

Joppa Power Plant to Close in 2022 as Company Transitions to a Cleaner Future

Vistra seeks to invest over \$550 million across central and southern Illinois to build zero-emission renewable energy centers at plant sites

IRVING, Texas, April 6, 2021 [/PRNewswire/](#) -- Vistra (NYSE: VST) and its subsidiary, Electric Energy, Inc., are today announcing the retirement of the Joppa Power Plant by Sept. 1, 2022, three years earlier than previously disclosed. The revised closing date is part of an agreement Vistra has reached in order to settle a complaint brought by the Sierra Club in 2018 before the Illinois Pollution Control Board concerning allegations of environmental exceedances occurring prior to Vistra's ownership. Due to the mounting financial and legal pressures that now come from operating coal plants, the company is renewing its call for passage of the Illinois Coal to Solar and Energy Storage Act to facilitate Vistra's \$550-million repurposing of coal plant sites across central and southern Illinois.

"The hardest decisions we make are those that impact the dedicated men and women of our plant workforce and the local communities. In this case, we agreed to shut down the Joppa plant in light of the legal uncertainties and significant economic challenges facing the plant. First and foremost, we will work with our team members and the impacted communities to ensure a just transition, including our commitment to pay \$1.1 million in incremental property taxes over three years," said Curt Morgan, chief executive officer of Vistra. "As part of this just transition, we remain focused on passing the Coal to Solar and Energy Storage Act, which will enable us to reinvest and repurpose sites like Joppa into zero-emission generation, using existing infrastructure, creating jobs, and adding to the property tax base. We have a construction-ready plan to invest \$550 million, including approximately \$59 million at the Joppa location, to transform coal plant sites into renewable energy centers."

Vistra is in the process of working with the plant's local union leadership and will honor the plant's locally negotiated commitments regarding severance and outplacement benefits, as well as wages, health care, and other benefits during the remainder of operations.

Vistra strives to provide workers and communities with as much advanced notice as possible ahead of a plant retirement and to be a part of the transition to a new future.

"Joppa's 2022 closure is an unfortunate reminder that our remaining MISO fleet continues to face challenges and is at risk of rapid closure for a variety of factors, most notably legal and economic challenges – the latter due to the dysfunctional MISO market in Illinois and significant maintenance costs. Vistra would like to reinvest in and responsibly reuse its Illinois plant sites so local communities like Joppa and Massac County can economically benefit from the transition to renewable electricity generation rather than being left as a non-productive former plant site," Morgan continued.

Repurpose and Reinvest in Illinois Coal Plant Sites and Communities

Through the Coal to Solar and Energy Storage Act, Vistra proposes to invest more than half a billion dollars to develop approximately 300 MW of utility-scale solar and 175 MW of battery energy storage. This nine-site construction program would help Illinois more than triple its in-state utility-scale solar generation capacity and more than double its battery energy storage capacity – all by 2025.

If the Act passes, Vistra intends to build a stand-alone 45-MW battery energy storage facility at the Joppa plant, which does not have the site characteristics to support utility-scale solar. The new battery system would store enough electricity to power approximately 22,500 homes.

According to Dr. David Loomis of Strategic Economic Research, during the implementation of the Coal to Solar and Energy Storage Act, the state and local communities will benefit from a significant boost to economic activity. His analysis projects that, from 2022 to 2025,

the initiative will:

- support 2,957 full-time jobs across the state;
- create \$461 million in statewide earnings for workers; and
- generate \$1.7 billion in total economic output in the state.

The economic impact study projected that constructing the battery energy storage facility at Joppa would support more than 100 local jobs and spur more than \$10 million in economic output in Massac County.

Just Transition for Plant Community and Potential for Economic Growth

Joppa Power Plant is a significant generator of property tax for local governments in the area. In order to provide additional support for the community, Vistra will pay property tax payments in excess of market value for three years after the plant's closure, based on a percentage of the plant's 2019 tax bill. Once the plant is closed, Vistra will pay more than \$1.1 million from 2023-2025 to local taxing entities.

The commitment to the Joppa community is consistent with Vistra's desire to help provide a responsible transition for local communities following plant closures. When Vistra closed four plants in 2019 to comply with revised state regulation, the company voluntarily offered local communities a \$6 million-plus property tax bridge to make the transition easier, given the rapid retirement of the plants. Discussion and implementation of local tax agreements continue for all nine Illinois plant communities that have been or will be impacted by coal plant closures.

Building utility-scale solar and energy storage facilities will improve the local tax base and provide a reliable source of property tax revenue for decades to come. The company estimates the new taxable value at renewed plant sites will be 350-400% more than the land values of closed plant sites, including nearly double the current property taxes for the Joppa Plant. In addition, the company is committed to building and operating these projects with union labor and to contracting with diverse-owned businesses and suppliers to participate in and benefit from Vistra's investment.

More information about the Illinois Coal to Solar and Energy Storage Act (HB 3446 / SB 529) can be found at www.renewillinoispower.com.

Joppa Power Plant opened in 1953 and currently has approximately 115 employees. The plant is a multi-unit site, including six coal units with a combined capacity of 1,002 MW and five natural gas units with a combined capacity of 239 MW.

About Vistra

Vistra (NYSE: VST) is a leading Fortune 275 integrated retail electricity and power generation company based in Irving, Texas, providing essential resources for customers, commerce, and communities. Vistra combines an innovative, customer-centric approach to retail with safe, reliable, diverse, and efficient power generation. The company brings its products and services to market in 20 states and the District of Columbia, including six of the seven competitive wholesale markets in the U.S. and markets in Canada and Japan, as well. Serving nearly 4.3 million residential, commercial, and industrial retail customers with electricity and natural gas, Vistra is one of the largest competitive electricity providers in the country and offers over 50 renewable energy plans. The company is also the largest competitive power generator in the U.S. with a capacity of approximately 39,000 megawatts powered by a diverse portfolio, including natural gas, nuclear, solar, and battery energy storage facilities. In addition, the company is a large purchaser of wind power. The company is currently constructing a 400-MW/1,600-MWh battery energy storage system in Moss Landing, California, the largest of its kind in the world. Vistra is guided by four core principles: we do business the right way, we work as a team, we compete to win, and we care about our stakeholders, including our customers, our communities where we work and live, our employees, and our investors. Learn more about our environmental, social, and governance efforts and read the company's sustainability report

at <https://www.vistracorp.com/sustainability/>.

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