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## **HOLD YOUR HORSES! REPORTS OF NEW NUKE PLANT PREMATURE (Published January 1, 2006, Jefferson City Business Times) - 1/1/2006**

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### HOLD YOUR HORSES! REPORTS OF NEW NUKE PLANT PREMATURE

COLUMBIA, Mo. – Reports last month of Ameren’s potential plans to install a new nuclear plant at the Callaway nuclear plant are premature, according to an Ameren spokesman.

The company also announced the hiring of a Jefferson City native, Timothy E. Herrmann, as its new vice president of nuclear engineering at the plant.

“We’re going to need another baseload power plant,” said Mike Cleary, communications executive for Ameren Corp. “If we do decide to build another nuclear unit, the likely place would be Callaway because the site was originally designed for four units, and we only built one.”

In a speech at the Columbia Chamber of Commerce’s Economic Outlook Conference December 1, Ameren Corp. Chairman and CEO Gary Rainwater discussed the need for a new power plant and compared the cost-effectiveness of several different technologies including nuclear, natural gas, wind and coal.

“He was explaining what would go into the decision,” Cleary said. “The media just made a really big deal out of it when it was really premature. We really weren’t announcing anything. It’s a possibility that we’re certainly looking at, but we haven’t made any decision yet, and it’s probably going to be two to three years before any decision.”

The nuclear option is attractive because of the high natural gas prices, the lack of good locations for wind generation in Missouri and the threat of a Federally imposed carbon tax on coal, Cleary said. In addition, recent advancements in technology would make a nuclear plant easier to build, and the regulatory process has been simplified during the 20 years since Ameren’s Callaway nuclear plant was built.

“Politically, it was considered risky choice because they’re very costly to build, although over the life of the plant, they’re least costly to operate than other power source other than hydro,” Cleary said. “The regulatory climate was unpredictable, and there would obviously be opposition to it if we did make that choice.”

The main problems in the past involved construction delays and the regulatory process, Clear said. Because the Three Mile Island accident occurred while the Callaway plant was under construction, resulting in further regulations across the industry, the plant took nine years to

build instead of five.

"You had to get a construction license to build a plant from the NRC, and then you had to apply for an operating license," Cleary said. "Just because you had a construction license, there was no guarantee that the plant would ever even operate. There were plants that ended up being cancelled. Now, the NRC has a combined construction and operating license that they have come up with. The regulatory process was a labyrinth, and today, the NRC has simplified it somewhat."

The Callaway plant began operating in October 1984 and became fully operational by December of that year. The last nuclear plant to go online was in 1996. However, at least three major consortiums and several individual energy companies are exploring the construction of nuclear plants, according to the Nuclear Energy Institute.

Any new power plant at the Callaway site would be good for the region's economy because of the increased infrastructure and jobs that such a facility would create, both in construction and at the facility itself, said Paul Sloca, spokesman for the Missouri Department of Economic Development. According to Cleary, a new reactor would cost \$2 billion and would add about 300 new jobs, and many construction jobs would be created. However, today's construction would probably entail more of a modular approach with pre-manufactured components assembled onsite than it did in 1984.

For years, graduates have tended to not view nuclear power as a growth industry. The recent announcement of a \$2.3 million U.S. Department of Labor grant to the University of Missouri-Columbia to train new nuclear workers may help alleviate the resulting shortage of qualified personnel when 57 percent of the nuclear workforce retires within the next five years.

"Anytime you can create jobs, especially the type of jobs that would be at a facility like this, which are generally higher-paying and higher-quality jobs, you are still seeing an economic benefit," Sloca said. "Obviously, there are efforts in the infancy stages of promoting and trying to get people trained in this area."

