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Just build the darn things already

By [Jay Hodgkins](#)

The argument made by nuclear critics and some politicians that new nuclear generation is too expensive to build is just plain tired.

What these critics really mean is they are too selfish and short-sighted to pay the higher cost of building new nuclear plants today, despite the promise of cheap and stable nuclear power prices for decades to come.

There is no question building new nuclear generation is expensive — probably in the range of \$4,000/kW to \$6,000/kW, compared to \$1,500/kW to \$3,000/kW for most other forms of generation, including wind and natural gas-fired power. But unlike wind, nuclear is baseload generation that can actually solve the nation's need to reliably meet future demand and, unlike gas and coal, is fired by a remarkably low- and stable-priced commodity that is nearly guaranteed to generate some of the cheapest electricity in the nation.

Those who do not want new nuclear today are scared of the potential for those plants to result in ballooning rates for customers paying for regulated projects and that a full nuclear renaissance could bankrupt the power industry. They point to the ballooning cost overruns, bankruptcies and the near bankruptcies of the first nuclear revolution in the 1970s and 1980s as an example of why the nation cannot afford to turn back to nuclear.

They completely ignore the fact that the plants that caused so much pain then are now almost all at the front of the dispatch curve, run virtually nonstop by their operators, generating cheap power and earning their owners fat margins. If we had more nuclear capacity in the United States today that was built in the '70s and '80s, pushing coal- and gas-fired plants further out on the dispatch curve, power would be cheaper. Period.

Anyone who lives today in a region where nuclear power provides for a strong percentage of the baseload need knows of this benefit. Anyone who lives in a region where gas sets the marginal price of power will tell you how much their lives are affected by herky-jerky power bills, thanks to fickle gas prices.

For a generation of 20- and 30-somethings in the work force, our parents paid for a better future for us with cheaper and more stable electricity prices by investing in nuclear. There is something inherently appealing about taking action to benefit our children, but often the choice of how to do so is not so clear. By investing in a nuclear renaissance, we can ensure our children will get the same benefit of cheap and clean nuclear power. The more we build, the better off they will be.

The high cost of building the plants will go into increased rates. But then, those plants will depreciate out of utilities' rate bases and rates will go back down. All that will be left are cheaper energy prices for customers coming from plants that offer strong margins to their owners.

As for the risk new nuclear could bankrupt the industry, that is why the federal government's program to spread the risk of new nuclear to taxpayers via the U.S. Department of Energy's loan guarantee program is the right thing to do. With that solution, power companies with loan guarantees will not be bankrupted even on the outside chance that the industry did not learn anything in the first nuclear revolution or from foreign owners of next-generation nuclear and a worst-case scenario of cost escalations ensues.

For those who complain that the American taxpayer should not bear those risks, it really boils down to the same

unwillingness to buy in to a good solution for tomorrow when it costs us some extra coin today. They are adhering to the same sort of short-sighted problem solving as those who rebuild the same house after it is blown down by a hurricane instead of rebuilding a house that can withstand hurricane-force winds.

Of course, there are the environmental complaints, too — what to do with nuclear waste and the potential for nuclear meltdown.

Those risks and challenges are real, but clear solutions exist to safely deal with nuclear waste and, to this day, no American has been hurt by a failed nuclear plant — not even from the much ballyhooed [Three Mile Island](#) partial core meltdown. The United States' peers in Japan and France also have essentially flawless records with massive nuclear fleets.

And consider the only baseload alternative for cheap baseload power: coal. The "what if" of nuclear pales in comparison to the everyday toll coal-fired generation takes on America as mountaintops are removed to mine the resource, mercury emissions poison our water, and NOx and SO2 emissions degrade the air we breathe and produce acid rain. That does not even address the potential pitfalls of global warming that may be accelerated by man-made CO2 emissions.

The bottom line is that new nuclear solves so many long-term problems of the power market that it is foolish not to pursue, and the naysayers crying that it is too risky and too costly are too worried about spending a dollar today to save two down the road.