



VIA NYSERDA COMMENT PORTAL

November 8, 2024

Doreen Harris, President and CEO
NYSERDA
17 Columbia Circle
Albany, NY 12203-6399

Re: Draft Blueprint for Consideration of Advanced Nuclear Technologies

Dear NYSERDA President and CEO Harris:

The New York Public Interest Research Group (NYPIRG) urges that NYSERDA cease consideration of the “Draft Blueprint for Consideration of Advanced Nuclear Technologies” prepared by The Brattle Group (the “Draft Nuclear Blueprint”). Instead, NYSERDA should require a review of the Draft Nuclear Blueprint by a panel of independent experts, conduct public hearings across the state, it should accurately make public the anticipated financial and environmental costs associated with reviewed activities, and identify the locations of possible sites of these “Advanced Nuclear” plants.

The reality of nuclear power has been that it is polluting, dangerous, a security risk, and enormously expensive. Moreover, it is a complicated technology that requires significant safety features and one that historically has been plagued by construction cost overruns.¹ The Draft Nuclear Blueprint acknowledges these concerns but argues that the “Advanced” technology reduces those risks. Supporters of the use of nuclear power also acknowledge the risks but argue that those risks are worth it due to the worsening climate catastrophe.²

The Draft Nuclear Blueprint needs more public involvement in order to ensure that *all* New Yorkers – who will bear the costs of the use of this technology – are fully informed of the risks. It was that failure to involve the public that led to unnecessary costs and debate over the former Cuomo Administration’s bailout of the existing nuclear power plants located in upstate New York, which has been massively costly to New York ratepayers. Indeed, that approach should be viewed as the *opposite* of how the Hochul Administration and NYSERDA should behave this time.

Recommendation #1: Have the “Advanced Blueprint” reviewed by an *independent* panel.

While we are not in a position to evaluate the underlying analysis prepared by The Brattle Group,³ it is worth noting that the consulting firm has conducted analyses on behalf of the nuclear industry in the past.⁴

¹ For a review, see Jacobson, M., “7 reasons why nuclear energy is not the answer to solve climate change,” <https://www.oneearth.org/the-7-reasons-why-nuclear-energy-is-not-the-answer-to-solve-climate-change/>.

² World Nuclear Association, “How can nuclear combat climate change?” <https://world-nuclear.org/nuclear-essentials/how-can-nuclear-combat-climate-change#:~:text=Experts%20concluded%20that%20in,cars%20from%20the%20world's%20roads>.

³ The draft report states that the work “does not necessarily reflect those of NYSERDA” and that the report is “not attributable to The Brattle Group.”

⁴ Knauss, T., “Upstate New York's nuclear plants support 25,000 jobs, industry consultant says,” Syracuse Post Standard, Dec. 7, 2015,

https://www.syracuse.com/news/2015/12/upstate_new_yorks_nuclear_plants_support_25000_jobs_industry_consult

New York would be better served if NYSEDA requested an analysis by another respected consultant to examine the worthiness of “advanced nuclear technologies,” not one that has had members of the nuclear industry as its clients.

One of the cost justifications made by the former Cuomo Administration was that an “independent” study concluded that failure to bail out the upstate plants would lead to a significant electric rate hike. The Administration at that time did not release the analysis but many thought it was the one done by The Brattle Group and paid for by the beneficiary of the bailout, Exelon.⁵

Recommendation #2: Offer a full statewide schedule of public hearings to react to the “Draft Blueprint” and any additional assessments resulting from the independent panel mentioned above.

The former Cuomo Administration defended its public process on the nuclear subsidies by citing that many public hearings were held on the bailout plan. However, those hearings occurred *before* the summer and that the Administration’s last minute near total rewrite of its bailout plan was hatched behind closed doors and rammed through within weeks of it being finalized. In fact, the last public hearing occurred weeks *before* the radically changed nuclear subsidy proposal was released on July 8, 2016, which was only two weeks before the final deadline for comments on the changed proposal.⁶ A look at the facts surrounding the state’s last consideration of a major nuclear power proposal clearly demonstrates that the process was anything but open. The public deserves better.

