

3/30/17: Opening Statement – Dr. Stephen A. Smith, Executive Director, Southern Alliance for Clean Energy on the Westinghouse Bankruptcy Filing

Thank you all for joining us today. The financial meltdown and now bankruptcy of the design/build company for the AP 1000 nuclear reactor, Toshiba's Westinghouse, has created a worst-case scenario for electric power customers in GA and SC.

There are more questions than answers at this point in time, and there is no path forward without some additional financial pain for customers. Very simply this is a mess that exemplifies the high risks associated with new nuclear generation that all of our panelists today warned utilities and regulators of.

In this period of crisis the utilities and regulators involved should ground their decisions in some basic principles to provide guidance:

1. No electric customer should be forced to continue to pay for construction of an electric generation facility that the utility cannot accurately predict the cost of completion of the facility and if and when that facility will be completed.
2. If the cost of completing the facility can no longer be accurately predicted, the project should be closely and thoroughly reevaluated to reflect updated market conditions before more ratepayer money is committed to the high risk project.
3. Companies that chose to build electric generation facilities with unknown cost to complete and unknowable schedules should have their shareholders carry the risk, not the ratepayers.

SACE has participated in all the historic dockets associated with the Vogtle unit 3-4 units and has laid down an impressive record of concern about the risks inherent in these facilities. Most of the concerns that we brought to the GA PSC are now playing out in real time. We need utilities to own up to their errors as they have lost credibility and regulators who are going to do their job, to protect citizen's financial interest from this unfolding disaster.

Again there are no easy answers here, but first, the financial hemorrhaging must stop; the projects must be reevaluated with current market conditions; who the builder will be must be identified (if there is one), and the exposure of ratepayers to the project going forward must be capped with a realistic binding schedule.

If these very basic things cannot be done, it is time to walk away, and stop throwing away good money after bad.

Speakers:

Peter Bradford, adjunct law professor and former Commissioner with the U.S. Nuclear Regulatory Commission and former Chair of the Maine and New York Public Utility Commissions

Liz Coyle, Executive Director, [Georgia Watch](#)

Tom Clements, Executive Director, [SRS Watch](#) and [SCE&G Customer and Intervenor](#)

Sara Barczak, High Risk Energy Choices Program Director, [Southern Alliance for Clean Energy](#), joining the Q&A