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'It Is a Moral Imperative'

O'Malley Outlines Necessity for New Reactor in Lusby

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Maryland Gov. Martin O'Malley voiced his support for the expansion of nuclear energy within the state yesterday at the Calvert Cliffs Nuclear Power Plant, where construction of a new reactor could begin by the end of the year.

O'Malley (D), Lt. Gov. Anthony Brown (D) and other state officials toured the Lusby generating facility, where Constellation Energy, the plant's owner, wants to add a third reactor. The governor said the new reactor would help slow rate increases for electricity customers amid rising global demand for energy.

"It is a huge moral challenge and it is a moral imperative given what massive new burning of coal will do to the planet if we don't develop better and cleaner technology, including safer and cleaner nuclear, which is what is . . . planned and talked about in terms of the third reactor," O'Malley said.

Michael J. Wallace, vice chairman of Constellation, said the utility is working on "an aggressive schedule" that would allow the company to break ground on the third reactor by the end of the year. The project has been proposed by UniStar Nuclear Energy, a joint venture between Constellation and EDF, a European energy group.

"If we break ground in December of this year, by the end of 2015 or early 2016, we plan to have a unit online," Wallace said. "That would be the first" in the United States in about 30 years, he added.

O'Malley said there are still "a lot of regulatory hurdles that need to be

crossed and . . . a massive amount of new investment that needs to be garnered" before the reactor can be built.

UniStar has been working to secure federal loan guarantees. Officials with the joint venture said they expect the U.S. Department of Energy to announce the final requirements for such guarantees next month. The federal loan guarantees "essentially help us borrow money," said Mayo A. Shattuck III, Constellation's chairman and chief executive.

The new reactor would be financed by shareholders, not ratepayers.

The U.S. Nuclear Regulatory Commission is reviewing license applications for the reactor, which would nearly double Calvert Cliffs' generating capacity. A draft environmental impact statement is slated to be submitted in spring 2009.

Opponents of nuclear energy have scheduled a protest today in Baltimore.

"The fact that they can call [nuclear energy] clean energy should be prohibited" because the plants generate radioactive waste that lasts thousands of years, said Steven Soifer, an associate professor at the University of Maryland's School of Social Work and a member of the Chesapeake Safe Energy Coalition.

Soifer said federal and state subsidies for nuclear power should instead be spent on supporting "really clean alternatives," such as solar and wind power.

The governor's visit to the nuclear plant, on the shores of the Chesapeake Bay in Calvert County, comes on the heels of an agreement that ended a two-year battle with Constellation Energy



There are still "a lot of regulatory hurdles," Gov. Martin O'Malley says at the Calvert Cliffs plant. With him are Lt. Gov. Anthony Brown, left, and County Commissioner Wilson H. Parran. (By Mark Gail -- The Washington Post)

over a 72 percent rate increase for its Baltimore Gas and Electric customers.

Under the agreement, reached at the end of March and subsequently approved by state lawmakers, Constellation Energy will give 1.1 million Maryland electricity customers a one-time \$170 credit. However, a recent Maryland Public Service Commission report said the state's electric customers will see a 7.6 percent increase in their bills, eating up most of the credit.

In addition, the \$1.5 billion that customers were scheduled to pay for costs associated with the decommissioning of the two reactors at Calvert Cliffs was all but wiped out. Those reactors, in operation since the mid-1970s, are scheduled to be taken out of service beginning in 2034.