

STATEMENT ON THE FAILURE OF THE EXELON NUCLEAR BAILOUT LEGISLATION

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David A. Kraft, Director, Nuclear Energy Information Service

At last, the “nuclear hostage crisis” is over. For now at least.

The failure of Exelon Corporation’s legislation to socialize the cost of its corporate losses at its Clinton and Quad Cities reactors to every ratepayer in Illinois is welcome news. However, many other very real issues and effects have yet to be dealt with.

Exelon’s attempted \$1.6 billion nuclear bailout overreach has acted much like a kamikaze – while self destructing, its failure has also taken down the asks of Commonwealth Edison, and for the fourth straight year, killed actions needed to fix the State’s Renewable Energy Portfolio Standard (RPS), one of the goals of the Clean Jobs Coalition. Once again, Exelon makes it clear – if they can’t get what they want, they are perfectly willing to destroy the vital and necessary energy plans of others, leaving Illinois further and further behind in the ongoing worldwide energy transition.

And what of the other “nuclear hostages” – the workers at the reactors slated for closure, and the communities that depend heavily on Exelon’s financial support? Well, no action was taken to protect them, either. Despite the urgings of this organization since ComEd closed the Zion reactors in 1998, and with many legislators in the current legislative debate, no legislative efforts have been made to create the necessary “just transitions” plans to provide a financial buffer against the adverse economic effects of inevitable reactor closures. The Clean Jobs Bill had provisions to protect affected workers and communities, but Exelon’s obstructionism killed that legislation. It is more than ironic that the only advocates in behalf of the workers and communities who will be affected by Exelon’s unilateral decision to close reactors are anti-nuclear organizations like NEIS and the Clean Jobs Coalition. Where is the IBEW, and the many local political backers of the Exelon bill when they are needed?

Make no mistake – reactors will close (see attached chart). The fact that they have a license with a definite termination date insures this inevitability. The time to plan for the end of the gravy train is not when your nose is pushed up against the fan blade, but methodically, and in advance. There is universal truth in Aesop’s grasshopper and the ant story -- especially when you know well in advance that the spigot will one day be turned off by law, or sooner by corporate caprice (or worse – nuclear disaster).

The energy world is currently experiencing a radical energy transformation, in part driven by technological advance, in part by the necessity of dealing with the climate crisis. Transformation is usually not incremental; and it is always painful, and resisted until observed to be inevitable. This energy transformation is not being heralded by the pro-renewables or anti-nuclear crowd, but rather by the likes of UBS, Deutsche Bank, and other internationally renowned investment and brokerage firms; by foreign utilities that make Exelon look small by comparison; and even by entire nations.

Instead of being a leader in this transformative moment, Exelon chooses to circle the wagons with its anachronistic business model, and ask us all to embrace the 19th Century model of energy. Exelon’s persistent obstruction of fixing the State’s RPS only insures that Illinois will be left further and further behind in the benefits of this transformation. To paraphrase an old saying, he who gets there “the fustest with the mostest” will be the winner. An Exelon bailout insures that Illinois will be a loser.

At last check there is no clause in the Illinois Constitution requiring the Legislature to guarantee the profits of a private corporation, certainly not using ratepayer money. It was ComEd lobbyists in the late 1990s

who helped mightily to bring us the current deregulated energy market. It was ComEd/Exelon's business model and corporate choices which had them build and run nuclear reactors. It has been ComEd/Exelon lobbyists who have thwarted the fixing of the RPS and buildout of Illinois' renewable energy sector for the past several years. It is Exelon's stubborn and self-centered decision making that has led them into this literally unprofitable situation. It would be wrong for the Legislature to bail out those detrimental corporate decisions on the backs of Illinois ratepayers. It is wrong for the Legislature to not fix the RPS, independent of what Exelon wants.

But money talks in Springfield. If the Legislature is still so weak-kneed (in an election year, no less!) to cave in to an Exelon bailout subsidy demand, the least it could do is add a bailout clause for all the Illinois descendants of blacksmiths, wheelwrights, and clipper-ship sail makers, as a matter of simple fairness. If you're going to mortgage the future by bailing out the past, you might as well be consistent. ■

NEIS was founded in 1981 to provide the public with credible information on nuclear power, waste, and radiation hazards; and information about the viable energy alternatives to nuclear power. For more information visit the NEIS website at: <http://www.neis.org>

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David A. Kraft, Director
NEIS

3411 W. Diversey #16

Chicago, IL 60647

[\(773\)342-7650](tel:(773)342-7650)

neis@neis.org

www.neis.org

SKYPE address: davekhamburg

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