Recommendation #3: Develop cost estimates based on assumptions that are available to the public.

The former Cuomo Administration’s bailout plan for the existing upstate nuclear power plants was one hatched in secret and only became public after extensive public pressure. In 2017, it was only after the release of a cost estimate calculated by the Public Utility Law Project (PULP) that the former Administration released its own. PULP’s \$7.6 billion estimate of the costs of the subsidy was consistent with other studies. It relied on publicly available information. The New York State Assembly then held a hearing to examine these costs.⁷ The former Administration then asserted to lawmakers that the first two years were projected to cost \$1 billion and then the next ten years will only add up to \$1.9 billion.⁸

The most recent estimate on the costs to date is that the bailout is a staggering \$3.6 billion, *with five years of subsidies to go*.⁹ It may well turn out that the PULP analysis was spot-on correct. Ratepayers and the public at large need to know *in advance* the full costs of any investment in so called “Advanced Nuclear.”

[ant_says.html](#). NOTE: In the “Draft Blueprint,” The Brattle Group asserts that there are “no third-party beneficiaries with respect to this report.”

⁵ Knauss, T., “Upstate New York's nuclear plants support 25,000 jobs, industry consultant says,” Syracuse Post Standard, Dec. 7, 2015,

https://www.syracuse.com/news/2015/12/upstate_new_yorks_nuclear_plants_support_25000_jobs_industry_consultant_says.html.

⁶ See Hudson River Sloop Clearwater, “Clearwater Opposes \$7 Billion Ratepayer Subsidy to Bail Out Upstate Nuclear Plants,” <https://www.clearwater.org/in-the-media/clearwater-opposes-7-billion-ratepayer-subsidy-bail-upstate-nuclear-plants/>.

⁷ WAMC Radio, “Lawmakers Grill Cuomo Officials On Nuclear Power Plant Bailout,” May 1, 2017, <https://www.wamc.org/new-york-news/2017-05-01/lawmakers-grill-cuomo-officials-on-nuclear-power-plant-bailout>.

⁸ The Cuomo Administration’s document is attached.

⁹ Knauss, T., “America’s oldest nuclear plants are in Upstate, and NY needs them. We have some big decisions to make,” Syracuse Post Standard, Aug. 08, 2024, <https://www.newyorkupstate.com/news/2024/08/americas-oldest-nuclear-plants-are-in-upstate-and-ny-needs-them-we-have-some-big-decisions-to-make.html>

Recommendation #4: Identify the likely locations of any proposed nuclear power plant sites.

The “Draft Blueprint” opaquely states

“If sited as replacement for fossil-fuel plants that will be closing, it has been suggested that new advanced nuclear plants could leverage pre-existing transmission connections...”¹⁰

While the communities in which current fossil-fuel-powered power plants are located have become accustomed to the facilities – even if they are suffering from noise and air pollution – they certainly have a right to know if their areas would be the location of nuclear power plants and the repository of radioactive wastes. It is one thing to deal with traffic and pollution, it is quite another to be a location in which radioactive wastes are stored *forever*. The Draft Nuclear Blueprint drops that idea into the document without serious consideration of the need of the public for site-specific information and meaningful input.

NYPIRG has had a long history of opposing nuclear power as expensive and dangerous. In addition, we opposed the former Cuomo Administration’s bailout of existing plants for those reasons as well as the secrecy surrounding the plan itself. We strongly urge that NYSERDA restart its consideration of the Draft Nuclear Blueprint to allow more scientific and public scrutiny of the proposal. Involving the public will lead to a better plan, one that we believe will rely on more assistance to non-nuclear alternatives – efficiency, solar, wind, geothermal – to power the state’s fossil-free future.

Sincerely,

Blair Horner
Executive Director

cc: Governor Kathy Hochul
Sean Mahar, Acting Commissioner, NYS Department of Environmental Conservation

¹⁰ “Draft Blueprint for Consideration of Advanced Nuclear Technologies,” page 4.

