## BRACEWELL

INSIGHTS

## Luminant to Close Coal Plants Due to EPA Rule

September 12, 2011

## By: Frank V. Maisano

Despite facing clear reliability problems because of record temperatures in Texas, Luminant said today they will close facilities to comply with EPA's Cross-State Air Pollution Rule, which will cause the loss of approximately 500 jobs. The rule, which EPA released earlier this summer, requires Texas power generators to make dramatic reductions in emissions beginning January 1, 2012. While the company is making preparations to meet the rule's compliance deadline, this morning it also filed a legal challenge in an effort to protect facilities and employees, and to minimize the harm this rule will cause to electric reliability in Texas. To meet the rule's unrealistic deadline and requirements, Luminant said it reluctantly must take the difficult steps of idling two generating units and ceasing mining Texas lignite at three mines. Luminant will also implement several other actions to reduce emissions, including making substantial investments in its facilities. Since 2005, Luminant has achieved a 21% reduction in SO2 emissions, while at the same time increasing generation by 13%.

bracewell.com 1