

Comments on the Principles Drafted by the Legislative Council Study Committee on Nuclear Power and on the Scope of the Committee's Study

January 10, 2007

Introduction:

The following are my comments on the principles offered by Mr. Corradini and discussed by the Committee. In general, these principles are already codified in existing statutes, and being addressed by the state agencies whose purpose it is to implement those statutes. In some cases, the assumptions made in these principles are not supported by sufficient evidence heard by this Committee. A detailed discussion of each principle follows.

Principle Number One:

The principle that the Legislature should act in the next session on “long-term energy concerns and to design Wisconsin’s energy future, and not wait for a crisis to develop” is based on a number of assumptions which are unclear.

- First, the presentations to the Committee did not show that immediate legislative action is necessary to avert an energy crisis in Wisconsin. We certainly face issues that need to be addressed, but they are ongoing concerns that will require analysis and action that are far beyond the scope of this committee’s study.
- Second, the scope of this committee was to “**study the role of nuclear power** in Wisconsin’s energy future, and to develop legislation that implements the recommended role, including, as appropriate, any modifications in the state’s nuclear power moratorium law.” The presentations to this Committee were intended to inform a discussion of the role of nuclear power, not to prepare us to “**design Wisconsin’s energy future,**” which is obviously a much broader and more complex undertaking and one for which this Committee is clearly not equipped, after hearing a series of presentations about nuclear power.
- Finally, it is unclear why or how the Legislature should act on these issues when it has long vested the Public Service Commission with the authority and the responsibility for addressing long-term energy concerns and planning for Wisconsin’s energy future. The PSC prepares a biennial Strategic Energy Assessment based on information submitted by utilities, input from interested parties, and staff analysis. This process is intended to provide a timely and thorough assessment of Wisconsin’s energy needs and a basis for planning to meet future needs.

Principle Number Two: “Nuclear power is an integral part of Wisconsin’s energy portfolio....”

It is true that nuclear plants are operating and may continue to operate in Wisconsin, and currently supply a significant fraction of our demand for electricity. It is also true

that Wisconsin utilities are divesting themselves of their nuclear assets as quickly as they can, because they don't want the risks and liabilities associated with owning those plants. This committee did not examine what it will mean for Wisconsin ratepayers to have our state's nuclear plants owned and operated by independent, out of state entities, unregulated by the PSC and under no obligation to serve Wisconsin's interests. This is arguably one of the nuclear issues of most concern right now.

Several Wisconsin statutes already mandate that we address electricity generation in a rational and balanced manner:

- Wis. Stat. §1.12, the Energy Priorities Law, sets forth a priority list of options for meeting demand.
- Wis. Stat. §196.491(2) requires that the state prepare a biennial strategic energy assessment that "evaluates the adequacy and reliability of the state's current and future electrical supply."
- Wis. Stat. §196.491(3) sets forth the criteria for approval of new power plants and transmission lines.
- Wis. Stat. §196.493 imposes reasonable conditions on the approval of construction of new nuclear plants.

Principle Number Three: is a restatement of the Energy Priorities Law.

Principle Number Four: "Energy conservation and efficiency cannot solve our electric energy situation alone...." This sentence, while popular, is disputable. No comprehensive study has been done to assess the true potential for energy conservation and efficiency to reduce demand growth. The Energy Center study did not include potential energy savings from changes in building codes, appliance standards, utility load management programs, and numerous other end-use strategies. Nothing in the presentations to this Committee has established that this principle is true.

The second part of this principle, that our energy portfolio should be developed without undue restraints, is already encoded in Wisconsin statutes. For example, current law regulates infrastructure development in order to protect public health and safety, and provide low-cost, reliable electricity. These laws are not "undue restraints" but are, in fact, sound public policy.

Principle Number Five is a restatement of the facility siting law, Wis. Stat. §196.491.

Conclusion:

The Committee has heard a number of presentations from overwhelmingly pro-nuclear speakers, yet none of these presentations has made the case that existing Wisconsin statutes regarding nuclear power are not reasonable. The so-called nuclear moratorium law does not prevent new nuclear generation in Wisconsin; it only sets forth reasonable conditions that are in the public interest. Without the requirement that there be a permanent, federally licensed storage facility for high-level radioactive waste, the only alternative is the continued accumulation of this waste on the shore of Lake Michigan.

Any industry must account for how it will dispose of its waste in order to be permitted to operate. The nuclear industry, whose waste is more toxic than that of any other industrial process, should not be exempt from this requirement.

In summary, this Committee was formed to examine the role of nuclear power in Wisconsin, and it has done so. Its study has not led to the conclusion that the existing laws governing nuclear power should be modified, nor has it provided enough balanced information to enable us to recommend other policy changes at this time. Therefore, the Committee should conclude its work with a statement that the nuclear moratorium law is reasonable and serves to protect the interests of Wisconsin ratepayers and should not be modified or repealed.

Thank you for the opportunity to comment.

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