



For Immediate Release: 11/17/16

Audrey Zibelman, Chair

Contact:

James Denn | James.Denn@dps.ny.gov | (518) 474-7080

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

<http://twitter.com/NYSDPS>

16077/16-E-0472

PSC Announces New York's Approval of Sale of the James A. FitzPatrick Nuclear Power Plant

— Sale of FitzPatrick Keeps Greenhouse Emissions Low for all New Yorkers —

ALBANY — The New York State Public Service Commission (Commission) today announced approval of the sale of the James A. FitzPatrick nuclear power plant in Scriba to Exelon Corporation. The transfer will facilitate the continued operation of the carbon-neutral plant as a bridge to a renewable energy future without the need for imported fossil fuels such as fracked gas and oil from out of state or for the restarting of coal plants to supply energy demand from across the state. Today's action also better enables the State to reach its 40 percent by 2030 carbon reduction goals and supports the Clean Energy Standard, the most comprehensive and ambitious plan in the state's history to fight climate change, reduce harmful air pollution, and ensure a diverse and reliable energy supply at affordable prices for all New Yorkers.

"Our finding today is that the public will be well-served by the transfer of ownership of FitzPatrick," said Commission Chair Audrey Zibelman. "Exelon has an excellent track record as the owner of nuclear power plants, and we fully expect it will operate FitzPatrick in a safe and reliable fashion."

The Clean Energy Standard obtains zero-emissions credits from upstate nuclear power plants to ensure that critical progress on greenhouse gas emissions reductions is sustained as the state works toward achieving its goal to generate 50 percent of New York's electricity from renewable energy sources like wind and solar by 2030. Maintaining zero-emission nuclear power is a critical element to achieving New York's ambitious climate goals. Were those power plants to close, carbon emissions in New York will increase by more than 31 million metric tons during the next two years, resulting in public health and other societal costs of at least \$1.4 billion according to studies conducted by the Brattle Group.

Under the terms of the agreement, Entergy Corporation will transfer Fitzpatrick's operating license to Exelon for \$110 million. If the other regulatory approvals are obtained and the transaction closes, Entergy would then transfer the plant to Exelon.

The 838-megawatt Oswego County facility, currently owned by Entergy, provides enough carbon-free electricity to power more than 800,000 average-sized homes. Keeping the emissions-free plant operational will avoid three million tons of carbon emissions annually – representing about 10 percent of the state's carbon savings.

FitzPatrick's continued operation is essential to New York's nation-leading efforts to power the state with 50 percent renewable energy by 2030. The power plant employs approximately 600 highly-skilled, well-paid workers, and contributes about \$500 million per year in regional economic activity. FitzPatrick also accounts for \$17.3 million in local property taxes supporting critical services to local governments and schools.

Final transaction closure is dependent upon regulatory review and approval by federal agencies, including the US Department of Justice, the Nuclear Regulatory Commission, and the Federal Energy Regulatory Commission. The transaction is expected to close in the second quarter of 2017.

Exelon operates two other nuclear energy facilities in upstate New York: R.E. Ginna and Nine Mile Point, the latter of which is near FitzPatrick. Together, Exelon's two upstate plants provide carbon-free electricity to more than 2.5 million homes and businesses while employing more than 1,500 full-time staff.

As a result of Governor Cuomo's Clean Energy Standard, Exelon will reinvest millions back into the nuclear units, including upwards of \$500 million in operations, integration and refueling expenditures for the upstate plants in spring of 2017, all of which will have a positive impact across the state. Exelon has committed to refueling FitzPatrick in January 2017.

The Clean Energy Standard builds on the progress made under New York's Renewable Portfolio Standard (RPS) and is a central component of Reforming the Energy Vision, Governor Cuomo's strategy to fight climate change and grow New York's economy by building a cleaner, more resilient and affordable energy system for all New Yorkers. Under the RPS, 65 large scale renewable energy projects have been developed around the state, adding approximately 2,000 megawatts of renewable capacity to the New York energy market, with additional projects expected soon under the final phase of the RPS program.

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 16-E-0472 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.