

SNL Extra

Report claims closing Wash. nuke could save more than \$500M

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Closing Energy Northwest's Columbia Generating (WNP-2) nuclear power plant and replacing it with wind and solar energy could save ratepayers more than \$500 million, according to a recent report the plant's owner said does not take into consideration benefits of the plant.

The 1,190-MW boiling water reactor plant near Richland, Wash., is the third-largest generating unit in the state and its output is sold to the Bonneville Power Administration. While the plant has an operating license from the U.S. Nuclear Regulatory Commission that does not expire until 2043, a report from McCullough Research suggests that closing the plant — as soon as this year — could save Pacific Northwest ratepayers \$261.2 million to \$530.7 million over a roughly 10-year period.

"Given the extensive documentation of the falling cost of renewable resources, it is highly probable that a zero-carbon option will be less costly than CGS, and a near certainty that a combination of energy efficiency, demand management, market purchases, and renewable acquisitions will be the less expensive, lower risk option," the report, dated Feb. 15, said.

An Energy Northwest spokesman said the report is just the latest in a series of suggestions from the research firm to replace power produced by Columbia. This most recent report, among other things, ignores substantial shaping and storage costs of intermittent resources and benefits from Columbia, said Energy Northwest spokesman John Dobken.

He said the plant provides steady, reliable, low-cost power and provides a hedge against risks that emerge during low-water years, as hydroelectric power is the dominant generating resource in the region.

The plant has sent generation records in four out of the last five years, he said, while Columbia's average cost of power over the last four years has been about 4.2 cents per kWh and is expected to decline. Further, Dobken said, studies from the National Renewable Energy Laboratory have shown for renewables in the Pacific Northwest that the price is near the bottom of their estimates for onshore wind and below estimates for utility solar.

According to The Oregonian/Oregon Live, anti-nuclear group Physicians for Social Responsibility commissioned the report. The McCullough report said the plant could be closed as soon as a scheduled refueling outage in May. The report suggests that if Columbia's power has to be replaced to maintain resource adequacy, BPA should issue a request for proposals to determine whether Energy Northwest can replace the plant with carbon-free resources.

Kieran Connolly, BPA's vice president for generation and asset management, told The Oregonian/Oregon Live that Columbia is needed during low water conditions and that the plant is not in the same situation as other nuclear plants that closed early and were facing major new capital investments.

Energy Northwest is owned by 22 public utility districts and five municipal utilities in Washington.

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