

AN OPEN LETTER TO MICHIGAN STATE LEGISLATORS, GOVERNOR GRETCHEN WHITMER, AND DOE SECRETARY JENNIFER GRANHOLM: DON'T WASTE TAXPAYER AND RATEPAYER DOLLARS ON A NUCLEAR WHITE ELEPHANT!!!



Dear Governor Whitmer, Secretary Granholm, and MI State Legislators,

For years, all stakeholders have agreed that the Palisades atomic power plant would be shut down. Critical safety repairs had long been delayed and no customers wanted its overpriced electricity. In 2018, Entergy announced it would sell the old and dangerous plant to Holtec, a decommissioning company, and the U.S. Nuclear Regulatory Commission (NRC) approved. The plant was formally closed on May 20, 2022, nuclear fuel was removed on June 13, and the plant was sold to Holtec on June 28. The NRC then terminated Palisades' operating license.

Governor Whitmer and Secretary Granholm, neither of you objected to this plan. The Governor's own MI Healthy Climate Plan, released in April 2022, appropriately ignored Palisades' imminent closure, since there are far cheaper and safer alternatives to reduce greenhouse gas emissions.

What changed? Holtec saw an opportunity to feed from the public trough by getting billions of dollars of corporate welfare to raise Palisades from the dead. It is demanding a \$300 million subsidy from Michigan taxpayers to "tide it over" until the Secretary approves billions of dollars from U.S. taxpayers. Holtec wants Michigan ratepayers to be forced to buy electricity at above-market prices that could significantly raise Michigan's electricity rates, already the highest in the Midwest. The Michigan Legislature is making a serious mistake in pledging full support for this massive ill-advised bailout.

Michigan taxpayers and ratepayers have had too many nuclear white elephants:

- 1) Detroit Edison's Fermi-1 cost \$130 million (\$1.3 billion in today's dollars) and was shut down in 1972 after generating electricity for a few months and suffering a partial fuel meltdown;
- 2) In the single greatest financial disaster in Michigan history, Consumers Energy spent \$4.3 billion on the Midland nuclear plant before cancelling it in 1984 without generating a single kilowatt of electricity;
- 3) DTE Energy's Fermi-2 cost almost 20 times more than its initial estimate, and DTE charged ratepayers for the entire \$4 billion plus the nominal 10% profit guaranteed by its monopoly status.

In the wake of these and scores of other nuclear economic debacles across the country after Three Mile Island, Forbes business magazine concluded, "The failure of the U.S. nuclear power program ranks as the largest managerial disaster in U.S. business history...only the blind, or the biased, can now think that money has been well spent."

Alliance To Halt Fermi-3 and our many allies agree that addressing our climate emergency must be a Michigan and national priority. But resuscitating Palisades is a dead end climate energy strategy. A closed U.S. nuclear power plant has never been re-opened and would take, at best, many years. Investing in wind, solar, and battery storage provides much faster, cheaper, and more sustainable greenhouse gas emissions reductions. Nuclear plants also entail unnecessary risks such as high-level nuclear waste, routine radiation releases, the potential for catastrophic accidents, and terrorist attacks.

So let's focus our state and federal resources on the most economical and sustainable climate energy solutions, and not squander more taxpayer and ratepayer funds on more misguided investment in nuclear power.

Respectfully Yours,

Keith Gunter, Board Chair, and Lou Novak, Board Vice Chair

READERS: ACTIONS TO TAKE!! PLEASE CONTACT YOUR STATE REPRESENTATIVE (www.house.mi.gov) AND YOUR STATE SENATOR (www.senate.michigan.gov) to oppose legislation to fund Holtec with \$300 million to restart Palisades. And contact Governor Whitmer at (517) 355-7858 and Secretary Granholm at (202) 586-5000 to urge their support a faster and more economical renewable climate energy strategy with no further funding for nuclear power in Michigan.



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