

**Statement of**

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**on**

**Public Service Commission Proceeding 12-E-0503 Regarding Indian Point Contingency  
Planning**

**Before the  
Senate Energy and Telecommunications Committee  
New York State Legislature**



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Mr. Chairman and members of the Committee, thank you for providing Riverkeeper with the opportunity to present our views on the Public Service Commission's (PSC) Indian Point Retirement Contingency planning, and to respond to some of the concerns voiced by Chairman Maziarz about the process and Indian Point's future in his August 28 letter to Riverkeeper.

Riverkeeper is a member-supported watchdog organization dedicated to defending the Hudson River and its tributaries and protecting the drinking water supply of nine million New York City and Hudson Valley residents. We have worked for over forty years to establish globally recognized standards for waterway and watershed protection, and serve as the model for over 200 Keeper organizations working to protect waterways around the world. Riverkeeper has been actively involved on a wide range of Indian Point safety and environmental issues since the reactors first came online forty years ago, utilizing litigation and grassroots advocacy to further our goal of protecting the Hudson River estuary, from the Troy dam to the Battery in New York City.

In my testimony, I will summarize Riverkeeper's position on the PSC's Contingency Plan, and describe the conclusions of an independent energy replacement study commissioned by Riverkeeper and conducted by Synapse Energy Economics, which found that Indian Point's power could be replaced entirely with renewable energy and energy efficiency savings on time and affordably. I will also respond to Chairman Maziarz's concerns regarding the potential loss of union jobs and the status of the various legal proceedings related to Indian Point's relicensing.

First, however, I would like to provide the Committee with a brief recap of Riverkeeper's current work on Indian Point. Our current campaign is focused on preventing the relicensing of these aging reactors by the Nuclear Regulatory Commission and ensuring their timely shutdown and decommissioning. We are currently an active party in the Nuclear Regulatory Commission (NRC) license renewal proceeding, as well as the Clean Water Act SPDES permit and Section 401 Certification proceeding before the New York State Department of Environmental Conservation (NYSDEC). Indian Point's continued operation presents a risk to the twenty million people living and working within fifty miles of the plant, and its operation continues to take a terrible toll on the rich aquatic life in the Hudson, due to its use of 2.5 billion gallons a day of river water to cool its operation. Due to its location, history of accidents and leaks and unsafe storage of nearly two thousand tons of toxic nuclear waste, the risk of continuing to operate Indian Point clearly outweighs its limited benefits. Riverkeeper would be happy to provide the Chairman and Committee members with additional information regarding the safety risks and environmental impacts of Indian Point's operation subsequent to this hearing.

Riverkeeper is an active party in the PSC Contingency Plan proceeding, and we joined with Natural Resources Defense Council and the Pace Energy and Climate Center in filing comments on the Plan in February 2013.<sup>1</sup> In these comments, Commenters applauded the PSC for requiring that the Plan consider the impacts of energy efficiency, distributed generation, demand response and combined heat and power projects in addition to traditional replacement generation and transmission solutions. We also urged the PSC to conduct a more robust, in depth analysis of the potential of these approaches to be an integral part of an Indian Point replacement strategy,

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<sup>1</sup> NRDC, Pace Energy Center and Riverkeeper's Comments are appended hereto as Attachment B.

and to include an assessment of renewable energy sources, which were missing from the initial Plan.

In terms of energy efficiency potential, our comments referenced an October 2012 report prepared for NRDC and Riverkeeper by Synapse Energy Economics, Inc. entitled *Indian Point Replacement Analysis: A Clean Energy Roadmap*, (Synapse II) which found that a 1.5 percent annual demand reduction can reasonably be achieved in New York over the next decade, leading to approximately 21,000 GWh of cumulative savings by 2022.<sup>2</sup> Riverkeeper supports ConEd's request that it be provided additional flexibility in managing its energy efficiency programs, to facilitate the achievement of this goal.

