

has agreed to continue providing office “shared services” for FES and to credit FES \$112.5 million for those services through December 31.

■ On September 18, Koschik rejected FENOC’s proposed Key Employee Retention Plan (KERP), which would have provided approximately \$100 million in bonuses to about 1,000 of FENOC’s 2,300 nuclear plant employees to keep the facilities operating safely until shutdown (June 1, 2020, for Davis-Besse, June 1, 2021, for Perry and Beaver Valley-1, and October 31, 2021, for Beaver Valley-2).

Arguing against the KERP were lawyers representing the Utility Workers Union of America, the AFL-CIO, and the International Brotherhood of Electrical Workers, who noted that none of the workers chosen for retention were union members. Despite FENOC’s testimony that employees had been selected for bonuses by job function and without reference to union status, Koschik ruled against the KERP. In his 40-page order, he stated, “It is undisputed that the proposed KERP discriminates between union and non-union personnel, with more than 70 percent of non-union employees qualified to receive bonus payments equal to at least 60 percent of their annual salary, while no union employees would receive any bonus. The burden is on the debtors to prove a sound

business reason for this discrimination, i.e., that this discrimination was not unfair. They did not do so.”

Koschik gave FENOC the option of amending the plan or appealing his decision.

## MICRO-REACTORS

### NEI publishes road map for DOD pilot program

The National Defense Authorization Act (NDAA) for Fiscal Year 2019, which was signed into law on August 13 by President Trump (*NN*, Sept. 2018, p. 37), calls for the Department of Energy to prepare a report on the feasibility of developing a pilot program for operating a micro-reactor at a Department of Defense or DOE facility. The report, which is due in August 2019, will identify potential sites for a micro-reactor pilot program, estimate costs, and establish a potential timeline, with an initial goal for one micro-reactor to be operating by December 31, 2027.

On October 4, the Nuclear Energy Institute issued *Road Map for the Deployment of Micro-Reactors for U.S. Department of Defense Domestic Installations*. “The deployment scenario modeled in this report is consistent with language in the 2019

National Defense Authorization Act,” NEI states in its report. “This includes the Defense Department contracting through a power purchase agreement with a commercial entity to site, construct, and operate a micro-reactor located on Defense Department property that is licensed and regulated by the U.S. Nuclear Regulatory Commission.” With more than 500 fixed installations, the DOD is the single largest energy consumer in the United States, according to NEI.

“Small reactors are one of the most promising new nuclear technologies to emerge in decades,” said NEI’s director of new reactor deployment, Marc Nichol. “Energy is important to our national security; it must be reliable and resilient so that it’s there when our men and women in uniform need it. Micro-reactors can enhance our military capabilities by providing that resilient energy.”

While NEI’s report focuses on military use, micro-reactors—defined in the NDAA as having a capacity not greater than 50 megawatts—could also be used to provide power for small, remote communities or mining operations.

The NEI report makes the following recommendations:

■ The DOD should identify host installation and site requirements, perform an assessment of micro-reactor designs, and

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