



Public Service Commission

For Immediate Release: 02/23/16

Audrey Zibelman, Chair

Contact:

Jon Sorenson | Jon.Sorenson@dps.ny.gov | (518) 474-7080

<http://www.dps.ny.gov>

<http://twitter.com/NYSDPS>

16011/ 15-E-0302

PUBLIC SERVICE COMMISSION INITIATES RESCUE PLAN TO ALLOW REFUELING, CONTINUED OPERATION OF FITZPATRICK NUCLEAR PLANT

NEW YORK — The FitzPatrick nuclear power facility in Oswego County could be financially sound and ready for refueling as soon as June under an expedited rescue plan proposed today by the New York State Public Service Commission.

In addition to proposing the plan and commencing the necessary public comment process, the Commission also repeated its offer to work cooperatively with the facility's owner, Entergy Corp., to take steps necessary to keep the plant operating beyond this year.

"The plan would enable expedited financial support to FitzPatrick and other qualified nuclear power plants in Upstate New York," said Commission Chair Audrey Zibelman. "Until then, we invite Entergy to work with us to make the plans necessary to refuel FitzPatrick and to support the statewide objectives of New York's new Clean Energy Standard."

Gov. Andrew M. Cuomo earlier this year called for the establishment of a Clean Energy Standard that would develop enough clean, renewable power to meet half of the state's electricity needs by 2030. This "50 by 30" mandate depends on the continued, safe operation of fully-licensed nuclear power plants; otherwise, greenhouse gas emissions could rise significantly if more power is needed from fossil-fuel generation to replace the energy lost from the closure of nuclear power plants.

As part of the Clean Energy Standard, the Commission has been formulating a new energy credit that would, for the first time, place a monetary value on the zero-emission power produced by FitzPatrick and other qualified plants. Because these Zero Emissions Credits (ZECs) cannot produce revenues on an immediate basis, the Commission today ordered development and consideration of a faster response to the financial problems currently affecting FitzPatrick and other nuclear facilities.

The order follows a report by the New York Independent System Operator that found the absence of FitzPatrick and other nuclear facilities would lead to reliability concerns. The ISO's finding bolsters the need for a financial support mechanism to help retain upstate nuclear power plants and avoid an unnecessary increase in carbon emissions.

The Commission today also approved a Reliability Support Services Agreement (RSSA) between Rochester Gas & Electric and the Ginna Nuclear facility near Rochester. A temporary surcharge has been in place since last year and today's order approves the RSSA through March 31, 2017 (pending

the completion of transmission systems upgrades required before the Ginna Plant may retire from service, and payments to be made by RG&E to Ginna for that reliability support.)

Following public comments and additional study, the Commission is expected to consider adoption of the Clean Energy Standard in June. If the mandate includes ZECs, these new credits would potentially take effect following the end of the RSSA support payments to Ginna on March 31, 2017.