This planning process gives the State the opportunity to lead the nation by example, and address the potential retirement of an aging baseload facility by developing and implementing an innovative portfolio of diverse energy resources, including energy efficiency, renewables, clean distributed generation and demand response, rather than continuing to rely primarily on baseload generation and transmission upgrades. While Riverkeeper agrees that transmission upgrades are sorely needed and are a key part of a 'no regrets' approach to statewide grid reliability, they should be a part of the solution, not the primary focus.

The 2012 Synapse report I mentioned previously provides a clear roadmap to replacing Indian Point's power using entirely clean renewable energy and energy efficiency measures. The report concludes that Indian Point's 2060 MW could be replaced by implementing a clean energy portfolio that includes 1030 MW of energy efficiency, and 1030 MW of renewable energy capacity. This portfolio could be installed in time to address reliability concerns, and would cost the average residential ratepayer about \$1.16 a month, a roughly 1% increase in their utility bills. I have included the full report with my testimony, and would be happy to answer additional questions or provide additional information to the Committee as needed.

Finally, I would like to address several concerns raised by Chairman Maziarz regarding the future of Indian Point.

Chairman Maziarz has raised the issue of the loss of union jobs if Indian Point closes, either in 2015 or shortly thereafter. On this point, it is critically important to note that nuclear plants are unique, in that they require complex decommissioning and site cleanup by workers with specialized skills, including many of the same types of contractors and union workers that are currently employed by Entergy at Indian Point. Decommissioning a nuclear plant, particularly one with the extensive environmental contamination onsite like Indian Point, is a multi-year, complex process that will require large numbers of skilled workers. Decommissioning of other nuclear plants in the U.S. has taken over ten years, and cost billions of dollars. Riverkeeper would respectfully request that the Committee consider the benefits of commissioning a report to assess the employment opportunities presented by the decommissioning of Indian Point's three reactors, so that the Legislature and the public are fully informed as to the real impacts to union workers posed by the closure of this facility.

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<sup>2</sup> The Synapse II report is appended hereto as Attachment A.

The Chairman has also asserted that “Indian Point produces 25% of the electricity needed to supply New York City, and study after study has shown that closing the plant would cause reliability concerns and increased rates.” Regarding the 25% number, it is unfortunate that this proves the maxim, “if you repeat something often enough, people will accept it as true.” Despite a well financed public relations campaign that repeats this assertion on radio, television and in print, Entergy has never supplied documentary evidence to support this claim. Riverkeeper respectfully suggests that, given the significance of closing Indian Point, the Committee, the Legislature and the general public would all benefit from Entergy disclosing all of its purchase power agreements and contracts, so that the public and decision makers can have an informed debate about how much power Indian Point actually supplies to New York City, and how much is sold outside of New York on the open market. The best planning decisions are made based on the best information, and must not rely on unsupported assertions made in public relations communiqués.

Finally, Chairman Maziarz expresses the need for a “closer examination” of the role state actions have played in the NRC’s multi –year relicensing review for Indian Point. As Riverkeeper’s lead representative in the NRC Indian Point proceeding, I have been involved in this process since spring of 2007, when Entergy applied for license renewal from the NRC. The NYSDEC permit proceedings have been underway since 2004, and reached a milestone in 2010 with the agency’s denial of Entergy’s Section 401 Water Quality Certification, the granting of which is a condition precedent to license renewal by the NRC. The current state proceeding is focused primarily on Entergy’s appeal of that decision, with final rounds of hearings scheduled through July 2014. However, one of the primary sources of delay in the NRC proceeding has not been the result of any action by NYSDEC. On the contrary, the NRC staff took over four years to complete its environmental impact assessment for Indian Point, a review that must be completed before a decision on relicensing is made. The NYSDEC proceedings have moved forward, albeit slowly, on a separate track and have not to our knowledge impeded the federal review. I would be happy to provide the Committee with a more detailed summary of the procedural history of these proceedings, given their complexity.

Thank you again for this opportunity, I am happy to answer any questions.