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APS to Reduce Operation Four Corners Coal Plant, Raising Questions on Necessity of Plant Running for the Next Decade

This morning, [Arizona Public Service \(APS\) announced plans](#) to seasonally operate the Four Corners coal-fired power plant starting in the fall of 2023. The announcement comes as co-owner Public Service Company of New Mexico (PNM) transfers its share of ownership to Navajo Transitional Energy Company (NTEC), owner of the Navajo Mine, which sources the Four Corners Power Plant. APS notes that seasonal operations will reduce emissions by 20-25%.

Camilla Feibelman, Director of the Sierra Club's Rio Grande Chapter notes, "PNM is not absolved of its responsibility to the climate by simply transferring its ownership of the plant to another utility. If PNM wants to be a climate steward, it needs to facilitate the early retirement of its coal plants while supporting just and equitable transition in partnership with coal-impacted communities."

Despite today's announcement, customers will still be stuck bearing the cost of the coal plant as it continues to be a costly expenditure for the next decade. PNM is seeking to [spend another \\$73 million in improvement expenditures](#) at Four Corners before it offloads its share to NTEC.

[A new Sierra Club analysis](#) of APS' data estimates the utility could save its customers **between \$775 million and \$1.54 billion** by retiring Four Corners by 2023, instead of the proposed 2031 retirement date, and replacing that power with new clean energy.

Instead of wasting time and money clinging to fossil fuels, APS has an opportunity to invest in a just and equitable transition to clean energy, as [advocated by Indigenous groups in APS' recent rate case docket](#). San Juan Citizens Alliance, Diné CARE, and Tó Nizhóní Ání argued that "utilities and mine operators must assist communities through financial and technical assistance in their transition to new modes of post-coal economic development." Instead of hiking up rates to keep Four Corners running, APS should be transparent about the future prospects of the plant to support the Navajo Nation transition away from coal. To do so, APS must immediately update its pending long-term resource plan to reflect seasonal operations and proactively conduct an early retirement analysis that gives impacted communities and the Commission a realistic

look at the plant's future. This announcement highlights why, now more than ever, the Arizona Corporation Commission (ACC) needs to approve the proposal from APS for a just and equitable transition plan for the Navajo Nation.

As stated by **Sandy Bahr, Director of the Sierra Club's Grand Canyon Chapter**, "The ACC should carefully scrutinize APS' proposed rate increase to cover the cost of running Four Corners until 2031. The responsible way forward would be to retire this costly plant sooner to save hundreds of millions of ratepayer dollars, provide just and equitable transition funding for affected communities, and protect our climate from toxic emissions. Instead of trying to gaslight their ratepayers and the ACC about needing to run Four Corners for another decade, why not just retire the plant early and turn to cleaner, cheaper renewables?"

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