HOMER CITY GENERATING STATION TO CEASE COAL OPERATIONS

_

HOMER CITY, Pa. – Homer City Generation, L.P. (Homer City) informed PJM Interconnection, L.L.C. (PJM) on March 31st, 2023 that it will decommission all of its Homer City coal units, with operations winding down over the next ninety (90) days. Homer City will see tiered layoffs as a result.

Homer City based its decision on several factors including the low price of natural gas, a dramatic spike in the cost of its ongoing coal supply, unseasonably warm winters and increasingly stringent environmental regulations. The most recent emissions limits imposed by the Federal Implementation Plan on the Pennsylvania coal-fired generation industry impose an excessive economic and operational burden.

On top of all these real challenges, Homer City faces the ongoing uncertainty surrounding Pennsylvania's long stated intention to join the Regional Greenhouse Gas Initiative (RGGI). RGGI will severely limit Homer City's ability to plan long term and it will handcuff the business in making further investments with an uncertain regulatory future.

"This is an unfortunate day for us at Homer City because we did everything possible to maintain our operations," said Homer City President and CEO William A. Wexler. "Everyone at Homer City was committed to helping power our community and no one embodied that commitment more than our workers. We will continue to look to utilize all of Homer City's hard assets, including its existing infrastructure, to find a higher and better use(s) to continue to support the community."

Over the last two decades, more than 60 coal electricity-generating units have closed in Pennsylvania. First opened in 1969, Homer City Generating Station is located 50 miles from Pittsburgh and is the largest coal plant currently operating in Pennsylvania. The current ownership group took over in April 2017.