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### Who pays to clean up after Entergy?

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We urge Governor Douglas **to** join us in **holding** Entergy responsible for **its** fiscal obligations **to** the state by signing S.373, the decommissioning bill, into law as soon as possible. The bill is in the best interest of Vermonters because it ensures that the taxpayers will not be stuck with the bill for removing the radioactive carcass of the plant whenever it is shut down and the owners from Louisiana pack up and leave town.

We support the use of nuclear power as part of any energy mix for the state of Vermont. However, it would be unconscionable **to** support the continued operation of Vermont **Yankee** without the ensuring that taxpayers are protected.

Recent actions by the owners of Vermont **Yankee** raise serious questions. Key among them is: Who will pay the \$800 million bill **to** clean up the site when the power plant shuts down? According **to** the Nuclear Regulatory Commission, the federal entity charged with regulating the industry, the plant operator is financially responsible for decommissioning the plant. That means removing all the nuclear waste and contaminated materials, including the nuclear reactor, the buildings, and even the soil underneath them.

Plant operators are required **to** maintain a decommissioning fund **to** cover these costs, but the fund for Vermont **Yankee** presently has only \$425 million, just over half the estimated \$800 million cost of decommissioning.

Entergy, which owns the company, is a well-capitalized, well-managed corporation. When it bought the plant in 2002, Entergy Nuclear Vermont **Yankee** agreed that it would contribute **to** the fund and pay for full decommissioning costs if the fund was short. But it is now proposing a corporate restructuring that could put that guarantee at risk.

Entergy is seeking permission **to** spin off Vermont **Yankee**, along with five other aging nuclear power plants, into a new company called Enexus Energy in order **to** distance themselves from the liability associated with cleaning up after the plants shut down.

Entergy corporate is expected **to** net over \$4 billion in direct profits from selling shares in the new company that owns the six plants. Our bill ensures that it won't cost Vermonters millions.

S.373 requires Entergy **to** keep the **promise** it made **to** Vermonters when it bought the plant and guarantee **to** pay the decommissioning costs. It asks for a contractual guarantee from Entergy itself, not the debt-ridden spin-off that may soon own Vermont **Yankee**.

If the 20-year license extension is not granted for safety or reliability reasons, or if the plant has **to** be shuttered unexpectedly for other reasons, Vermont taxpayers could be left **to** pay the bills. The corporate shell that may soon own Vermont **Yankee** will be a highly leveraged, below investment grade company, whose only assets will be six aging nuclear plants. If any of the six plants fail **to** obtain an extended operating license, it could put the company in jeopardy. Will the new company have the resources **to** decommission the plant that Entergy currently has? Entergy has hired an army of lobbyists and lawyers **to** oppose efforts **to** require it **to** meet **its** responsibilities **to** decommission this plant. The company has reaped hundreds of millions of dollars in income from operating Vermont **Yankee**. Vermonters should not be left **to** pay hundreds of millions **to** clean up the Vermont **Yankee** site when the plant closes.

Governor Douglas now has two choices: veto the bill and let Entergy break **its promise to** Vermonters and stick us with the cost, or sign the bill and protect the wallets of the Vermont taxpayers who elected him.

Senator Bill Carris, (D-Rutland) and Senator Jim Condos (D-Chittenden), serve on the Senate Committees of Finance and Economic Development, Housing & General Affairs.

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