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The Honorable Chris Wright
Secretary of Energy
United States Department of Energy
1000 Independence Ave., SW
Washington, DC 20585
the.secretary@hq.doe.gov

Dear Secretary Wright:

As a proud Indiana energy provider, we remain focused on the state's energy pillars of reliability, resilience, affordability, and stability. While we remain engaged complying with the current December 23, 2025, DOE 202c order, maintaining F.B. Culley Unit 2 ("Unit 2") will require **substantial investment to support an inefficient and increasingly unreliable asset**, rather than advancing affordable and reliable service for customers in southwestern Indiana.

We respectfully request that the Department of Energy allow Order No. 202-25-13 (the "Order") to expire on March 23, 2026, and abstain from issuing subsequent Section 202(c) directives for Unit 2.

We acknowledge the concerns outlined in the Order and recognize the complexity inherent in balancing increasing demand with the obligation to serve the public interest. However, **Unit 2 accounts for less than 1% of the total installed capacity in MISO's North/Central region.**[1] In addition, current industry data shows sufficient capacity without Unit 2:

MISO members expect to meet their capacity needs through 2031, with more than 11 GWs of excess capacity.

- NERC's 2025 Long-Term Reliability Assessment reduces MISO's Capacity and Energy Risk level to "Normal" for 2026. The Assessment states, "**For Summer 2026, MISO projects** a prospective resource **surplus ranging from 3.4 to 5.8 GW**".[2]
- The 2025 OMS-MISO Survey shows **MISO members expect** to meet their capacity needs through 2031, with **more than 11 GWs of excess capacity**.[3]

We have adequate generation capacity – without Unit 2 – to meet MISO's Planning Reserve Margin Requirement through the 2027-2028 Planning Year – reflecting our commitment to continued system reliability.

Three consecutive IRPs concluded that retirement of Unit 2 is the most prudent option.

Affordability, reliability, and resiliency remain foundational elements of our Integrated Resource Planning (IRP) process, which guides our long-term resource decisions. Our three most recent IRPs – in 2016, 2019/2020, and 2023 – concluded that the retirement of Unit 2 was the most prudent option. The IRP analysis has repeatedly demonstrated that keeping the unit online would demand **costly investments to**

[1] MISO PY 2026-2027 Seasonal Preliminary PRA Report, Released January 28, 2026; PY 2026-2027 Seasonal Preliminary PRA Report 01-28-2026738710.xlsx
[2] North American Electric Reliability Corporation (NERC), Long-Term Reliability Assessment, Released January 2026 – Pages 8 and 42; https://www.nerc.com/globalassets/our-work/assessments/nerc_ltra_2025.pdf
[3] 2025 OMS-MISO Survey, Released June 6, 2025 – Slide 7; https://cdn.misoenergy.org/20250606%20OMS%20MISO%20Survey%20Results%20Workshop%20Presentation702311.pdf

maintain operational reliability and environmental compliance. Consequently, Unit 2 was approved by MISO to cease operations on December 31, 2025.

Operational data from the Order's effective date (December 23, 2025) through February 8, 2026, support the IRP findings. Following is the operational status for Unit 2 over the past 48 days:

- **26 days:** Unit 2 was **on outage** due to equipment issues
- **5 days:** Unit 2 was on reserve shut down – available but **not economically dispatched** by MISO
- **17 days**: Unit 2 was online but **limited** to between 45MW and 78MW (net) due to maintenance issues.

Unit 2's performance during the recent MISO cold weather event underscores a pattern of unreliability of that unit. Although the unit was dispatched on January 24 – 25, 2026, Unit 2 was limited to 45MW (net) due to a significant derate. One day later, on January 26, systemic equipment failures forced another outage, further demonstrating the unit's ongoing inability to provide dependable service.

Safe operation beyond March 2026 requires an estimated 14 weeks of outages.

Safe and reliable operation beyond March 2026 hinges on major and costly interventions, including acid cleaning of the boiler and replacement of boiler tubes—necessitating a four-week or longer outage, with projected cost of approximately $1.9 million – $2.5 million. Additionally, Unit 2's turbine-generator is currently operating beyond the original equipment manufacturers overhaul specifications—significantly increasing the risk of catastrophic mechanical failure. To avoid that, turbine overhaul is unavoidable, requiring extensive work made even more challenging by long lead times for critical components and a 10-week outage. The turbine-generator overhaul, together with other anticipated outage-related work, is currently estimated to result in total expenditures of approximately $14 million – $18 million. Our team continues evaluating additional operational factors as there may be additional investments needed, driving estimated costs higher. These factors make clear that extending the life of Unit 2 is neither practical nor financially responsible, underscoring the need for a more prudent and economically sound path forward.

Again, we respectfully request that the Department of Energy allow the current 202 Order to end on March 23, 2026, and abstain from issuing subsequent 202 Orders for Unit 2. We appreciate DOE's leadership in safeguarding the nation's electric reliability and trust that this request will be given full consideration.

Respectfully submitted,

Michael Roeder
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President, Indiana Region

Cc: Indiana Gov. Mike Braun