House committee clears nuclear tax credit extension

Dive Brief:

• The House Ways and Means Committee last week voted to extend a 2020 deadline for a nuclear energy tax credit that could be essential to two facilities now under development.

• Axios reports "the future of America's nuclear industry" is largely resting on the development of four reactors at two plants. But Westinghouse Electric, the engineer on both projects, has filed for bankruptcy protection, throwing their completion into doubt.

• The tax credit applies to nuclear reactors which come online before 2021, and could be worth as much as $2 billion according to The Washington Times. Extending the deadline could make the difference on whether the projects are completed.

Dive Insight:

Westinghouse Electric is working on deals that would allow it to complete two nuclear projects currently in construction, but Axios reports that Congress’ ability to quickly extend the deadline on tax credits could play a role in determining if they move forward.

At risk are Georgia Power's long-delayed Vogtle nuclear plant expansion, and SCANA Corp.’s V.C. Summer nuclear project in South Carolina.

Southern Co. reached an agreement with Westinghouse Electric last week to complete Vogtle, but the ultimate fate of the plant remains unclear, especially as Reuters reports the plant's pricetag could soar to $29 billion. A consultant for the Georgia Public Service Commission has said it makes more sense to shut down the project. The completion date for Vogtle's two new reactors, which has been extended multiple times, is now December 2019 and September 2020, respectively.

Similarly, in South Carolina, SCANA’s V.C. Summer plant is three years behind schedule and more than a billion over budget. Summer's interim construction agreement with Westinghouse runs to June 26, and a decision will need to be made whether to proceed.
Axios reports the bill could conceivably "squeak through" Congress, as nuclear power is one area where bipartisan consensus is possible and President Trump might sign a bill.

**CaliforniaGeo Responds**—
The nuclear industry's tax incentives are among the largest in the country and have been in force far longer than beneficial tax treatment of renewables has. Given that there is still no central repository for nuclear waste whose toxicity lasts for 200,000 years and whose disposal costs are not fully laid on ratepayers—isn't it time to let this expensive business model go?

Renewable energy resources are natural, sustainable, and non-toxic, while the fuel is free. Geo heat pumps are one of the quickest ways to tap this renewable energy.