

officer, Tom Farrell, described a “unique management arrangement” that would not include an outright purchase of the utility. South Carolina lawmakers have hired a consulting firm, ICF International, to study the sale of Santee Cooper and to field and evaluate offers to buy the utility (NN, Nov. 2018, p. 17).



UNION OF CONCERNED SCIENTISTS

Industry critic sees value of nuclear reactor fleet

While it has long been a thorn in the side of the nuclear industry, the Union of Concerned Scientists (UCS) nonetheless produced a report last month that calls for the implementation of federal and state policies that recognize the climate benefits of all low-carbon energy resources, including nuclear. “Nuclear power plants are being squeezed economically at a time when we need every source of low-carbon power we can get to replace retiring coal plants and prevent an over-reliance on natural gas,” said Steve Clemmer, a coauthor of the report, in a UCS press release.

Although nuclear provides more than half of the nation’s carbon-free electricity generation, the November 8 report states,

Clemmer

closing unprofitable and marginally at-risk plants before the expiration of their licenses could result in a 4 to 6 percent increase in U.S. power sector emissions (0.7 billion to 1.25 billion metric tons) by 2035.

Among the report’s recommendations is a U.S. economy-wide cap or price on carbon emissions. Such a mechanism could avoid the premature closure of all the unprofitable or marginally competitive nuclear plants, say the authors, and would likely “achieve the greatest carbon reductions for the lowest cost.” The report estimates that if a \$25-per-ton power sector price on CO₂ were begun in 2020 and increased 5 percent per year, cumulative U.S. power emissions would be 28 percent lower by 2035. The net cumulative public health and economic benefits resulting from that, the report adds, would be about \$234 billion by 2035.

more than one-third of the 59 nuclear plants currently operating in the United States will be or could be permanently shut down over the next decade, with natural gas and coal filling the void. According to UCS’s analysis,

As examples of state-level policies to be emulated, the report points to the Regional Greenhouse Gas Initiative, which caps carbon emissions from power plants in nine Northeastern states, and California’s economy-wide cap-and-trade program, which the report considers “a key component of the state’s broader strategy to reduce total global warming emissions 40 percent below 1990 levels by 2030.”

The report also stresses, however, that any financial support targeted specifically for existing nuclear plants should be coupled with strong consumer protections, stringent safety requirements, and investments in renewables and energy efficiency. Further, the report makes clear that the UCS rejects arguments claiming that nuclear retirements pose a threat to the nation’s grid reliability and resilience—a position held by Energy Secretary Rick Perry.

“The UCS report does not argue for subsidies for any specific plants,” wrote UCS President Ken Kimmell in a November 8 blog post. “Should states decide to support nuclear power plant subsidies, our report calls for them to be temporary and subject to periodic reassessment. And companies seeking subsidies must open their books and allow the public and regulators to make sure that the subsidies are needed and cost-effective, and that the same level of carbon-free power cannot be provided

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