STOP THE ROCKPORT RIPOFF

Indiana Michigan Power (I&M) and its parent company AEP Corp. are asking for permission to spend $274 million on Unit 2 of the Super-Polluting AEP-Rockport coal-burning power plant, one of the nation’s biggest toxic and greenhouse gas polluters.

I&M is asking the Indiana Utility Regulatory Commission (IURC) to make you foot the bill for much of this spending on the southern Indiana plant, even though the plant is owned by wealthy out-of-state corporations who lease the plant to I&M. That’s what we call the Rockport Ripoff.

ONE OF INDIANA’S BIGGEST POLLUTERS

The AEP-Rockport plant was the nation’s sixth largest carbon polluter and second most toxic power plant in Indiana in 2014. I&M wants to add required pollution control equipment to one of the two Rockport units, but that equipment won’t reduce toxic emissions or carbon pollution that are harming our health and our planet. You’ll pay more, and I&M will keep polluting.

A Center for Public Integrity-USA Today-Weather Channel investigation, released in September 2016, identified AEP-Rockport as one of the nation’s 22 “Super Polluters”—and one of four near Evansville, Indiana, which has more industrial toxic pollution than any other mid-sized or large city in America. Read the full story and watch the moving documentary at www.superpolluters.com.

The AEP-Rockport plant poured 4.4 million pounds of toxic pollution into Indiana’s air, land, and water in 2014 according to the U.S. Environmental Protection Agency. The Ohio River receives nearly 13,000 pounds of toxic chemicals from the plant each year, including dangerous chemicals known to harm human health like arsenic, mercury, and lead.

Facts: AEP-Rockport Power Plant

Location: Spencer County, Indiana

Owners: Unit 1: Indiana Michigan Power and AEP Corp. of Ohio; Unit 2: JP Morgan, Citigroup, Philip Morris, General Electric and Verizon (operating as Wilmington Trust Co. of Delaware)

Annual Carbon Dioxide Pollution (2014): 15.8 million tons (6th in U.S.)(Equivalent to annual greenhouse gas emissions from 3 million passenger vehicles)


Annual Health Impacts:

• 130 premature deaths
• 200 heart attacks
• 2,200 asthma attacks
• 140 asthma ER visits
All of this pollution from the AEP-Rockport plant is causing significant harm to people’s health. Experts at the Clean Air Task Force recently estimated that AEP-Rockport’s pollution caused 130 premature deaths, 200 heart attacks, and 2,200 asthma attacks every year.4 A pediatrician working near the AEP-Rockport plant says coal pollution is causing children in southern Indiana to suffer from sinus problems and chronic illness, consistent with findings of many regional and national health studies on the effects of coal pollution.5 “I’ve seen the effects of air pollution every day in more than 25 years of caring for children’s health in the shadow of coal-burning power plants like AEP-Rockport,” said Dr. Norma Kreilein of Washington, Indiana. “If you could see the abnormally high number of children with allergies, sinus problems and chronic illness in my community, you would want to do something, too.”

As the nation’s sixth-largest carbon polluter, the AEP-Rockport plant emitted nearly 16 million tons of climate-disrupting carbon pollution in 2014, accounting for approximately 15 percent of Indiana’s annual carbon pollution from power plants. Climate disruption poses a threat to Indiana crops, our health, our families and our communities, as we face increasing costs of cleaning up climate-related weather disasters.

A FINANCIAL DRAIN ON OUR COMMUNITIES

The $274 million request pending before the IURC is only the tip of the iceberg, since nearly $3 billion in additional upgrades are needed between now and the end of 2028 if the plant does not retire. While I&M customers would presumably be asked to pay for much of those costs, I&M has sold large amounts of electricity to non-I&M customers every year—an amount equal to half of the electricity produced at Rockport annually.

Many people don’t realize that only half of the AEP Rockport plant is owned by I&M and its parent company, Ohio-based AEP Corp.—the biggest corporate carbon polluter in the United States.6 The other half (Unit 2) is owned by a group of wealthy corporations (JP Morgan, Citigroup, Philip Morris, General Electric and Verizon). I&M is leasing and operating Unit 2 under a lease agreement that expires in 2022. I&M says it may end the lease agreement in 2022, but they want you to keep paying for the new pollution controls for another seven years after the lease expires. That’s what we call the Rockport Ripoff. The wealthy corporate owners are getting a federal income tax break by owning a power plant, but I&M customers are paying the bills.

Coal burned at the plant comes from Wyoming coal mines, not Indiana. Out-of-state coal purchases in 2015 cost I&M customers $300 million—money that’s taken out of I&M communities like Fort Wayne, South Bend, Elkhart, and Muncie.

I&M’S 20-YEAR PLAN

In 2015, I&M issued a 20-year energy plan to chart a path for meeting customers’ energy needs. According to the plan, I&M would increase wind, solar and energy efficiency from only 7 percent of I&M’s power mix today to a disappointing 13 percent by 2035. I&M says it’s moving ahead with clean energy in Indiana, but they are moving too slowly with actual projects in the ground. I&M recently built five small solar farms capable of generating 15 megawatts of electricity
- but has no plans to add more solar or wind until 2020. Meanwhile, in Ohio, I&M’s parent company AEP has committed to build 900 megawatts of wind and solar in Ohio by 2020 – all of it to be sited in Ohio. By comparison, AEP-Rockport can generate 2,600 megawatts of dirty coal electricity when operating at full strength. I&M must do better. According to I&M’s own analysis, it would be cheaper to retire half of the AEP-Rockport plant in 2022 and invest in an alternate plan with much more renewable energy and energy efficiency. I&M also considered viable options to retire the entire Rockport plant and replace the power by 2030, but rejected those alternatives.

**HOW DO WE GET TO A FUTURE BEYOND COAL?**

Our communities need I&M to generate local clean energy jobs and investment, not dangerous pollution or tax shelters for wealthy corporations. Compared to fast-growing economies in Indianapolis and Columbus, Indiana, the metro areas around Fort Wayne, South Bend, and Muncie have lost jobs in the last 15 years, according to a University of Indianapolis study. I&M should end the Rockport 2 lease agreement when it expires in 2022, and start shifting to clean energy investment in communities it serves. Local leaders are speaking out on this issue. In September 2016, the South Bend Common Council voted unanimously to pass a resolution encouraging I&M and state regulators to transition away from coal and support generation of local renewable energy and energy efficiency.

By phasing out coal over time and investing in local clean energy, I&M can bring greater prosperity to our cities and towns:

- Solar farms on vacant land could create much-needed local jobs in I&M communities
- Expanded energy efficiency investments could generate new jobs retrofitting older buildings and help reduce electric bills for homeowners and small businesses
- North-central Indiana is also prime real estate for wind farms that could help support farmers, rural schools, and small town economies while generating clean energy for I&M customers

We can keep our dollars in our communities and create local clean energy jobs while safeguarding Hoosier health from the effects of dangerous coal pollution.

Talk to your friends and neighbors. Tell I&M President Toby Thomas you want him to retire one-half of AEP-Rockport by 2022 and replace it with local clean energy, including solar, wind, battery innovation, and cost-effective energy efficiency.

**Together, we can make a difference in our communities and tell I&M:**

#IM4CleanEnergy, not more money spent on the Rockport Ripoff.

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**CONTACT**

Megan Anderson
megan.anderson@sierraclub.org
317.222.1146

content.sierraclub.org/coal/indiana
twitter.com/INBeyondCoal
Instagram: @indianabeyondcoal
facebook.com/indianabeyondcoal