

Fiscal Estimate - 2003 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 03-3181/1	Introduction Number AB-555
------------------------------------	--

Subject

Repeal limitation on construction of nuclear power plants

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
--	--	---

Local:

<input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate	1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
---	--	--

5. Types of Local Government Units Affected

<input type="checkbox"/> Towns	<input type="checkbox"/> Village	<input type="checkbox"/> Cities
<input type="checkbox"/> Counties	<input type="checkbox"/> Others	
<input type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.155 (1) (g)	

Agency/Prepared By	Authorized Signature	Date
PSC/ Linda Barth (608) 267-9012	Burnie Bridge (608) 267-7897	10/22/2003

Fiscal Estimate Narratives

PSC 10/22/2003

LRB Number 03-3181/1	Introduction Number AB-555	Estimate Type Original
Subject		
Repeal limitation on construction of nuclear power plants		

Assumptions Used in Arriving at Fiscal Estimate

AB 555 would change existing law in such a way that a utility(s) may be able to request the construction of a nuclear plant. The PSC would be required to complete the case within 180 days with the ability to extend another 180 days. The last proposal to construct a nuclear plant in Wisconsin was made by four utilities in July of 1974. The case went on until July 1977 at which time the utilities withdrew their request. During the time the case was going on there were 16 days of hearings and numerous orders were issued by the Commission regarding hearing examiner rulings and requests for rehearings. On March 2, 1979, the Commission issued an order prescribing the accounting for the applicant's expenses in the case. The reclassification allowed the utilities to charge back to ratepayers much of the cost of \$33 million incurred during the conduct of the case. A portion of that amount would have been costs billed to the utilities for work of the Commission. However, because of the elapsed time the Commission no longer has any of the billing data to determine the costs. The likely cost to conduct a nuclear plant case would be significant. The Commission has only one engineer on staff with a nuclear background and it would be difficult to complete the case without assistance from outside consultants. The Commission has direct billed a total of \$1,623,300 for costs associated with the Arrowhead-Weston Transmission case. It is likely that conducting a nuclear plant construction case would exceed those costs. In addition, intervenor compensation for numerous intervenors would be sought by a number of parties. Depending on the amounts requested, there may not be sufficient resources to provide funding for all of the requests. This might require a s.16.515 request to provide additional resources.

Currently in the United States there are potentially two utilities contemplating filing for an early site permit from the Nuclear Regulatory Commission (NRC) under totally new procedures established by the NRC. The process would involve a two part licensing process the first of which would provide pre-site approval to build a new plant. The process addresses site suitability, environmental impacts and emergency planning issues associated with the site. It would be likely that any utility would first begin their process of proposing a nuclear plant by going the NRC under this new process first. Currently Exelon Corporation in Illinois is entering into the process for a site adjacent to their Clinton Power Station in DeWitt County. Estimates of the time required to get this part of the pre-site process done are in the neighborhood of 33 months. Prior to their NRC filing the utility has had numerous public meetings in the area of the proposed site and has worked with Illinois Nuclear Safety Office during each step in the process. If a utility were to propose pre-site approval for a place in Wisconsin the PSC would most likely be required to intervene as a party in the NRC process and to attend public meetings to keep the public informed. The Illinois Nuclear Safety Office estimates that they have spent the equivalent of a half-time position for the last year working with the public and the utility on the issue. In addition, they believe that their active participation in the NRC process will require the equivalent of another half time person for the next three years. If a utility made similar moves in Wisconsin for a Wisconsin site one could probably expect a similar commitment from the Commission. If a utility in the future made a construction application in Wisconsin with a NRC pre-site approval in hand it would be very unlikely that a decision on the plant could be accomplished within the time frames established in the bill without a large investment in resources by the Commission and other state agencies who have some statutory responsibilities concerning the environment or safety.

Long-Range Fiscal Implications

Unknown