

July 8, 2007

Power to the people

Citizens' group files concerns about PPL plan to expand Susquehanna nuclear plant.

By Sam Kennedy Of The Morning Call

THREE MILE ISLAND ALERT

What: A watchdog group based in Harrisburg. It monitors the three nuclear power plants on the Susquehanna River.

Founded: 1977

Membership: about 500

Web site: <http://www.tmia.com>

Chairman: Eric Epstein, 47, Harrisburg

"We view our role as making sure that nuclear plants are operated safely, are adequately staffed and pay their fair share of taxes," Epstein said. "We are pro-community. The plants are going to be part of the community for the indefinite future. We understand that's the reality."

A third nuclear reactor threatens to leave a legacy of radioactive waste, suck up too much river water and depress the local economy, according to the first substantive response to PPL Corp.'s proposal to expand its Susquehanna plant.

Last month, the Allentown energy company sent a letter informing the U.S. Nuclear Regulatory Commission it might apply for a license for a third reactor about 75 miles northwest of the Lehigh Valley. Such an application would be the first from Pennsylvania since the state became, with the meltdown of a reactor at the Three Mile Island power plant in 1979, the place where the nation's rapid nuclear expansion came to a sudden halt.

News of PPL's Susquehanna proposal was met immediately by opposition from several environmental and watchdog groups. One, Three Mile Island Alert, which is based in Harrisburg and monitors the three nuclear power plants on the Susquehanna river, has now put its concerns into writing.

A paper titled "Why Susquehanna 3 Is a Bad Idea" opens with the very question that has flummoxed the federal government for decades: What to do with radioactive waste?

"The plant currently generates 60 metric tons of nuclear waste annually," writes Eric Epstein, longtime chairman of 500-member TMI Alert. "It's anybody's guess what the final cleanup tab will be ... or if the nuclear garbage will even have a forwarding address."

PPL's Susquehanna plant is in Salem Township, Luzerne County, near Berwick. The Lehigh Valley is outside the 50-mile radius considered most at risk to radioactive contamination in the event of an accident.

In its current two-reactor configuration, the plant is already PPL's biggest generator. It puts out 2,360 megawatts -- enough to power 2 million homes -- of PPL's 11,000 megawatts of capacity nationwide.

For its part, the government has agreed to bury all the nation's nuclear waste under a 13-million-year-old volcanic ridge, called Yucca Mountain, in Nevada. But the plan has been stymied by a host of environmental concerns, as well as fierce opposition from people who live in the vicinity of the mountain.

The impasse has left nuclear plants with no alternative but storing their radioactive waste on-site. Since 1999, the Susquehanna plant's used uranium has been kept in huge steel containers, which are locked inside concrete bunkers.

In a written rebuttal to TMI Alert, PPL says, "PPL operates the Susquehanna plant safely and within all local, state and federal regulations." A company spokesman later elaborated on the nuclear waste issue.

"It's not like we don't have a plan, because we certainly do," PPL Susquehanna community relations manager Lou Ramos said. The plan he was referring to is Yucca Mountain.

He said PPL, along with other nuclear power plant operators, have a contract with the government. They've contributed a total of \$27 billion to the project since 1981, he said.

"There's no reason why it can't work," Ramos said. "You gotta believe -- and we certainly do -- that Yucca Mountain will be opened."

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A third reactor could also magnify the cost of cleaning up the Susquehanna plant after it closes sometime in the future, according to the TMI Alert paper. In it, Epstein says that the projected costs of decommissioning the plant have increased "wildly," from as little as \$135 million in 1981 to \$936 million in 2005.

PPL says that decommissioning funds have been set aside in a trustee account. Currently, there is \$550,000, which is expected to grow to more than \$1 billion by 2024, according to the company.

Additional funds would be set aside for a third reactor, PPL says.

Water consumption is another major focus of TMI Alert's paper. According to Epstein, the Susquehanna plant takes 30 million gallons from the Susquehanna River every day.

"Last year, despite the fact that Columbia County was 3.6 inches below normal precipitation and Luzerne County was 3.2 inches under ... SSES continued to gobble up water," he writes, using the acronym for the plant's formal name, Susquehanna Steam Electric Station. "SSES is a large industrial consumer of a valuable and limited commodity."

PPL gives a much different account: "As a good neighbor, SSES took ... voluntary steps to conserve water during the recent droughts."

In its rebuttal, the company argues that the plant's water consumption is regulated by the Susquehanna River Basin Commission, and that the amount of water it uses represents a tiny fraction of the river's flow. It puts the figure at six-tenths of 1 percent of the average daily flow.

PPL also says that the plant uses water from the Cowaneque Lake Reservoir to augment river flow, and that it has an 8-acre, 25-million-gallon pond that serves as the main source of water for the plant's safety systems.

TMI Alert's paper also raises questions about the potential economic impact a third reactor would have on the economy, particularly on Luzerne County's aging population. The general thrust of Epstein's argument is that the Susquehanna plant has had a negative effect on the surrounding region's property values and tax base. He also suggests that PPL, along with other nuclear power plant operators in the state, have played accounting tricks.

With deregulation of the energy industry, he writes, "they claimed that their generating stations had depreciated overnight and were only worth a fraction of pre-deregulation estimates."

PPL maintains that "the company pays its taxes on fair valuation," and that "the local taxing jurisdictions are collecting more property tax on the Susquehanna plant than they did prior to deregulation."

"The continued operation of SSES thus benefits both taxpayers and ratepayers," the company's rebuttal concludes.

PPL is not alone in its interest to build a nuclear reactor. In recent years, as the price of fossil fuel has risen and the full extent of its environmental costs has become clear, there has been a resurgence of support for nuclear energy, especially within the energy industry itself. Nuclear energy, unlike oil, natural gas and coal, doesn't release global-warming pollutants into the atmosphere.

The letter the PPL sent to the Nuclear Regulatory Commission last month was the 20th such notification of nuclear plans the agency has received since 2005. Like the Susquehanna proposal, most of those involve building reactors at existing nuclear plants.

The letter does not mean PPL has actually decided to build another reactor, according to the company. Rather, it is a move to preserve that option for the future.

The earliest a new reactor could come online, after regulatory review and construction, is 2015.

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