

**License Renewal Is the Best Option for Peach Bottom**

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Good evening. My name is Alan Nelson I am a Senior Project Manager at the Nuclear Energy Institute. I am pleased to have the opportunity to join the discussion today among interested citizens of Pennsylvania and Maryland, state and local officials, NRC staff, and other parties on license renewal for Peach Bottom.

The Nuclear Energy Institute coordinates energy policy for U.S. energy companies that own a nuclear power plant. The Institute also represents industry suppliers, fuel cycle companies, universities and colleges, and other organizations involved in the beneficial uses of nuclear technologies—such as medicine, agriculture and food safety and space exploration.

Nuclear energy provides electricity for one of every five homes and business in America. Here in Pennsylvania, electricity customers get their electric power from nine nuclear reactors, including Peach Bottom, as well as Limerick, TMI, Susquehanna and Beaver Valley nuclear plants.

The purpose of today's meeting is to discuss environmental issues related to the license renewal application for Peach Bottom that Exelon submitted to the NRC on July 2, 2001.

Exelon is the tenth utility to seek nuclear plant license renewal. In March 2000, the NRC for the first time approved a 20-year license extension for two reactors at the Calvert Cliffs Nuclear Power Plant on the shores of the Chesapeake Bay in Maryland. That approval was a landmark for the industry and evidence of the tremendous long-term energy and environmental benefits of nuclear power. To date, ten reactors have already received 20-year license extensions from the NRC, and the agency is reviewing requests from 14 others, including Peach Bottom.

More than one half of all (103) U.S. reactors are expected to submit applications over the next several years. Many more are expected to join them.

Renewing nuclear plant licenses for an additional 20 years is economical compared to the development of alternative energy sources. As both the Nuclear Regulatory Commission and stakeholders become more familiar with the process, we expect the license renewal process to become even more efficient.

Moreover, there is growing recognition among the public and policymakers both in the United States and internationally that we must maintain the clean air and other environmental benefits of nuclear energy.

The White House recognizes very clearly air benefits of nuclear energy in its comprehensive energy strategy. Vice President Dick Cheney has said,—“If you’re really serious about reducing greenhouse gases, one of the solutions to the problem is to go back and take another look at nuclear power.”

There are tremendous air quality advantages from nuclear energy both for the health of Pennsylvania’s citizens and from an economic view.

License renewal for nuclear power plants is important to our nation’s future energy security and environmental needs. Today’s public meeting is part of an extensive process that helps ensure that no important environmental issues are overlooked as the NRC continues to evaluate the Peach Bottom license renewal application. Throughout its review, the NRC will continue to keep interested citizens and stakeholders apprised of its progress.

One of the requirements of the environmental report is for Exelon to compare the environmental impacts of alternative energy sources as part of evaluating possible alternatives to relicensing Peach Bottom.

The results of that evaluation are worth noting. For example, photovoltaic cells generating 2,200 MW of power ... the same amount of electricity produced at Peach Bottom ... would consume about 77,000 acres of land.

The draft GEIS also evaluates other alternatives for providing electricity to the people of Pennsylvania, including power plants that burn coal, natural gas, oil, or wind power as well as hydropower, geothermal energy and biomass-derived fuels. The GEIS even considers a no-action alternative, which means, "do nothing." The report concludes that these alternative actions, including the no-action alternative, are not feasible or may have environmental impacts of moderate to high significance. In contrast, the report concludes that the environmental impacts associated with renewing the Peach Bottom license are small.

With the extension of the license it means 20 more years of environmental and economic benefits and continued reliable electricity for consumers and businesses in Southeastern Pennsylvania.

What exactly does license renewal mean?

I happen to think it's a necessary option. Let me give you three key reasons why:

- **First**, license renewal will maintain economic electric generation that does not produce greenhouse gases or other air pollutants, such as sulfur dioxide, nitrogen oxide and particulates.
- **Second**, license renewal will preserve good jobs for this area. And communities like Delta and Peach Bottom Township, where these plants are located, will benefit from the plant's continued operation.
- **Third**, renewal of Peach Bottom's license is far more economical than building a new power plant.

Many people don't realize that nuclear energy is the largest source of emission-free electricity generation in America. It represents nearly 70 percent of our nation's emission-free generation.

Hydroelectric power is second at 29 percent. Photovoltaic cells and wind power each represent less than 1 percent of emission-free generation.

It's obvious from these figures that nuclear energy provides vital clean air benefits to Southeastern Pennsylvania and the United States, considering that each state must control emissions from electric generating sources through the Clean Air Act. In your community, Peach Bottom also provides stable jobs, and safe, reliable and affordable electricity.

I want to close by saying that the draft GEIS is factual and complete, and should contribute to a fair and objective review of the environmental impacts of license renewal at Peach Bottom. And I'd like to commend Exelon and the nuclear professionals at Peach Bottom for their continued excellent record of safety performance and commitment to protecting public health and safety and the environment. Together, these are key factors in the NRC's conclusion in the draft GEIS that supports a positive decision on renewing the license for an additional 20 years.

Thank you.