



## Trump's Push to Keep an Aging Coal Plant Online Could Drive Up Electricity Prices for Consumers

The Trump Administration's coal agenda is expanding. A new DOE Resource Adequacy Report and incentives for coal in the OBBB<sup>1</sup> are keeping coal on the grid and in the spotlight. It started with a set of executive actions in April<sup>2</sup> but has expanded to the use of Department of Energy (DOE) emergency powers to keep aging coal plants open.

### What Happened?

On May 23, DOE issued an emergency order<sup>3</sup> to delay the planned closure of Michigan's J.H. Campbell coal plant, citing grid reliability concerns.

The Campbell plant was supposed to retire as part of a deal that would save customers \$600 million by avoiding major maintenance and upgrades. Extending Campbell's operation could impose substantial maintenance and operational costs. These include purchasing additional coal and rehiring or retraining staff to operate the facility. Because utilities are typically allowed to recover their operating expenses through rate increases, these added costs are expected to be passed on to Michigan consumers.

The J.H. Campbell Generating Complex, operated by Consumers Energy, is one of the older coal-fired plants in the U.S. and the last of Consumers Energy's coal plants. Its planned retirement is part of the company's broader move away from coal and toward cleaner energy sources, such as natural gas, solar, and wind power.

### Forcing Coal Plants to Run Raises Electricity Prices

- **Additional Maintenance Costs:** Keeping the J.H. Campbell plant open requires reinstating canceled maintenance tasks and upgrading aging equipment, driving up operational costs that were previously saved by the planned closure. These costs will likely be passed on to customers.
- **Inefficiency of Aging Plant:** The plant is over 60 years old, and continuing to operate it means using a less efficient facility that increases the cost of power generation. This inefficiency further adds to consumer expenses.

---

<sup>1</sup> One Big Beautiful Bill (HR.1)

<sup>2</sup> [Reinvigorating America's Beautiful Clean Coal Industry and Amending Executive Order 14241 – The White House](#)

<sup>3</sup> [DOE's Use of Federal Power Act Emergency Authority | Department of Energy](#)

- **Higher Fuel Costs:** Extending the plant's operation means purchasing more coal and bringing back workers from other assignments, all of which incur extra costs. According to Energy Innovation's Coal Cost Crossover 3.0 report, 99% of U.S. coal plants are more expensive to operate than it would be to shut them down and replace them with nearby solar, wind, and battery storage.<sup>4</sup> These added expenses could be passed on to customers in the form of higher rates.
- **Double Charging for Reliability Measures:** Consumers Energy has already invested in alternative energy sources like gas-fired plants and solar energy to replace the Campbell plant's power. Keeping the coal plant open effectively doubles the cost burden on customers, as they're paying for both the old plant and the new solutions.
- **Federal Order Costs:** The Trump administration's emergency order allows Consumers Energy to recover the costs of keeping the plant open, but ultimately, these costs are expected to be passed on to ratepayers. The lack of clarity on how these costs will be distributed increases the uncertainty about how much customers will pay.

---

<sup>4</sup> [The Coal Cost Crossover 3.0 • Energy Innovation](#)