Starting point for ZEC formula

(\$/MWh)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Zone A Forecast:	\$34.58	\$41.76	\$44.28	\$46.54	\$48.35	\$50.52	\$54.04	\$57.64	\$59.14	\$59.00	\$59.29
Capacity Price Forecast:	\$4.80	\$4.88	\$5.06	\$5.38	\$5.71	\$5.99	\$6.30	\$6.72	\$7.06	\$7.39	\$7.72
Total Wholesale Market Forecast:	\$39.38	\$46.64	\$49.34	\$51.92	\$54.06	\$56.51	\$60.34	\$64.36	\$66.20	\$66.39	\$67.01
		\$39.38		\$45.92		\$50.15		\$56.48		\$59.09	
		\$4.87		\$5.30		\$5.92		\$6.61		\$7.31	
		\$44.26		\$51.22		\$56.07		\$63.08		\$66.39	
		Tranche 2 Forecast		Tranche 3 Forecast		Tranche 4 Forecast		Tranche 5 Forecast		Tranche 6 Forecast	
	ZEC Cost Before Adjustment	Energy & Capacity Forecast Adjustment	Final Upstate ZEC Cost Per MWh	Upstate ZEC Quantity	Annual Upstate ZEC Payment	Total Tranche ZEC Payment					
Tranche 1 (4/1/17-3/31/19)	\$17.48	N/A	\$17.48	27,618,002	\$482,762,675	\$965,525,350					
Tranche 2 (4/1/19-3/31/21)	\$19.59	\$5.26	\$14.33	27,618,002	\$395,847,578	\$791,695,156					
Tranche 3 (4/1/21-3/31/23)	\$21.38	\$12.22	\$9.16	27,618,002	\$252,986,059	\$505,972,117					
Tranche 4 (4/1/23-3/31/25)	\$23.83	\$17.07	\$6.76	27,618,002	\$186,650,217	\$373,300,434					
Tranche 5 (4/1/25-3/31/27)	\$26.45	\$24.08	\$2.37	27,618,002	\$65,411,147	\$130,822,294					
Tranche 6 (4/1/27-3/31/29)	\$29.15	\$27.39	\$1.76	27,618,002	\$48,528,028	\$97,056,056					
	Total Upstate ZEC Program Cost Estimate:					\$2,864,371,407					

ZEC Formula

ZEC Price = Social Cost of Carbon - Baseline RGGI Effect - Amount Zone A (Western Zone) Forecast Energy Price and Rest of State Forecast Capacity Price (combined) exceeds \$39/MWh

Chart Explainer: The ZEC price formula, which is described in detail in the PSC's CES order, takes into account the Social Cost of Carbon (SCC), subtracts the cost of carbon already reflected in the RGGI cap and trade program, and is adjusted every two years to reflect changes in electric price forecasts (wholesale energy and capacity). The wholesale energy forecast is using the conservative "Low Revenue" forecast from the 4/8/16 CES Cost Study. The capacity price forecast is a much lower one than had been used in the CES Cost Study, and reflects the continued operation of the Ginna and FitzPatrick nuclear plants. The annual energy and capacity price forecasts are then turned into an average amount per Tranche. For instance, in Tranche 2, the average wholesale market price for 4/1/19-3/31/21 is \$39.38 and the average ROS capacity price is \$4.87, for a combined forecast of \$44.26 for the two years of the Tranche. This amount is \$5.26 above the \$39.00 assumed at the time of the CES Order (and used in the ZEC price calculation). Therefore, the maximum ZEC cost for Tranche 2 per the Order (\$19.59) would be reduced by \$5.26. This results in a final ZEC price for the Tranche of \$14.33. As the energy and capacity prices are forecast to increase, ZEC prices are forecasted to steadily fall from \$17.48 per MWh today to \$1.76 per MWh in 2027. If these forecasts were to be what actually occurs, the total ZEC cost over the 12-year period will be approximately \$2.9 billion.