan. 2016	0.0%
Unadjusted Rolling 12 Month Average: 1.0%	