

# RIC 2001

## Deregulation, Session W13

A Non-Operating Owner's View

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# Introduction

- A discussion of non-operating owner issues relevant to deregulation, mergers and consolidations in the industry.
- John Vinqvist, President of MATS, Inc., a company representing the interests of the four non-operating nuclear owners of Nine Mile Point Unit 2.

# Topics of Discussion

- Who are the Non-Operating Owners
- Non-Operating Owners Viewpoint
- Nuclear Non-Operating Owners Group
- Summary

# Who are the Nuclear Non-Operating Owners

- Over 70 Investor and Publicly Owned Utilities
- Ownership shares range from <1% to 100%
- 21% of U.S. Nuclear capacity (almost 20,000 MW)
- Significant Nuclear Stakeholder

# Non-Operating Owners' Viewpoint

- Nuclear assets remain a value to both shareholders and customers
- Safe and Reliable and Cost Competitive
- Operator and Non-Operator Aligned

# Safety

- Recognized Industry Safety Performance
- Continued safety focus in aggressive/competitive markets
- Minimal staff distraction during sale/merger process

# Reliability

- Reliable source of energy to all owners
- Cooperative scheduling of planned outages
- Immediate notification of forced outages
- Hedging market volatility with purchase power contracts

# Cost

- Appropriate allocation of costs among units under common control
- Cost shifting due to mergers/acquisitions
- Decommissioning funding
- Sharing cost savings/economies of scale



# The Role of the Non-Operating Owner

- Stakeholder Recognition
- Participation/Operating Agreements

# NNOG

- Ad Hoc Organization
- Steering Committee
- All Non-Operating Owners invited
- Two Conferences per Year
- NNOG Website

# Summary

- Non-operating Owners are significant stakeholders
- Non-Operating Owners needs mirror Operators
- Non-Operating Owners have a beneficial role
- NNOG