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State may get 4 new nuclear power plants Federal incentives may add units in state that now gets most of its power from fission

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WASHINGTON -- South Carolina, which relies on nuclear power for more than half of it energy, could add four plants by 2016, with substantial federal subsidies available to help do it.

These benefits include loan guarantees, tax credits, shared costs and payments in cases of regulatory delays that could total billions of dollars.

The Nuclear Regulatory Commission is expecting applications for 29 new U.S. reactors by the 2008 deadline.

Duke Energy Corp. may make a final decision on two reactors near Gaffney by year's end, about the same time SCANA Corp. plans to decide on two others near Jenkinsville. The last nuclear plant built in the state was finished in 1986.

Advertisement Rep. Bob Inglis said increasing incentives to build more nuclear power plants was one reason he supported the energy bill in 2005.

"The significant upside of nuclear power is it generates no emissions," which cause pollution and greenhouse warming, the Travelers Rest Republican said.

More nuclear power also would reduce demand by electricity companies for natural gas, which is used to make plastics by several Upstate companies, he said.

The state's seven nuclear units produce nearly 53 percent of South Carolina's electricity, the second highest percentage behind Vermont, according to Energy Department statistics. Nationally, 19 percent of electricity is produced by nuclear power plants.

South Carolina's electricity rates have been at least 10 percent lower than the U.S. average for the past five years.

"Duke's rates are very low comparatively, and a lot of that is attributable to its nuclear power," said Dukes Scott, executive director of the Office of Regulatory Staff, the state's utility watchdog. "In Duke's case, they built those nuclear plants at reasonable prices."

But the expected cost of building nuclear power plants now is a big reason critics object to them. Environmentalists and budget watchdogs joined forces last month to fight congressional efforts to boost loan guarantees to nuclear power plants.

To cut greenhouse gases faster, the government should spend more on wind and solar power, as well as energy efficiency, said Norman Dean, executive director of Friends of the Earth. These will cut greenhouse gases faster than new nuclear generators, which won't start operating until at least 2015, he said.

"The federal government is putting all its money behind nuclear and not these other technologies," Dean said.

Duke's two new nuclear reactors are estimated to cost between \$5 billion and \$6 billion plus financing, but a new U.S. plant hasn't been built for a generation. By comparison, Duke estimates it will spend \$2.4 billion to build and finance a coal-burning plant west of Charlotte, N.C.

Duke plans to use a standard design for its nuclear plants to keep costs down, said Bryan Dolan, Duke's vice president of nuclear plant development. The federal licensing process has been streamlined, which also will save time and money, he said.

If Duke moves forward, construction jobs on the plant could reach 3,000 and operating employees around 1,000, he said.

Coal plants may be cheaper to build but face growing costs to reduce emissions, said Robert Yanity, spokesman for SCANA. There may be future potential costs to reduce carbon dioxide, which contributes to greenhouse warming.

Even without the federal incentives, SCANA planned to build a nuclear power plant because of growing electricity demand, Yanity said.

"But we would certainly not say 'no' to anything we qualify for," Yanity said.

Republicans have supported nuclear energy as an environmentally friendly source of electricity, especially compared with coal-burning plants that create greenhouse gases, said Sen. Jim DeMint, R-S.C.

"We can gradually replace coal-burning generators with nuclear," he said. "One of the things that kept South Carolina growing is that we do have low-cost electricity."