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Rory M. Christian, Chair

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PSC Approves Transfer of Upstate Nuclear Power Plants

Agreement Protects Thousands of Upstate Jobs, Keeps Nuclear Plants on Sound Financial Footing

New Owner Puts Extra \$15 Million in Trust for Clean Up Fund Now Topping \$576 Million

Deal Includes Nation-Leading Protections Regarding Plant Decommissioning and Greater State Oversight

Provides \$331 Million in Financial Support for New York's Nuclear Facilities

ALBANY — The New York State Public Service Commission (Commission) today announced it had accepted a joint proposal by and among Exelon Corporation and Exelon Generation Company, LLC Staff of the New York State Department of Public Service, the New York State Office of the Attorney General, the Alliance for a Green Economy, and the Long Island Power Authority concerning the corporate transfer of four upstate nuclear power plants. The four plants will be spun off by the current owner and — along with reactors in other states — will become the core business of an independent, publicly traded and well-capitalized holding company that directly and indirectly owns and operates merchant generation and serves customers in competitive electricity and gas markets.

“The joint proposal approved today fairly resolves all issues presented in this proceeding and includes financial assurance, oversight, and reporting provisions that will protect the public’s interest in ensuring that New York’s fleet of nuclear plants is owned, operated, and eventually decommissioned,” **said Commission Chair Rory M. Christian.** “Our decision strikes a fair balance between ratepayer and business interests, and meaningfully advances the State’s policy goal of prompt and thorough decommissioning and site restoration at each site.”

After the transaction closes, Exelon Generation will become part of a new, independent, publicly traded entity that owns the two-unit, 1,918 megawatt (MW) Nine Mile Point nuclear power plants in Scriba, Oswego County, the 579 MW R.E. Ginna nuclear power plant in Ontario, Wayne County, and the 842 MW James A. FitzPatrick nuclear power plant, also in Scriba. In total, the power plants generate enough clean, reliable energy for more than 2.6 million average-sized homes. The new owner will use the same skilled workforce that currently operates the sites.

As part of the joint proposal, Exelon and Exelon Generation agreed to the following:

- Continued maintenance and staffing of emergency operation facilities within New York State;
- Depositing an additional \$15 million in the remedial trust fund for Nine Mile Point Unit 2 in early 2022;
- Maintaining a minimum trust fund balance of \$144 million per unit — or \$576 million in total across the four units;
- Provide a 20-year projected backstop timeline for decommissioning following end of licensed term, which is a sharp improvement over the 60-years allowed by the Nuclear Regulatory Commission (NRC);
- Acknowledgment of New York State's 10 millirem clean up guidance standard for residual radiation, which is more protective than the federal NRC 25 millirem standard, as part of site restoration obligations;
- Agreement to provide annual and detailed decommissioning trust fund reporting to the Commission, an improvement over the 2-year summary level reporting to NRC, and twice-a-year reports during the decommissioning process; and
- Provides an 18-month advance notice of shut down (improvement over the 12-month NYISO provision and lessens the quick turnaround/time pressure scenario).

Further, the initial petition provided financial support agreements for the New York nuclear facilities that collectively total \$331 million.

Among those supporting the transaction were the County of Oswego, which stated that for nearly five decades, New York's upstate nuclear facilities have provided thousands of jobs and reliable tax dollars for Oswego County; Wayne County, which expressed support for the facilities' job creation and tax dollars; the New York State Building and Construction Trades Council, representing over 200,000 unionized construction workers across the State; and the International Brotherhood of Electrical Workers, Local 97, representing approximately 4,700 electrical workers across upstate New York.

The current operating licenses for the upstate nuclear facilities expire in 2029 for Ginna and Nine Mile Point 1, 2034 for FitzPatrick, and 2046 for Nine Mile Point 2. The NRC and the Commission required funds be set aside to assist with the decommissioning of the facilities and the restoration of the sites. Exelon subsidiaries also own and operate power reactors in other states, including Maryland, Pennsylvania, New Jersey, and Illinois.

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 21-E-0130 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.