

A NUCLEAR BAILOUT WOULD BURDEN PENNSYLVANIA RATEPAYERS

The nuclear industry wants a multibillion-dollar, ratepayer-financed bailout, which would force Pennsylvanians to pay more for electricity to subsidize corporations that continue to post multimillion-dollar profits.

The cost of a nuclear bailout in Pennsylvania largely would be dependent on the mechanism by which the federal or state government approaches the issue.

A ratepayer-funded bailout amounts to a regressive tax on electricity and would mean higher energy costs for all Pennsylvania consumers — including AARP Pennsylvania and Industrial Energy Consumers of Pennsylvania.

“Older people on fixed or low incomes already struggle just to make ends meet. It’s plainly inappropriate to ask them to unnecessarily hand over more of their hard-earned money to large, already profitable power companies.”

William Johnston-Walsh, state director, AARP Pennsylvania

“Now that Pennsylvania’s manufacturers are experiencing a competitive advantage based upon energy costs, we cannot afford subsidies to nuclear generation owners that will risk tens of thousands of good manufacturing jobs.”

Rod Williamson, executive director, Industrial Energy Consumers of Pennsylvania

A NUCLEAR BAILOUT IS UNNECESSARY

Despite claims by Exelon and others, nuclear power will continue to be part of Pennsylvania’s power generation mix even if Three Mile Island and Beaver Valley are decommissioned, and it will take years and hundreds of employees to complete the decommissioning process.

PJM Interconnection, the regional transmission organization that coordinates the movement of wholesale electricity in all or parts of 13 states, including Pennsylvania, has confirmed that the electricity grid will remain reliable and resilient, even with the closure of the plants in our nuclear fleet that are not cost-efficient.

EVEN EXELON CEO CHRISTOPHER CRANE ADMITS THERE IS NO EMERGENCY. CRANE RECENTLY TOLD UTILITY DIVE, “IT’S HARD TO DECLARE AN EMERGENCY IN PJM WHEN YOU HAVE A HIGH RESERVE MARGIN.”

CONSUMERS PAY FOR SHAREHOLDER GAIN

Exelon, the owner of three nuclear power generation plants in Pennsylvania and primary advocate for nuclear subsidies, is having a good year. It reported a BIG profit for its second quarter, with revenue at \$8.08 billion, a 5 percent increase from last year.

The company is profiting from nuclear bailouts, as Crain’s Chicago Business recently reported:

*ACCORDING TO THE COMPANY’S LATEST EARNINGS PRESENTATION, ZERO-EMISSION CREDITS (ZECs) PRODUCED **27 CENTS OF THE 41-CENT-PER-SHARE GROWTH** IN ADJUSTED OPERATING PROFIT AT EXELON GENERATION FOR THE FIRST HALF. ANOTHER GOVERNMENT-MANDATED FEE REPRESENTED **11 CENTS OF THE GROWTH.***

Consumers in New York and Illinois are paying more for electricity so that Exelon and its shareholders can increase their profits.

DON'T FOLLOW IN THE FOOTSTEPS OF ILLINOIS, NEW YORK AND NEW JERSEY

Illinois

The recent bailout in Illinois is projected to cost ratepayers \$2.3 billion over 10 years.

The Illinois Manufacturers' Association group says Illinois lost 10,000 high-paying jobs last year while neighboring states grew. It says that "building a guaranteed rate hike into state law" and reversing decades of deregulated energy production will weaken the economy.

— Chicago Business, Dec. 7, 2016

New York

The nuclear industry will receive a projected \$7 billion over 12 years. In fact, New York State Energy Research and Development Authority filings reveal that, in the first nine months of the program, electricity consumers were charged \$354,220,000 via surcharges on their monthly bills to prop up those nuclear reactors in 2017.

Despite the promise that the policy would accelerate renewable energy, 99 percent of the money collected from consumers during 2017 to pay for the program went to prop up nuclear reactors.

IN FACT, ONLY \$724,000 COLLECTED IN SURCHARGES SUPPORTED RENEWABLE ENERGY.

Other highlights:

- More than 800,000 New Yorkers are behind on their energy bills because rates are so high.
- School districts are saddled with surcharges from \$8 million to \$23 million annually, according to estimates from the Public Utility Law Project.
- Many New York City Housing Authority residents were forced to pay their share of the nuclear bailout to the tune of \$1 million in its first year.

New Jersey

The recently enacted bailout in New Jersey will cost ratepayers an estimated \$300 million per year. Language enacted in the New Jersey legislation allows nuclear power generation operators in Pennsylvania to apply for zero-emission credits.

PENNSYLVANIANS OVERWHELMINGLY OPPOSE A NUCLEAR BAILOUT

According to a 2018 poll, Pennsylvanians do not support paying higher electricity costs to bail out the nuclear industry.

- **63 percent** are not willing to pay more for electricity to keep uncompetitive nuclear plants profitable and in operation.
- **73 percent** of voters agree that competition and consumers should determine Pennsylvania's electricity market.
- **52 percent** of voters are less likely to vote for candidates for governor, state senator or state representative if they support legislation requiring ratepayers to subsidize nuclear power generators. (Only 12 percent said they would be more likely.)

Our Members Include:

AARP Pennsylvania | American Chemistry Council | Americans for Prosperity Pennsylvania | Associated Petroleum Industries of Pennsylvania | Caithness Energy | Calpine | Citizen Power | Industrial Energy Consumers of Pennsylvania | Invenergy | Linde Energy Services | Marcellus Shale Coalition | Moxie Energy LLC | NFIB - Pennsylvania | NRG | Panda Power Funds | Pennsylvania Chemical Industry Council | Pennsylvania Independent Oil and Gas Association | Pennsylvania Manufacturers' Association | Taxpayers Protection Alliance | Tenaska | UGI Energy Services | Vistra Energy