



For Immediate Release: 1/9/2017

GOVERNOR ANDREW M. CUOMO

**GOVERNOR CUOMO ANNOUNCES 10TH PROPOSAL OF THE 2017 STATE OF THE STATE: CLOSURE OF THE INDIAN POINT NUCLEAR POWER PLANT BY 2021**

***Unit 2 Reactor Will Close in April of 2020; Unit 3 Reactor Will Close in April of 2021 - 14 Years Earlier than Anticipated Under Federal Re-licensing Terms***

***Closure Plan Agreement Addresses Safety Risks Associated with Decommissioning and Fuel Storage***

***Current Indian Point Employees Will be Offered Relocation and Opportunities with Other Plants and Utilities within the State; Training in Renewable Technologies***

***Entergy Will Provide \$15 Million in Funding for Environmental and Community Benefits***

***State Retains Legal Rights to Bring Additional Action and Legal Proceedings and Facility will be Subject to Annual State Inspections***

***Replacement Power Will Be In Place That Adds No New Carbon Emissions and Will Have Negligible Cost Impact to Ratepayers***

Governor Andrew M. Cuomo today announced the closure of the Indian Point Energy Center by April 2021. The aging 2,000 megawatt nuclear power plant, located 25 miles north of New York City, has presented numerous threats to the safety of over 20 million residents and the environmental health of the area. After extensive litigation and negotiation, Entergy has agreed to end all operations at the facility, with plans to shut down Indian Point Unit 2 as early as April 2020 and Unit 3 in April 2021 – 13 and 14 years earlier than required under the anticipated federal re-licensing terms, respectively. The state will continue to closely monitor Entergy to ensure public safety and mitigate safety risks associated with the plant, including for storage of spent nuclear fuel.

"For 15 years, I have been deeply concerned by the continuing safety violations at Indian Point, especially given its location in the largest and most densely populated metropolitan region in the country," **Governor Cuomo said.** "I am proud to have

secured this agreement with Entergy to responsibly close the facility 14 years ahead of schedule to protect the safety of all New Yorkers. This administration has been aggressively pursuing and incentivizing the development of clean, reliable energy, and the state is fully prepared to replace the power generated by the plant at a negligible cost to ratepayers."

"Shutting down the Indian Point power plant is a major victory for the health and safety of millions of New Yorkers, and will help kick-start the state's clean energy future," **said Attorney General Eric T Schneiderman**. "For the past six years, my office has led the state's challenge to Entergy's request for a twenty-year extension of its license to operate Indian Point, and this agreement marks the successful culmination of our work to address the serious health and safety risks that the plant poses to neighboring communities. I commend Governor Cuomo for working with all stakeholders, including my office and the committed environmental advocates at Riverkeeper, to get this important deal done for New Yorkers."

Under Governor Cuomo, New York has taken unprecedented steps to ensure that safe, clean, reliable and affordable sources will provide New Yorkers with more than adequate replacement power after the plant's closure. As a result of Governor Cuomo's comprehensive clean energy strategy the state will continue its national leadership in renewable energy and reduction of harmful greenhouse gas emissions.

Indian Point has been plagued by numerous safety and operational problems, including faulty bolts, and various leaks and fires. The densely populated surrounding region lacks viable evacuation routes in the event of a disaster, and the plant has experienced more than 40 troubling safety and operational events and unit shut downs since 2012. The plant was also once cited as the most vulnerable to earthquakes in the nation.

The Governor has repeatedly emphasized the need to monitor the safety and operations of Indian Point by both state and federal regulators. In May 2015, the facility experienced a transformer fire – the 13<sup>th</sup> unplanned shutdown at the facility since June of 2012 – demonstrating that the continued operation of Indian Point threatens not only human safety but also the environmental health of its surrounding area. Routine plant operations can kill millions of Hudson River fish with its cooling water system and the plant has a history of radioactive leaks to groundwater.

"This agreement is a win for the safety of our communities and the health of the Hudson River, and it will pay big dividends in new sustainable energy sources and the well-paying jobs that come with them," **said Riverkeeper President Paul Gallay**. "Riverkeeper is thrilled that the Governor stepped up to get this deal done - just like he promised he would."

