

## Conservatives rip Trump's plan to save coal, nuclear plants

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President Trump's order to keep failing coal and nuclear power plants operating has been slammed by environmentalists, energy industry groups and competitive power markets.

But it appears a number of conservative and libertarian free market think tanks are not proponents of the plan, either. They are calling it "economy-crippling central planning" and the intellectual work of someone in the "third grade."

Last Friday, the President instructed Energy Secretary Rick Perry to "prepare immediate steps to stop" the "impending retirements of fuel-secure power facilities," referring to coal and nuclear plants.

The same day, *Bloomberg* released a leaked draft proposal from the Energy Department – which has never been confirmed by anyone in the administration as the document to be followed.

The draft proposes Trump cite national security concerns, allowing him to require regional markets to purchase enough power from the facilities to prevent them from closing.

In the 41-page plan, the Energy Department acknowledges the U.S. grid operates reliably, but argued "high-impact events caused by state actors, terrorists, or natural disasters" mean past measures of reliability may no longer be adequate, CNBC reported.

Some conservatives who study policy suggested the Trump administration is scrambling to fulfill his campaign promise to revive the coal industry after the Federal Energy Regulatory Commission rejected an earlier bailout plan advanced by Perry, **Kallanish Energy** reports.

Since Trump was elected, 36 coal plants have retired and 30 have announced they will close, according to a count kept by the Sierra Club.

Katie Tubb, a policy analyst at the Heritage Foundation, told CNBC the administration can't find justification in past experience to subsidize the plants, so it is evoking potential future threats like cyberattacks and terrorism.

She said the plan stretches the limits of the Federal Power Act and the Defense Production Act to achieve a political goal.

Tubb equated the proposal to President Obama's use of the Clean Air Act to justify his move to limit greenhouse gas emissions from power plants under the Clean Power Plan, which conservatives often cite as an abuse of authority.

"Neither are sound, principled policy and both promise harm to consumers. Instead, the President should turn dedicated attention to reversing the underlying policies that are causing the problems he wants to fix," Tubb told CNBC.

Coal and nuclear plants are closing mostly due to competition from cheap, cleaner-burning natural gas and renewable energy.

Peter Van Doren, senior fellow at the Cato Institute and editor of the journal "Regulation," told CNBC the plan threatens to wipe out the intellectual effort that went into creating deregulated, competitive power markets in many parts of the country over the last 25 years.

Those markets already put in place a system that effectively makes consumers pay for excess power capacity that can be tapped in times of high demand, he said.

"This has no intellectual basis by anybody beyond the third grade," Van Doren told CNBC.

"This is like the tariffs. Find your supporters and hand out stuff and hope," he said, referring to steel and aluminum duties that Trump is imposing on U.S. allies in order to bolster domestic mills.

"If you can find anyone who's market-oriented or says they're conservative and supports this, they should turn in their badge."

One conservative group reached by CNBC, the Heartland Institute, voiced support for the Trump plan.

"President Trump and Secretary Perry are right to focus on the national security aspect of America's energy policy after that factor was ignored by the Obama administration," said Fred Palmer, senior fellow for energy and climate policy at The Heartland Institute.

"After years of waging a war on coal, it is reassuring to see a new administration instead intent on protecting energy freedom and putting national security over green ideology," said Palmer, who served for more than a decade as senior vice president of government relations for Peabody Energy, the largest U.S. coal company when it declared bankruptcy in 2016.