January 2017

State Legislation and Regulations Supporting Nuclear Energy

ALASKA

Legislation: S. B. 220, the Alaska Sustainable Energy Act
Enacted July 9, 2010

This legislation established a statewide energy policy and opened the door to nuclear generation along with an expanded menu of renewable and alternative energy sources, efficiency, and conservation programs to provide Alaskans more energy choices at lower cost.

Key elements:

► Repeals Alaska’s moratorium on nuclear electric power.
► Levels the playing field for nuclear energy projects so they may be considered along with other energy sources.
► Allows small-scale nuclear reactor developers to apply for funding from Alaska’s Power Project Fund.
► The legislation also establishes funding programs for energy efficiency improvements in schools and government buildings, heating assistance for low-income families, testing emerging energy technologies, and for generation and transmission projects in southeast Alaska.
ARKANSAS

Legislation: SB 246, An Act to Promote Sustainment and Development of Economical Energy Sources by Establishing the Arkansas Energy Summary and Report; and for other purposes (Act 280)
Enacted March 5, 2013

The Arkansas State Legislature determined that the state needs to create and promote a comprehensive energy summary and report, with the collaboration of all the state’s institutions of higher education. This legislation creates an Institutional Energy Research Committee to coordinate energy research and create the report. This bill directs that the report include the state's energy production and usage, its current sources of energy by percentage and cost, current demand and use of each energy source, and projected energy use for the next 20 years. The report will also incorporate research and data on the costs of additional energy production facilities, including nuclear power, and other information such as each energy source’s environmental challenges and impact and possible tax incentives or government policies to promote an increase in energy production capacity.

FLORIDA

Legislation: HB 7109
Enacted June 10, 2015

The Florida legislature adopted HB 7109, which authorizes electric utilities to petition the Florida Public Service Commission (PSC) for financing orders that authorize the issuance of nuclear asset recovery bonds.

Key elements:

▲ The bill creates a bond financing mechanism by which an investor-owned electric utility, subject to the terms of a financing order issued by the PSC, may recover certain costs associated with the premature retirement of a nuclear power plant if the commission finds that the utility’s use of the financing mechanism will avoid or significantly mitigate rate impacts to customers as compared with traditional methods of recovery for such costs.

▲ The financing order would establish a nonbypassable charge to the utility’s customers to provide a secure stream of revenues to the separate legal entity from which the bonds would be paid.

▲ This securitized revenue stream would allow the utility access to low-cost financing to cover certain costs associated with the premature retirement of a nuclear power plant, reducing total costs charged to the utility’s ratepayers. Specifically, the bill authorizes an electric utility to recover “nuclear asset recovery costs” by issuing bonds to obtain funding to pay those costs. The bonds would be paid through charging and collecting a “nuclear asset recov-
ery charge” from the utility’s customers. Financing costs for the bond issuance are included in the charge.

**Legislation: SB 1472**
Enacted June 14, 2013

The Florida legislature adopted SB 1472 to amend existing Florida law governing new nuclear and integrated gasification combined cycle power plants. To enhance consumer protections, this legislation makes several changes to the law, including requiring:

- that the allowable cost recovery of interest expenses (AFUDC rate) accrued during preconstruction and construction of a nuclear plant is to be set at the most recently approved pretax rate
- that a utility with a federal license to build a nuclear plant (COL) must petition the Florida Public Service Commission for approval to begin preconstruction work; the utility must show in its application that the plant remains feasible and the projected costs are reasonable
- that a utility receive commission approval for preconstruction costs that exceed 1 percent of the total project costs
- that a utility receive commission approval to begin construction, and again show that the plant remains feasible and the projected costs are reasonable
- that, if a utility has not begun construction within 10 years of obtaining a COL, the Florida Public Service Commission must make a determination that the utility intends to complete construction of a nuclear power plant, and it can make this determination only if the utility proves by a preponderance of the evidence that it has committed resources to build the plant and that its intent is realistic and practical
- that, if a utility has not begun construction within 10 years of obtaining a COL, it must petition the commission for approval to preserve the opportunity for future cost recovery and, to grant that approval, the commission must find that the utility remains intent on building the plant.

