

Missouri Doesn't Need a New Nuclear Boondoggle

Oppose SB 928 and 1159 and HB 1435 and 1804

House Bills 1435 and 1804 and Senate Bills 928 and 1159 would repeal Missouri's ban on charging ratepayers for construction work in progress (CWIP), a practice where ratepayers finance the cost of new power plants during construction – a risk that should be taken by shareholders who reap the financial reward of such investments. There's literally no success story of CWIP being used for nuclear in the history of our country. These bills would overturn a decision made by Missouri voters and set up our state for the type of boondoggles experienced by monopoly utility customers in Florida, Georgia, and South Carolina.

UTILITY CUSTOMERS ARE STRUGGLING TO PAY THEIR BILLS

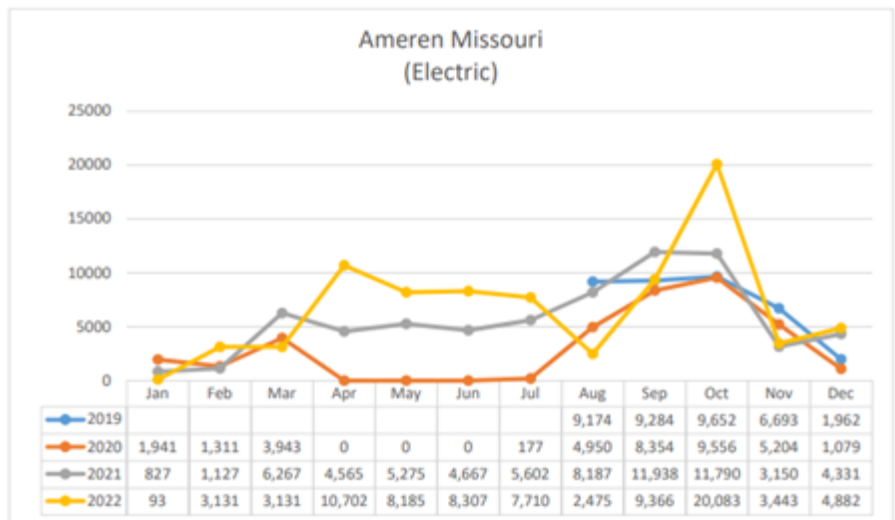
One of every six Ameren customers is behind on their bill compared to about one of every thirteen customers before the pandemic. More than 200,000 customers are behind on their bills as of December 2023.

Ameren Missouri disconnected more than 80,000 customers in 2022, with more than 20,000 disconnections in October alone. We don't need to let monopoly utilities add more fees to gamble with ratepayer money on an unproven technology.

(Data for graph submitted by Ameren to the Missouri Public Service Commission)

Question 1 (Ameren Missouri – Electric)³

a) The number of disconnections for non-payment of services as of each month-end



PAST FAILURES

Ratepayers in South Carolina were forced to pay \$9 billion for the VC Summer project that never produced any energy and destroyed the utilities SCANA and SCE&G. This will in total cost nearly \$7500 for every ratepayer affected. The Vogtle project in Georgia, being constructed now, also suffers massive cost overruns and delays. Both projects utilized CWIP.

Monopoly utility customers should not have to turn over their hard-earned money to a publicly traded utility so it can try to build a nuclear reactor that is too risky for Wall Street bankers. SB 928 and SB 1159 and HB 1435 and 1804.

SB 928 is sponsored by Sen. Cierpoit. SB 1159 is sponsored by Sen. Trent. HB 1435 is sponsored by Rep. Haley. HB 1804 is sponsored by Rep. Black.

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SMALL MODULAR REACTORS ARE UNPROVEN TECHNOLOGY

This bill is designed to help monopoly utilities pay for Small Modular Nuclear Reactors (SMRs). The Nuclear Energy Institute (NEI) testified in the Missouri House Utilities Committee that SMRs will not be commercially available until the 2030s. Even this prediction should be taken lightly considering in November 2023 NuScale's heavily touted SMR project in Utah was ended as a complete failure. The NEI promised a "nuclear renaissance" 15 years ago but almost all projects have ended in similar massive failures. The only "success" story is happening in Georgia where a nuclear project is seven years behind schedule and more than \$15 billion over budget.

CWIP is meant to lower interest rates for building large reactors that have a long construction schedule. SMRs are being touted as more affordable since if they are built they will be built in a factory and delivered to a site. CWIP is not needed for SMRs because 1) the purchase and installation should be quick (like buying a wind farm), and 2) SMRs are supposed to be more affordable than large reactors.

NOT NEEDED FOR RENEWABLES

Bill proponents claim CWIP is needed to build more renewable energy, but this is not true, as more renewable energy is already going online without CWIP. For example, Ameren recently purchased 700MW worth of wind farms without CWIP. Including the wind acquisition, Ameren will invest approximately \$4.5 billion on 3,100MW of wind and solar by 2030 without any regulatory changes.

NO NEW NUCLEAR PLANS

The utilities for which this bill is applicable did not testify in support of these bills during either committee hearing. Ameren's long-range energy plan does not prioritize new nuclear. Evergy's Sustainability



Transformation Plan doesn't prioritize new nuclear. There's no real need for this bill this year because nuclear is not in the mix for new supply side generation for the utilities for which this bill is applicable.

Monopoly utility customers should not have to turn over their hard-earned money to a publicly traded utility so it can try to build a nuclear reactor that is too risky for Wall Street bankers. Reject SB 928 and SB 1159 and HB 1435 and 1804.

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