STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission's own motion,)	
to conduct a nuclear feasibility study pursuant to)	
Sec. 1094k of Article 5 of Public Act 166 of 2022)	Case No. U-21358
and MCL 460.10hh.)	
)	

At the March 24, 2023 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Daniel C. Scripps, Chair

Hon. Tremaine L. Phillips, Commissioner Hon. Katherine L. Peretick, Commissioner

ORDER

Background

On July 20, 2022, Governor Gretchen Whitmer approved the state budget bill, Public Act 166 of 2022 (Act 166), for the fiscal years ending September 30, 2022, and September 30, 2023.

Act 166 of 2022 directs the Commission to engage an outside consulting firm to conduct a study to examine the feasibility of nuclear power generation in Michigan. Subsequently, on October 14, 2022, Public Act 218 of 2022 (Act 218) was enacted into law with immediate effect. Section 10hh of Act 218, MCL 460.10hh, provides for the parameters and timeline for the nuclear feasibility study.

Discussion

According to the House Fiscal Agency, Act 218 was passed to investigate whether nuclear energy is a feasible alternative to provide reliable carbon-free power while Michigan transitions

from fossil fuels to cleaner and emerging power sources. 1 As noted in the legislative analysis for Act 218 (Analysis), the Environmental Protection Agency (EPA) estimated that in 2020, carbon dioxide accounted for "about 79% of all U.S. greenhouse gas emissions from human activities". Analysis, p. 1 (citing https://www.epa.gov/ghgemissions/overview-greenhouse-gases). The Analysis acknowledges that sequestering or removing carbon dioxide from the environment is a potential mitigative action and suggests supporting technologies that can produce energy with little or no production of carbon dioxide, such as nuclear power, is another. Analysis, p. 1. Michigan currently has three operating reactors at two nuclear power plants (one unit at Fermi 2, owned by DTE Energy, and two units at DC Cook, owned by American Electric Power), accounting for 22% of the state's electric generation, and a recently retired plant (Palisades). Id., p. 2. In addition to potential enhancements to existing plants, the Analysis ponders whether new nuclear research and design may provide safer and more economical approaches to nuclear power generation. *Id.* As such, Act 218 was passed to provide a nuclear feasibility study to investigate the social, environmental, and economic impacts, as well as the technical potential, of utilizing nuclear power to provide affordable, reliable electricity to Michigan residents while reducing carbon emissions.

With the enactment of Acts 166 and 218, the State Legislature provided the Commission and other stakeholders the opportunity to develop a robust inquiry into nuclear energy generation and its potential in Michigan. To meet the legislative directives set forth in Acts 166 and 218, the Commission has developed a work plan and has engaged with a consultant to develop the nuclear feasibility study. In conjunction with this work, the Commission Staff (Staff) has also developed a

¹ See, House Legislative Analysis, HB 6019 (January 6, 2023), available at http://www.legislature.mi.gov/documents/2021-2022/billanalysis/House/pdf/2021-HLA-6019-E78D7A3D.pdf (accessed March 24, 2023).

dedicated nuclear feasibility workgroup webpage, as well as a listsery, so that interested stakeholders may stay apprised of these activities.²

Work Plan

The Commission has awarded one grant in the amount of \$248,500.00 to Enercon Services East, P.C. (Enercon). Enercon's proposal showed its organization to be responsible, highly qualified, prepared to assist the Commission in executing the requirements of Public Acts 166 and 218, and capable of performing the project within the established guidelines.

The Commission will hold an initial stakeholder meeting on May 3, 2023, beginning at 9:00 a.m. (Eastern time) utilizing the Microsoft Teams virtual platform to gather stakeholder input on the nuclear feasibility study. During the third quarter of 2023, the consultant will research and report on topics set forth in Act 218, including:

- (a) The advantages and disadvantages of nuclear energy generation in this state, including, but not limited to, the economic and environmental impact.
- (b) Ways to maximize the use of workers who reside in this state and products made in this state in the construction of nuclear energy generation facilities.
- (c) Evaluations, conclusions, and recommendations on all of the following:
 - (i) Design characteristics.
 - (ii) Environmental and ecological impacts.
 - (iii) Land and siting criteria.
 - (iv) Safety criteria.
 - (v) Engineering and cost-related criteria.
 - (vi) Small cell nuclear reactor capability.

² See, https://www.michigan.gov/mpsc/commission/workgroups/nuclear-feasibility-study.

- (d) Socioeconomic assessment and impact analysis, including, but not limited to, the following:
 - (i) Workforce education, training, and development.
 - (ii) Local and state tax base.
 - (iii) Supply chains.
 - (iv) Permanent and temporary job creation.
- (e) The timeline for development, including areas of potential acceleration or efficiencies and leveraging existing nuclear energy generation facilities within this state.
- (f) Additional efficiencies and other benefits that may be gained by coordinating with other advanced, clean energy technologies, including, but not limited to, hydrogen, direct air capture of carbon dioxide, and energy storage.
- (g) Literature review of studies that have assessed the potential impact of nuclear energy generation in supporting an energy transition.
- (h) Analysis of national and international studies of cases where development of nuclear energy is supported and adopted.
- (i) Assessment and recommendation of current and future policies that may be needed to support or accelerate the adoption of nuclear energy generation or may improve its cost-effectiveness.
- (j) Stakeholder engagement to seek input or feedback, including, but not limited to, current or previous nuclear energy generation facility owners and operators in this state.

MCL 460.10hh(2).

A draft nuclear feasibility study report will be shared with stakeholders for review by December of 2023, followed by another stakeholder meeting held after the draft report is released to receive additional stakeholder feedback. By April 15, 2024, the Commission will submit a final report to the standing committees of the Michigan Senate and Michigan House of Representatives with primary jurisdiction over energy and environmental issues.

THEREFORE, IT IS ORDERED that:

A. No later than December of 2023, the Commission will provide a nuclear feasibility study draft report to interested stakeholders for comment.

B. No later than April 15, 2024, the Commission shall submit to the standing committees of the Michigan Senate and Michigan House of Representatives with primary jurisdiction over energy and environmental issues a final nuclear feasibility study report that complies with the directives set forth in Public Acts 166 and 218 of 2022.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel. Electronic notifications should be sent to the Executive Secretary at mpscedockets@michigan.gov and to the Michigan Department of Attorney General - Public Service Division at <u>pungp1@michigan.gov</u>. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917. MICHIGAN PUBLIC SERVICE COMMISSION Daniel C. Scripps, Chair Tremaine L. Phillips, Commissioner Katherine L. Peretick, Commissioner By its action of March 24, 2023. Lisa Felice, Executive Secretary

PROOF OF SERVICE

STATE OF MICHIGAN)			
			Case No. U	-21358
County of Ingham)			

Brianna Brown being duly sworn, deposes and says that on March 24, 2023 A.D. she electronically notified the attached list of this **Commission Order via e-mail transmission**, to the persons as shown on the attached service list (Listserv Distribution List).

Brianna Brown

Subscribed and sworn to before me this 24th day of March 2023.

Angela P. Sanderson

Notary Public, Shiawassee County, Michigan

As acting in Eaton County

My Commission Expires: May 21, 2024

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