

## DISCUSSION BRIEFING ON NUCLEAR ISSUES IN PROPOSED ILLINOIS ENERGY LEGISLATION

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We have long understood that the Illinois energy legislation that will be acted upon in 2021 will be an amalgam of pieces from the numerous proposed bills. Currently these bills cumulatively amount to between 3,000-4,000 pages of text. It would appear that not everyone will be getting everything they want. There are however items that should be included at all costs to more effectively deal with the continuous cycle of requests for bailouts, subsidies, and threat of energy plant closures, all while trying to attain a 100% renewable energy system by 2050.

### I. Essential inclusions:

- a. **Significant “just-transitions” packages for coal, nuclear, and other fossil fuel generator and mining communities** faced with severe economic disruption as a result of the inevitable closures. Ideally, these programs should be initiated prior to facility closures, and the funds escrowed to be available to the communities and workers only when the facilities cease operations.
- b. **Maximal financial support for an aggressive built-out of renewable energy, energy efficiency, energy storage, and improved electric transmission** to more directly get to the goal of 100% renewable energy by 2050. See Dr. Mark Jacobson attachment.
- c. **No bailouts for unprofitable nuclear plants** which are solely the assets of a very profitable private corporation – Exelon. It is their responsibility, and that of their Board, to find ways to run their assets profitably. Illinois ratepayers should not be viewed as an ATM machine for corporate choice failures.

### II. “Caveat” Areas:

- a. **NEVER refer to nuclear power as “clean, renewable, or emissions-free.”** These are simply not factual statements, as we demonstrated in several previous fact sheets and in testimonies to the House and Senate in 2019. The negative consequence of allowing this language to be used would be that should these terms be enshrined as definitions in legislation or otherwise enshrined in Illinois statute, nuclear plants may be technically and legally eligible for funds that would otherwise be intended for truly renewable energy resources. This would drain resources away from the State's goal of 100% renewables by 2050, and delay that implementation.
- b. **Consumers and Climate First Act, Section “Clean Power and Air – Paragraph D”:** The Governor's proposed bill calls for, *“Requir[-ing] nuclear plants that accept subsidies to return those subsidies to the State if they close unless they attempt to sell a nuclear plant before closing it.”* We would point out several things in this regard:
  - As questionable as Exelon may be considered as a nuclear operator, it is considered to be one of the best in the nation according to peers. If Exelon cannot operate these reactors profitably, the likelihood is great that it would be selling to an operator which could be inferior, and would need to cut costs – probably in personnel and maintenance – to become profitable, if that were even possible. This is not in the best safety interests of Illinois.
  - Chances are that the new operator would inevitably be in the same position as Exelon – asking the state for bailouts to maintain operation of unprofitable and further degraded reactors.

- c. **NRC plans to extend operating licenses for reactors up to 80-100 years total.** Along with the concern above, aging reactors operating for 80-100 years, especially if not well maintained, would be a tremendous liability for Illinois, and would delay fully implementing renewable energy even more.
- d. **The implications of “SPINCO” – the Exelon generation spin-off company:** It is not clear what the future of these “economically distressed” reactors will be under this new corporate entity; and no one has taken the time to discuss these implications let alone make plans or propose solutions and actions in the context of this energy legislation debate. As an LLC, it will have no assets other than the plants themselves to fall back on should future funds be needed, for whatever reason – O&M, accident remediation, major infrastructure purchases, etc. It won’t have the parent to fall back on for financial support, suggesting a new avenue of ratepayer abuse in some form to get funds necessary to continue safe operation. Some of the other issues in the above items may also come into play, such as sell-offs to inferior operators, etc.

III. **Excluded areas that will require future legislation, and deeper analysis:** A number of these have previously been brought to the attention of the Legislature and Governors in our testimony before relevant Committees back in 2019. We list a few of these here:

- a. **Reactor Decommissioning Issues:** Illinois lacks any meaningful regulations in a variety of areas dealing with the “decommissioning” (tear-down of closed reactors): no transparent financial oversight of reactor decommissioning trust funds, and how these funds are expended; radioactive waste management onsite, post-decommissioning; no requirements for citizen oversight boards for communities affected by reactor closures and decommissioning.
- b. **Continued “Safe” Management of Radioactive Wastes:** If the threats for reactor closure are realized, the high-level radioactive wastes (HLRW; in the form of “spent” reactor fuel), need to be stored onsite until the federal government opens a final permanent deep-geologic disposal facility. These communities must be given maximum protection in the interim, and the NRC does not provide for this.
- c. **Avoidance of continued radioactive waste production:** If Exelon were to close Byron and Dresden as threatened, between 1,400 and 2,040 tons of high-level radioactive wastes would NOT be produced, a positive societal benefit.
- d. **No thorough analysis has been conducted calculating the BENEFITS/ADVANTAGES of allowing these reactors to close.**
- e. **Analyses of HOW to get Illinois to 100% renewables are incomplete.** For example, a program NEIS conducted on April 29<sup>th</sup>, 2021 with Dr. mark Jacobson of Stanford University indicated that Illinois can in fact meet its electric energy needs completely without nuclear or fossil fuels of any kind by 2050 (summary sheet attached). There is no indication that his work, or the work of others with similar conclusions has been considered or incorporated into this round of energy discussion and negotiation.

**STATE LEGISLATION: No major state energy legislation was enacted; focus on Fall & Spring**

- Pritzker Bill [HB 4074](#) (Rep. Buckner), [SB 2896](#) (Sen. Villanueva), CONSUMERS & CLIMATE FIRST ACT
- CEJA 4.0 – [HB 804](#), [S 1718](#); 4 additional side-bills too;
- CUJA -- [AMENDMENT TO HOUSE BILL 1472](#),
- [The Path to 100 Act](#) (SB1601) – Sen. Cunningham, and Rep. Will Davis
- Ameren (HB1734), Vistra (HB3446), Gas (HB3115)
- [HB 3987](#), repeals the Exelon nuclear bailout; new clarifying amendment expected; Reps. Cassidy and Batinick; filed 12/9/19
- SB 162, Short Description: NUCLEAR SAFETY-IMPACT FEES, Sen. Bush -- any municipality may establish and collect a nuclear storage impact fee from the entity that operated a nuclear facility within the boundaries of the municipality.
- HB 3090 Amendment 1, ENVIRONMENTAL JUSTICE ACT,
- SB 135, Amend. 3, an NRG bill -- HB125- Rita Mayfield -- the Competitive Clean Energy Act.