

**DIVE BRIEF**

Nearly 1.3 GW of coal capacity slated for closure in Mississippi, Florida

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Dive Brief:

- Coal-fired power plants totaling 1,285 MW in Florida and Mississippi are slated to close in the first part of next year, two more casualties of stagnant power demand and low power prices driven down by cheap natural gas.
- The Florida Public Service Commission on Monday approved a plan to close the 1,252 MW St. Johns River Power Park, which is jointly owned by Florida Power & Light and JEA, the Jacksonville municipal utility, Jan. 5.
- Separately, city owned Greenwood Utilities in Mississippi plans to close its 33 MW Henderson coal plant in May.

Dive Insight:

Coal has been struggling against the low cost of power generated from natural gas made possible by cheap fuel from U.S. shale plays. Those economic pressures have been compounded by slack power demand in many regions which can lead to low dispatch rates for generating plants.

In Florida, JEA says it has excess generating capacity primarily as a result of its customers' "effective conservation methods." JEA

owns 80% of the St Johns River plant. The other 20% is owned by FPL. Last year the plant produced half as much energy as it did 10 years ago.

“This agreement is important for JEA and will allow us to right-size our power generation capabilities while offering, significant environmental benefits to the community,” JEA CEO Paul McElroy said in a statement.

In Mississippi, demand for the output from the Henderson plant fell after utilities in Mississippi joined the Midcontinent Independent System Operator.

Access to MISO’s relatively cheap electricity has meant that the Henderson plant is infrequently dispatched. The plant is now producing only 3% of the electricity that Greenwood buys from the Municipal Energy Agency of Mississippi, a group of city-owned utilities.

Greenwood Utilities CEO Tony Sinclair told the AP that revenue from the Henderson plant no longer covers costs and maintenance is difficult because many machines are so old that they require custom made parts.