



COMMONWEALTH OF KENTUCKY
OFFICE OF THE GOVERNOR

MATTHEW G. BEVIN
GOVERNOR

January 4, 2019

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William Johnson
c/o: Keri Stanzione
400 W Summit Hill Dr
Mailstop: WT 7B-K
Knoxville, TN 37902

Dear Mr. Johnson,

It is my understanding that TVA is undergoing its IRP process and that one potential outcome of that process may be the permanent shutdown of Paradise Unit No. 3, in Muhlenberg County, Kentucky. I believe strongly that this would be a huge mistake. The impact on our economy and our region's (and nation's) long-term energy grid reliability, would be devastating.

- I have serious concerns regarding the economic impact upon the employees who currently staff that unit, the citizens of Muhlenberg and surrounding counties that provide support and services to that unit, and for the Kentucky coal miners that supply its fuel.
- In Kentucky we respect and value our coal-fired power plants and we strongly oppose any efforts to prematurely retire any of our fleet. We have strong support, both in the Legislature and in the Executive Branch, for continuing to operate coal plants to power our burgeoning manufacturing economy. In addition, based on many conversations I have had with President Trump and senior members of his administration, including at the EPA and Energy Cabinet, I am confident that utilities can anticipate a more stable and practical regulatory environment for coal-fired power plants.
- I recently became Chairman of the Southern States Energy Board. One of our primary initiatives is to help craft policy positions that ensure the resiliency of our electrical grid. A recent study conducted by PJM entitled: *Analyzing Fuel Supply Resilience in the PJM Interconnection Region* concludes that the widespread closure of coal plants across the U. S. could result in significant problems with grid stability in the event of severe weather in conjunction with an interruption in gas supply. This would be

disastrous for millions of Americans. Grid resiliency and fuel security demand that an “all of the above” energy strategy must include coal, a resource that America is blessed with an enviable abundance of.

As Governor, and in my role as Chair of the SSEB, I have made clear my commitment to coal as an energy source. That commitment is not based on economics alone, but on availability, reliability, security and resiliency considerations as well. Thoughtful, forward thinking, risk-informed planning will assure stability of the power system and will reveal that even seemingly less economically advantaged generation facilities are essential when reliability is prioritized.

I am asking, with both urgency and respect, that you take all of the factors, noted above, into consideration and that you will elect to keep Paradise Unit 3 operational. Kentucky and the entire TVA region need it to remain a viable part of our energy infrastructure. I stand ready to answer any questions or to assist in any way possible.

Sincerely,

A handwritten signature in blue ink, appearing to read "Matthew G. Bevin". The signature is fluid and cursive, with a long, sweeping underline that extends to the left.

Matthew G. Bevin
Governor