New Report: Ratepayers Could Save \$1.7 Billion if Aging Nuclear Plant at Hanford is Closed

Greenhouse Gas Impact of Nuclear Fuel Purchase from Paducah, KY, Enrichment Facility Also Highlighted

Ratepayers could save at least \$1.7 billion over the next 17 years if the Columbia Generating Station nuclear power plant on the Hanford Nuclear Reservation in Washington State is closed according to <u>a new report by McCullough Research</u> of Portland, Oregon.

The Columbia Generating Station, the only nuclear plant completed of the five plants begun by the Washington Public Power Supply System (WPPSS), contains a General Electric boiling water reactor similar to those destroyed during Japan's Fukushima Daiichi nuclear disaster.

"We believe this report demonstrates clearly that aging nuclear reactors, in addition to having safety problems, are having trouble competing in the electric power market," says Dr. Catherine Thomasson, PSR national executive director. <u>The report</u> was commissioned by the Washington and Oregon Physicians for Social Responsibility local affiliate chapter.

<u>The report</u> makes four recommendations: the plant should be displaced by less expensive market solutions; Bonneville Power Administration should ask suppliers for firm bids to displace the plant; the displacement power should be purchased by plant owner Energy Northwest and supplied to BPA under an existing contract; and Energy Northwest should use a combination of training and employing current workers in plant decommissioning.

"The Columbia Generating Station (CGS) analyzed by McCullough is one of the most uneconomic of the aging regulated reactors," said Dr. Mark Cooper, economist with the University of Vermont Law School, and author of a recent report on US nuclear plant economics.

McCullough notes that BPA paid \$418,939,000 for operating the plant in FY 2013. "If BPA had purchased the same energy from the Mid-Columbia market at Dow Jones daily on-peak and off-peak prices, it would have paid \$218,515,000. In sum, BPA paid \$418,939,000 for \$218,515,000 worth of energy. The difference, \$200,424,000, would have had the impact of reducing BPA's rates by 10.67%."

"It would have been irresponsible not to address the economic cost of closing this nuclear plant," said Dr. John Pearson, Oregon PSR's immediate past president. "Naturally, we are pleased that it turns out we will save money. We continue to question the continued operation of the plant due to our concerns about the faulty GE nuclear plant design and recent scientific data of greater seismic activity in the Mid-Columbia basin."

The report also states that although the plant is considered "carbon free," its owner, Energy Northwest, purchased nuclear fuel worth \$700 million from a nowclosed fuel enrichment plant in Paducah, Kentucky. "The dirty carbon footprint of nuclear power is not as well known as it should be," notes Susan Corbett, Chair of the Sierra Club Nuclear Free Campaign. "The fact that Energy Northwest served as the broker to run the dirty Paducah nuclear fuel plant for an additional year is a black eye for them and the industry as a whole." Sierra Club and the Max and Anna Levinson Foundation assisted in the funding of McCullough's study.

A coalition of groups in Washington and Oregon has come together over the last year, questioning the continued operation of the CGS nuclear plant including Heart of America Northwest, Columbia Riverkeeper, the Loowit Chapter of the Sierra Club, the Alliance for Democracy, No Nukes Northwest, and the two local PSR chapters.

"This economic study requires serious consideration," said Washington State Senator Maralyn Chase (D-Shoreline). "We have not paid enough attention to the costs of a nuclear power plant many people have never heard of."

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NOTE: Robert McCullough, Washington PSR President Dr. Steven Gilbert, and Oregon PSR board member Dr. John Pearson are available for interviews.