**Regulation: Docket No. 080148-EI**
Florida Public Service Commission
Adopted August 2008

This order reflects the decision of the PSC to approve the determination of need for Levy Units 1 and 2, proposed nuclear units, and orders Progress Energy Florida to provide a long-term feasibility analysis as part of its annual cost recovery process.

**Key elements:**

- There is a need for Levy Units 1 and 2, taking into account the need for electric system reliability and integrity; the need for fuel diversity; the need for
base-load generating capacity; the need for adequate electricity at a reasonable cost.

- Levy Units 1 and 2 will provide the most cost-effective source of power.

In addition:
- There are no renewable energy sources and technologies or conservation measures taken by or reasonably available to Progress that might mitigate the need for Levy Units 1 and 2.
- The long-term feasibility study provided during annual cost recovery filings shall include updated fuel forecasts, environmental forecasts, non-binding capital cost estimates and information regarding discussions pertaining to joint ownership.

**Legislation: S.B. 1544/H.B. 7135**
Enacted June 25, 2008

This comprehensive energy bill permits cost recovery for transmission lines for new nuclear power plants. The legislation also moves the state toward renewable energy sources and greenhouse gas reductions.

**Key elements:**

- Allows utilities to recover costs for building transmission lines for new nuclear plants during construction.
- Allows construction of transmission lines on state-protected lands, and shortens the time needed to secure lands for transmission line construction.
- Requires electric utilities to produce a certain percentage of power from renewable energy sources.
- Requires the Florida Public Service Commission (PSC) to create standards for the percentage of power from renewable sources and provides the Legislature with authority to approve these standards prior to their application.
- Authorizes the Department of Environmental Protection to require that electric utilities buy carbon credits when limits on carbon emissions are exceeded.
- Strengthens building codes and appliance standards.

**Regulation: Docket No. 070650-EL**
Florida Public Service Commission
Adopted March 2008

This order reflects the decision of the PSC to approve the determination of need for Turkey Point nuclear units 6 and 7 and serves as the report required under the Power Plant Siting Act, as required by Section 403.507(4)(a), Florida Statute (F.S).
Key elements:

- There is a need for Turkey Point 6 and 7, taking into account the need for electric system reliability and integrity; the need for fuel diversity; the need for base-load generating capacity; the need for adequate electricity at a reasonable cost.
- Turkey Point 6 and 7 will provide the most cost-effective source of power.

In addition:

- There are no renewable energy sources and technologies or conservation measures taken by or reasonably available to FPL that might mitigate the need for Turkey Point 6 and 7.
- Because of the high-risk nature of construction of a nuclear power plant, it is imperative that FPL take all necessary steps to maintain the planned project schedule, including advance payments to reserve forgings.

Regulation: Docket No. 060508-EL
Florida Public Service Commission
Adopted February 2007

This rule implements the alternate cost recovery mechanisms for construction of nuclear power plants authorized in legislation SB 888 and is now section 366.93 of Florida Statutes. Site selection costs, pre-construction costs and the carrying cost of construction may be recovered in rates after the Public Service Commission (PSC) issues a determination of need order and before the plant enters service.

Key elements:

- Site selection costs, pre-construction costs and the carrying charge for the balance of these costs spent in years prior to the year costs are recovered may be recovered through the Capacity Cost Recovery Clause after a determination of need is granted.
- Once construction begins, the carrying cost on construction costs may also be recovered through the Capacity Cost Recovery Clause. The carrying cost is calculated using the allowance for funds used during construction (AFUDC) rate, which will incorporate the interest payments on debt and the return on equity.
- Annual reviews of site selection costs, pre-construction costs and construction costs will be held, with annual hearings, to determine prudence. Once costs are found prudent during this annual review process, they will not be subject to disallowance or further prudence review.
- When the new plant is placed into service, the utility will file a petition for a base rate increase to begin to recover construction costs. The increase will be based on annual revenue requirements for the plant’s first 12 months of operation.
If a utility elects not to complete or is precluded from completing the construction of the plant, all prudent site selection costs, pre-construction costs and construction costs shall be recovered in rates over a period equal to the time over which the costs were incurred or 5 years, whichever is longer.

Legislation: S.B. 888  
Enacted June 2006

This legislation includes several provisions to support construction of new nuclear plants in Florida.

