



Public Service Commission of Wisconsin

Burneatta Bridge, Chairperson
Robert M. Garvin, Commissioner
Mark Meyer, Commissioner

610 North Whitney Way
P.O. Box 7854
Madison, WI 53707-7854

Statement from PSC Chairperson Burnie Bridge On the Sale of the Kewaunee Nuclear Power Plant

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“Today, I supported the sale of Kewaunee Nuclear Power Plant because of the substantial economic benefit to ratepayers and, with the new conditions offered by Dominion, Wisconsin will continue to have a voice in the future of the facility as it impacts our overall economy, health and safety.

The record in this case provides an extensive analysis of the economic benefit of this sale. It shifts risks of running an aging power plant away from ratepayers and increases performance standards for the plant over what they are today. Since 2002, the Kewaunee Nuclear Power Plant has had four outages and the cost for replacement power is near the \$60 million mark. These financial risks will be shifted from the ratepayers to Dominion under this transaction.

In addition, following the sale, ratepayers will receive \$193 million from one of the decommissioning funds which will have a direct impact on their utility bills and the local economy, as well. Through the sale, Dominion has agreed to provide power from Kewaunee to customers at a favorable rate through 2013 and under the new conditions, provide financial guarantees to sufficiently back the deal. The sale is a good deal for ratepayers.

My prior decision to not approve the sale of the Kewaunee Nuclear Power Plant did not turn on economic concerns. Instead, it turned on concerns regarding the retention of PSC oversight of subsequent owners of the plant in four areas:

- Continuing the prohibition against the storage of nuclear waste at Kewaunee that is produced elsewhere
- Decommissioning the site to Greenfield status
- Returning to ratepayers of any excess decommissioning funds
- Financial stability of subsequent owners.

In response, Dominion has made legally binding assurances that address these concerns. The conditions are unequivocal, legally sound and enforceable and will require subsequent owners to stand in Dominions’ shoes and make the same assurances.

Under the new conditions, Dominion’s agreement not to import radioactive wastes and to return the site to a greenfield will follow to future owners. In addition, its agreement to return any

unused decommissioning funds will likewise follow to future owners and will help protect ratepayers' long-term investment in the facility.

Also, importantly, Dominion has also offered to give Wisconsin Power and Light Company and Wisconsin Public Service Corporation the right of first refusal of any subsequent owner. This, in turn, requires the utilities to come to the PSC for a finding that the transfer is reasonable and prudent. This condition provides a meaningful role for the PSC in future transactions involving the facility and a voice for the citizens of Wisconsin in the future of the nuclear facility as it relates to our overall economy, health and safety.”