Archived: Thursday, May 31, 2012 3:41:24 PM From: Eric M. Robeson Sent: Friday, July 29, 2011 10:15:56 AM To: Bill Blackburn Subject: RE: Reid allowances Importance: Normal

Does Mike have the projected allowances for those years?

From: Bill Blackburn Sent: Friday, July 29, 2011 9:46 AM To: Eric M. Robeson; Mark Bailey; Bob Berry Subject: RE: Reid allowances

Eric,

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As we complete the budget review for 2012 and the financial plan for 2013-2015, I believe you will see Reid 1 running in the winter months. I concur with your strategy; let's keep the Reid allowances for as long into the future as we can.

Bill

From: Eric M. Robeson Sent: Friday, July 29, 2011 9:16 AM To: Mark Bailey; Bill Blackburn; Bob Berry Subject: Reid allowances

What happens to allowances if a unit does not operate, is in reserve shutdown or is retired?

Per the CSAPR write-up, a unit that "does not operate" for 2 consecutive years will lose those allowances after year 4.

As an example, if Reid 1 shuts down December 31 this year, we would receive allowances thru 2015, but

It does not address situations where units may run a very limited amount of time each year. I think we should run Reid 1 in January, then put it in reserve shutdown until we determine our long term approach