"Closure of Indian Point represents a landmark victory for the Hudson River and the people of New York," **said Scenic Hudson President Ned Sullivan**. "Governor Cuomo's bold leadership in demanding and delivering on closure of the plant is a milestone that will eliminate a multi-generational threat to the health of the Hudson River

and the millions of people in the region. We thank Attorney General Schneiderman for his important role in this settlement. Scenic Hudson has worked for decades to stop the massive environmental damage to the Hudson River caused by the plants' withdrawal of billions of gallons a day of cooling water. The accelerated closure and other provisions of the settlement will protect the health and safety of New Yorkers and restore the integrity of the Hudson River. Tireless advocacy over several decades by Scenic Hudson, Riverkeeper and our partners has paved the way for a healthier Hudson River and a safer Valley."

## Indian Point Closure Plan

The results of the terms of the agreement and additional New York State contingency planning are as follows:

- **Early Close Date:** Entergy Corp. has agreed to cease all operations at Indian Point and will shut down the Unit 2 reactor in April of 2020. Unit 3 will be shut down in April of 2021. Unit 1 reactor was permanently shut down in October 1974 because the emergency core cooling system did not meet regulatory requirements. In the event of an emergency situation such as a terrorist attack affecting electricity generation, the State may agree to allow Indian Point to continue operating in 2-year increments but no later than April 2024 and April 2025 for Units 2 and 3 respectively.
- **Rigorous Safety Requirements and Inspections:** New York State will make annual inspections of the plant relating to key operational, regulatory, and environmental matters. Entergy will transfer used fuel to protective storage in "dry casks", the preferred method of safely storing spent fuel, at a minimum of 4 casks per year and at least 24 by 2021. In addition, at refueling all of the bolts will be inspected at both units and any bolts will be replaced to ensure the reactors' structural integrity through 2021. The plant's steam generator will be also be inspected for any cracks during refueling outages.
- **Negligible Bill Impact:** The Public Service Commission's Indian Point Contingency Plan and other planning efforts have ensured that more than adequate power resources are able to come online by 2021 to ensure reliability of the power grid. Given these planning efforts and likely replacement resources, the plant's closure in 2021 will have little to no effect on New Yorkers' electricity bills.
- **Limited Re-licensing and Outstanding Litigation:** Entergy will submit a six-year license application to NRC. Entergy, New York State, and other organizations will terminate litigation against one another.
- **State Retains Legal Authority:** Even though certain cases are settled, the state retains authority to bring additional action against Entergy if new cases arise.
- **Workforce Protection:** There will be continued employment at the plant throughout the closure process (through 2021), and under the terms of its agreement with New York State, Entergy has committed to offer plant employees new jobs at other facilities. The State of New York will work with workers to gain

access to other job opportunities and worker retraining in the power and utility sectors within the state, including at other plants. And, through NYSERDA, the state will offer any worker re-trainings and new skills in renewable technologies like solar and wind.

- **Replacement Power:** Indian Point produces 2,000 megawatts of electrical power. Currently, transmission upgrades and efficiency measures totaling over 700 megawatts are already in-service. Several generation resources are also fully permitted and readily available to come online by 2021, after the plant's closure, including clean, renewable hydropower able to replace up to 1,000 megawatts of power. Together, these sources will be able to generate more than enough electrical power to replace Indian Point's capacity by 2021.
- **No Net Increase of Emissions Due to Closure:** The Governor's leadership on energy and climate change will ensure that Indian Point's closure will not have an adverse impact on carbon emissions at the regional level. Through the Regional Greenhouse Gas Initiative, the state will continue to drive reductions in greenhouse gases across the power sector. Further, the Governor's Clean Energy Standard to get 50 percent of New York's electricity from renewables by 2030 is the most comprehensive and ambitious mandate in the state's history to fight climate change, reduce harmful air pollution, and ensure a diverse and reliable energy supply at affordable prices.
- **Ongoing Environmental Protection:** Entergy has also agreed to establish a \$15 million fund to support environmental restoration and community benefit projects. The fund will support efforts potentially including, but not limited to, the protection and restoration of vital wetlands and estuaries, the creation and enhancement of wildlife habitat, invasive species migration, and the conducting of scientific studies to ensure the long-term viability of the area's natural resources.
- **Local Tax Impact:** The agreement allows for ample time to plan for and mitigate impacts to local tax revenues. Entergy's previously agreed upon payments in lieu of taxes (PILOTs) to local government entities and school districts will continue through 2021, before being gradually stepped down at a negotiated level following shutdown. The state will also work with local communities to address potential revenue shortfalls, similar to how it has worked with communities affected by other plant closures through the existing fossil fuel plant retirement fund.

###