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**From:** "RJ Pirlot" <rjpirlot@wmc.org>  
**To:** <PointBeachEIS@nrc.gov>  
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Michael T. Lesar  
Chief, Rules and Directives Branch  
Division of Administration Services, Office of Administration  
Mailstop T-6D59  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555-0001

Dear Mr. Lesar:

The Wisconsin Manufacturers and Commerce ("WMC") wishes to make the following comments in support of the application of the Nuclear Management Company, operating manager, on behalf of We Energies, as owner, for License Renewal of the two nuclear reactor units located at the Point Beach Nuclear Power Plant ("Point Beach"), in Two Creeks, Wisconsin. These applications are currently pending before the Nuclear Regulatory Commission for consideration. WMC is a trade association of businesses, numbering approximately 4,000 members in the State of Wisconsin. WMC continues to represent the interests of various commercial and industrial electric ratepayers, large and small, before Congress, the Wisconsin Legislature and in a number of regulatory proceedings.

WMC supports the License Renewal applications for the Point Beach reactors for critical reasons of electric energy supply reliability, electricity affordability for Wisconsin consumers, and environmental factors.

Point Beach has been a vital part of Wisconsin's electric generation portfolio for over three decades. The plant has delivered inexpensive, reliable baseload electric generation safely, consistently and with few incidents in its long life of service to Wisconsin utilities and their customers. According to recent studies of the Wisconsin Public Service Commission, nuclear generation sources represent nearly 22 percent of the electricity produced in Wisconsin, as of the end of 2002. Point Beach accounts for nearly one-sixth of the electric generation produced in Wisconsin, and represents nearly one-quarter of the generation portfolio of its owner, We Energies. With load growth estimated at approximately 2.5 percent to 3.0 percent annually in Wisconsin, nuclear power generally and Point Beach in particular will continue to meet vital demand needs now, and in the future in Wisconsin.

Significantly, the reliability of Point Beach has increased in recent years to record levels in the hands of its operator, the Nuclear Management Company. Since 2000, Point Beach has set plant records for its overall capacity factor, and its gross output in Gwh's.

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Nuclear power also represents, and will continue to represent, the most cost-effective electricity to produce in Wisconsin and nationwide. Recent data provided by the Nuclear Energy Institute show nuclear energy surpassing coal in overall fuel production cost effectiveness, with none of the attendant emissions-related concerns of coal-fired generation. In contrast, the alternative generation construction required to replace the output of Point Beach, in the event of an untimely retirement, would necessarily rely upon natural gas or coal. Natural gas prices have reached nearly historic levels of expense and volatility, with further use in electricity production likely to cause further price flux and supply displacement for manufacturing and home heating needs. Coal generation carries very large capital costs, long construction cycles and protracted public opposition. None of these alternatives to Point Beach represent good choices for Wisconsin ratepayers, who already face sizable rate increases once currently pending generation and transmission upgrades begin commercial operation.

With respect to environmental concerns, it is significant that the southeast area of Wisconsin has been and remains a closely watched non-attainment area for purposes of federal Clean Air Act enforcement. As a result, all new sources of monitored emissions will carry added burdens of expensive remediation measures which are not required for the commensurate amount of nuclear generation produced at Point Beach. While these costs are known in some cases, as in the instance of sulfur dioxide, other remediation expenses, such as those for nitrogen oxide and mercury emissions are evolving in their estimates and could prove prohibitively expensive for new coal generation sources. The picture gets murkier when regional ozone transport issues and fine particulate emissions regulation are added. It is thus vital for Wisconsin's future air quality to keep a non-emitting source of generation the size of Point Beach in its generation portfolio.

For the above reasons, we urge the favorable consideration of the License Renewal applications for Point Beach, and respectfully urge the Commission's approval.

A "pdf" version of this filing is attached. A paper copy of this filing is being mailed to you.

Respectfully submitted,

Dated this fourteenth day of July, 2004.

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