

## Entergy working through 'complex' plans for Vermont Yankee

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VERNON -- Entergy's detailed plan for decommissioning its Vermont Yankee nuclear power plant still is in the works, a top executive said Wednesday.

But Bill Mohl, Entergy Wholesale Commodities president, left no doubt that layoffs will begin soon after the Vernon plant ceases producing power at the end of this year.

"We anticipate that, by early 2015, we will see the first staffing reduction of about half the employees for the first phase of the decommissioning process," Mohl said.

The plant currently has about 575 employees, according to an Entergy spokesman.

Mohl and other Entergy executives visited Vernon on Wednesday morning to announce a \$50,000 grant for the town's elementary school, which is situated across the road from Vermont Yankee.

Such contributions will dry up as the plant shuts down. In August, after a protracted fight with Vermont officials over Yankee's continued operation, Entergy announced that power-market pressures would force the facility's closure.

At the time, Mohl penned "an open letter to citizens of the Green Mountain State" in which he asked this question: "Why would we shut down an operationally exceptional facility run by such quality people?"

"The answer is painfully simple: The plant is no longer financially viable," Mohl's letter said. "There is a high cost structure for this single-unit plant. Since 2002, the company has invested more than \$400 million in the safe and reliable operation of the plant."

On Wednesday, Mohl declared that Entergy remains committed to safety even as Vermont Yankee's operations begin to wind down.

"Right now, first and foremost, our focus is on reliably and safely operating the facility through the end of the operating cycle, which we anticipate will be at year's end," he said.

When asked about the status of Entergy's decommissioning plans, Mohl said the company is "in the process of putting that plan together."

"We're currently looking at and evaluating what's going to be required for a decommissioning effort. And so those plans are proceeding," he said. "We'll be doing a number of studies in terms of what that requires, and then working with the state through that entire process."

Federal guidelines allow up to 60 years for nuclear-plant decommissioning under the SAFSTOR process. However, in striking an agreement with the state late last year, Entergy agreed to begin decommissioning Vermont Yankee as soon as there is sufficient money in a fund dedicated to that process.

At the time, Gov. Peter Shumlin said that meant that "we believe decommissioning should be able to

happen, notwithstanding unforeseen developments, a lot sooner than 60 years" -- and perhaps before the end of the next decade.

But Mohl on Wednesday also said the decommissioning process, and the plan that supports it, is "very complex and very comprehensive."

"Clearly, there are guidelines to follow ... that are dictated by the (federal Nuclear Regulatory Commission) or other jurisdictions," he said.

The company's pact with the state, which was affirmed in March when the Vermont Public Service Board issued Vermont Yankee a certificate of public good through year's end, includes millions in contributions to the local and state economy. There is \$10 million for economic development in Windham County; \$5.2 million for clean-energy development, at least half of which must be used for projects in or benefiting Windham County; a "transitional" \$5 million payment to the state; and \$25 million for a new fund to ensure site restoration.

Also, Entergy last year entered into a one-year tax-stabilization contract with the town of Vernon that sets the nuclear plant's value for tax purposes at \$280 million through March 31, 2015. That's not much of a drop-off from the prior value of \$300 million.

Vernon officials have expressed an eagerness to begin talks with Entergy about the next such agreement. With deliberations over the town's fiscal year 2015 budget having ended with Monday night's special Town Meeting, those talks will get under way.

"We haven't been able to do that yet because we keep having to spin our wheels and figure out our next Town Meeting," Selectboard Chairwoman Patty O'Donnell said. "Now that this is over, our plan is to get right back into negotiations with Entergy."

Mohl said Entergy is "committed to working constructively and being engaged in all those discussions."

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