



# Licensing New Nuclear Power Plants

## Position Statement

November 2005

New power plants of any type must be competitive in the marketplace; operators must be able to supply power at prices comparable to—or less than—those offered by their competitors. Because base-load (600 MW and higher) plants are capital intensive, interest costs during construction are high, and any delay in getting a plant online can seriously affect generating costs. Financial markets are especially sensitive to this issue so that, in addition to competitive risks, plant developers can also be exposed to financing difficulties and/or higher interest rates if there are perceived uncertainties in any phase of the plant deployment process. Thus, predictability and timeliness in the licensing and construction phases are critical to reduce uncertainty and encourage the deployment of new nuclear power plants.

For the next generation of nuclear power plants, the technical, process, and schedule predictability issues focus primarily on the U.S. Nuclear Regulation Commission's (NRC's) new licensing process. The American Nuclear Society (ANS) believes that this licensing process can be both predictable and timely while still being thorough so that NRC can effectively discharge its mandate to protect public health and safety while providing finality. The licensing process should provide the public with confidence. It should also help minimize the economic risks faced by future nuclear plant owners and operators, who must have a process that is predictable in both its technical scope and its schedule to effectively compete in the deregulated electricity marketplace. We recommend that the efficiency and predictability of this process be successfully demonstrated.

For these reasons, ANS supports the U.S. Department of Energy's (DOE) "Nuclear Power 2010" program including the recent financial awards to nuclear utility-led projects to obtain early site permits (ESP) and Construction and Operating Licenses (COL) at different sites.

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Position Statements are the considered opinions and judgments of the Society in matters related to nuclear science and technology. They are intended to provide an objective basis for weighing the facts in reaching decisions on important national issues.