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Newsweek Says Washington Nuke Plant Overpaid for Fuel



Energy Northwest's Nuclear Plant in Richland, Wash. -
Energy Northwest

The current edition of *Newsweek* contains the **tortuous tale** of how **Energy Northwest**, which operates the region's **only nuclear energy plant**, teamed up with two U.S. Senators from Kentucky to pull off a complex, \$711 million purchase of 31 years worth of fuel for the plant.

The problem, according to the article's author, Pulitzer-prize winner David Cay Johnston, is Energy Northwest **didn't need the fuel for its Richland, Wash. plant, and and paid at least a quarter of a billion too much.**

"The deal crafted by Senator Mitch McConnell, the minority leader, and Senator Rand Paul, a libertarian, required the federal agency that owns hydroelectric dams in the Pacific Northwest, the Bonneville Power Administration (BPA), to pay \$700 million for uranium fuel that could have been purchased on the open market for just \$450 million. Interesting sidebar: Bonneville didn't need this fuel," Johnston writes.

Johnston draws on a scathing December **report** on the Energy Northwest plant Portland's **McCullough Research** produced for for the Oregon and Washington chapters of **Physicians for Social Responsibility**.

Energy Northwest disagrees with McCullough's findings and also took issue with *Newsweek's* conclusion in a response appended to the article.

"The agreements between Energy Northwest, TVA, USEC and DOE were part of

an initiative to turn depleted uranium into low-cost nuclear fuel, and those agreements are now generating tens of millions of dollars in additional rate case savings (2014-2017) for Northwest ratepayers. Additionally, the cost predictability achieved by these agreements will provide tens of millions of dollars more in regional savings through 2028," Energy Northwest wrote.

But Johnston's description of the financial machinations Energy Northwest engaged to complete the transaction that effectively propped up a near-bankrupt fuel producer employing **archaic and heavily-polluting technology** does not inspire confidence ratepayers' interests were served.

"This was not a business deal," Christopher E. Paine, a nuclear specialist at the National Resources Defense Council, an environmental group, told *Newsweek*. "It was exactly like the old Soviet deals in the days of Soviet central planning."