

REACTORS ARE CLOSING, BUT THE FIGHT ISN'T OVER...

Citizens Awareness Network (CAN) began in the nuclear debacle of the 1990's when the systemic mismanagement of nuclear reactors in the Northeast led to the mobilization of ordinary citizens fighting to protect their communities.

CAN was instrumental in the closure of four of nine nuclear reactors in our area—Yankee Rowe, Connecticut Yankee, Vermont Yankee and Millstone Unit 1. After those closures came the decommissioning of the remaining toxic sites and the installation of high level waste dumps to hold radioactive waste for what could be perpetuity. As we addressed the issues of how decommissioning affected our communities, CAN realized that the Nuclear Regulatory Commission (NRC), the agency responsible for oversight of the nuclear industry, was permitting nuclear corporations to violate the NRC's own regulations. CAN sued the NRC and won a lawsuit against it for the illegal cleanup of Yankee Rowe. As a result, the NRC itself was found in violation of the National Environmental Policy Act, the Administrative Procedures Act and the Atomic Energy Act. In fact, the NRC was undermining citizens' rights to participate in matters that vitally affected them and their communities.

The nuclear industry feared that problems of systemic mismanagement could lead to more closures of poorly managed aging reactors. To protect themselves nuclear corporations advocated for deregulation of the energy sector. They wanted separation of production from distribution, in which the bad debt and cost over runs of the nuclear industry would be forgiven. Deregulation actually led to cannibalization of aging plants by nuclear predators like Entergy and Exelon. Citing economy of scale through the development of "fleets of nukes", these corporate predators bought debt free plants for less than 10 cents on the dollar.

Interestingly, what deregulation actually accomplished was the reinvention and consolidation of the nuclear industry! After deregulation was instituted, there were no reactor closures for 15 years. It also created an anomaly—merchant operators of nuclear reactors. Before deregulation, power generation was owned and operated by utilities that were accountable to state and federal regulators. Utilities have ratepayers and a ratebase to return to for rate increases in the event of upgrades, repairs and equipment replacement. Merchant plants sell on the open market, and they do not have a rate base to subsidize cost escalation. Their profits rise and fall on the open market and their profits are falling.

NUCLEAR CLOSURES AND THE ENERGY WARS

With the closure of 5 nuclear reactors across the country including Vermont Yankee in New England, the nuclear industry's prospects for a much heralded "nuclear renaissance" evaporated. Nuclear energy producers are unable to compete in the brave new world of renewable energy production. What is the industry's response to this turn of fortune and why is it in trouble?

The industry's merchant fleet of nukes in New England and New York are in trouble. Nuclear corporations thought they could rake in the dough when they acquired this aging fleet of nukes at fire-sale prices. They bought old nukes, anticipating the long awaited return of the nuclear industry. Since merchant plants like Dominion and Entergy's sell their power on the open market or through power contracts, but not to ratepayers, they're not utilities. Therefore with no rate base to return to when the corporation's expenses increase, the long awaited "nuclear renaissance" proved to be an ill-fated public relations campaign.

With growing investment in renewable, costs of solar dropping significantly, sagging energy use, and the low cost of natural gas, nukes are losing money—a lot of money. UBS, a financial analyst, estimated that Entergy's Vermont Yankee would lose more than \$120 million in the next three years! FitzPatrick and Pilgrim are expected to sustain similar losses. Vermont Yankee closed in 2015; FitzPatrick will close in 2016 and Pilgrim will be closed by 2019.

When Corporations are Losing What Do They Do?

With their profit substantially cut and no rate base to turn to, these nukes are in trouble—big trouble. It is estimated that 10% of the nuclear fleet could close in the next few years. Pilgrim and FitzPatrick in New York State, like Vermont Yankee, are losing millions of dollars just operating. So guess what Entergy and other nuclear corporations like Exelon and Dominion want states and federal agencies to do?

The industry wants them to change the rules! That's what Entergy and other failing nuclear corporations are attempting right now. What would changing the rules do? Provide a life raft to a declining industry. And what do they want to survive? Subsidies! More and more subsidies!

HERE THEY GO AGAIN

And how do they want the rules changed? Now that they're losing, nuclear corporations are pressing to return to a regulated market. They say it's unfair that renewable energy is receiving subsidies like Net Metering. Net Metering allows people to sell the extra power generated from their solar panels to the grid. They insist that people who put solar on their roofs are "getting a free ride" and should have to pay dearly for the transmission of their watts. Never mind that the nuke and coal industries have been heavily subsidized for decades! The nuclear industry, with the help of oil and coal, are mounting effective campaigns in over 30 states to undo renewable energy standards. They claim that their nukes are a "national treasure" that can't be allowed to fail! They now want nukes classified as "clean energy" (forget about all the radioactive waste or thermal pollution) and given special status on the grid before renewables. With that status, nukes could potentially even sell clean energy credits to coal plants!

WHY SHOULD WE CARE ABOUT THE INDUSTRY'S NEW DIRTY TRICKS CAMPAIGN?

If the nuclear industry is successful, it will block the revolution in renewables that is underway. The industry's complaints are not falling on deaf ears. The Federal Energy Regulatory Commission (FERC), EPA and NRC are responding to industry's concerns. Once again, they want to help the nuclear industry out. The state of New York wants to subsidize Exelon's failing nuke with monies in the renewable energy fund. Connecticut is looking to do the same for Dominion's Millstone reactors. If other legislatures follow suit, the sustainable energy revolution will be in trouble. In NYS Exelon received special subsidies to keep its Ginna, a nuclear reactor in upstate New York, operational with above market rates subsidized by ratepayers otherwise it would have closed!

For renewables to succeed, we need to revolutionize the grid itself. Presently it's set up to support baseload power like nukes and coal that can't power up or down depending on energy demand. The new grid needs to be adaptable and responsive, utilizing hydro power to back up wind and solar when needed to ensure a stable renewable energy supply. If nuclear gains these subsidies it will lock the grid into baseload power and natural gas and stymie the continued development of renewables.

THE FUTURE IS OURS TO CREATE

Our energy future which looks so promising could deliberately be held hostage to failing energy sectors. Mega corporations like Google, Apple and Walmart, which can easily afford solar as an investment in public relations and greenwashing, could power their businesses with the sun while ordinary people are still stuck with dirty energy and the escalating costs of subsidizing nukes, coal, and natural gas. We can't let this happen!

We must fight for energy equity for ourselves and for our children. *The sun belongs to all of us—not just those who can afford it.*

WHAT YOU CAN DO TO PROTECT OUR CLEAN ENERGY FUTURE!

Contact your legislators and ask them to support net metering increases, investment in renewables and oppose any long-term power contracts at above-market rates for nukes.

Tell them to oppose granting nuclear "special" status on the grid. Don't let nukes steal monies from the Renewable Energy Fund! Renewable energy must remain the priority, and aging nukes should not be allowed to interfere with our best, most cost-effective climate solutions.

And tell your legislators we must invest in energy infrastructure that supports a diverse and adaptable grid that gives priority to renewable energy sources. Short-sighted energy fixes can have long-term implications. We should invest our energy dollars to open gateways to renewables, not in programs that lock them out.