Key elements:

- Directs the PSC to consider fuel diversity and reliability in determining the need for a proposed electric power plant.
- Exempts new nuclear power plant projects from the mandatory competitive bidding process.
- Instructs the PSC to establish alternative cost recovery mechanisms that allow recovery of preconstruction costs and the carrying costs on the projected construction cost through the capacity cost recovery clause.
- Pre-construction costs may accrue a carrying charge equal to the utility’s allowance for funds used during construction (AFUDC) rate until those costs are recovered in rates.
- Once the PSC grants a determination of need, challenges to cost recovery are prohibited except if costs were imprudent. Proceeding with construction and incurring cost increases beyond a utility’s control are not evidence of imprudence.
- Once a nuclear plant is in service, ongoing costs are recovered through base rate increases.
- If construction is not completed, the utility is allowed to recover all prudent pre-construction and construction costs incurred following determination for need.

GEORGIA

Regulation: Docket No. 27800  
Georgia Public Service Commission  
Adopted March 2009

In this Amended Certification Order, the Commission approves the request by Georgia Power Company for certification to build two new nuclear generating units at the Vogtle station. For a company to proceed with the construction of new generating units and to seek recovery of financing costs from ratepayers, state law requires the company to obtain such a certification.
Key elements:

- Georgia Power Company’s application for the certification of Vogtle Units 3 and 4, as modified, is approved.
- The certified in-service cost of Georgia Power Company’s interest in Plant Vogtle Units 3 and 4 shall be $6.446 billion.
- Georgia Power Company’s selection of the AP1000 technology is reasonable and prudent.
- Georgia Power Company’s request to place Vogtle Units 3 & 4 Construction Work in Progress (CWIP) into retail rate base is granted.
- Georgia Power Company and the Commission Staff shall work together to develop a risk-sharing mechanism that will provide some level of protection to ratepayers in the event of significant cost overruns but not penalize the earnings on Units 3 and 4 if and when the overruns are due to mandates from governing agencies.

**Legislation: S.B. 31**  
**Enacted April 2009**

The “Georgia Nuclear Energy Financing Act,” amends existing Georgia law to allow a utility to recover from its customers the costs of financing associated with the construction of a nuclear plant that has been certified by the Georgia Public Service Commission.

Key Elements:

- The financing charges shall accrue on all applicable certified costs as they are recorded in the utility’s construction work in progress (CWIP) accounts.
- The financing costs shall be based on the utility’s actual cost of debt and authorized cost of equity.
- The financing costs shall be recovered from each customer on an equal percentage basis.
- The Commission shall retain discretion when setting charges on senior or low-income assisted customers.

**Legislation: Integrated Resource Planning Act**  
**Enacted 1991**

Georgia’s Integrated Resource Planning Act, which was passed in 1991 and is now Georgia Code § 46-3A, requires that any proposed new electric plant receive certification by the Georgia Public Service Commission (PSC) before construction begins. A utility is entitled to recover pre-approved costs after a plant is built or canceled.

To receive certification, a utility must demonstrate to the PSC that the proposed project will “assure an economical and reliable supply of electric power and energy for the Georgia retail customers” by using cost-benefit analysis and a current integrated resource plan, which includes demand and supply forecasts.
Once a project has been certified, a utility is entitled to recover all costs that do not exceed those approved by the PSC in the certification docket, so long as those costs are not the product of "fraud, concealment, failure to disclose a material fact, imprudence, or criminal misconduct." Conversely, if the costs are in excess of the amount approved in the certification docket, then the utility must show that the costs were reasonable and prudent. Certification implies pre-approval of costs specified in the application. Granting of a certificate is not dependent solely on the project being least cost.

**Key elements:**

- If an application for a certificate of public convenience and necessity is not acted upon by the PSC within the prescribed review period (300 days after original filing, 180 days after subsequent filings), the certificate shall be deemed granted by law.
- Modification or revocation of the certificate can be requested by either the PSC or the utility if demand forecasts change, costs change, etc. If the PSC revokes the certificate, the utility can recover through rates what it has already spent, plus the carrying cost of the unamortized portion of the investment, over a reasonable period of time.
- During construction, the utility will file a progress report every one to three years with proposed revisions to cost estimates and construction schedule. If the PSC does not approve or disapprove those revisions within 180 days, the revisions are deemed approved by law. If disapproval by the PSC of all or part of the requested revisions leads to cancellation of the project, the utility may recover its actual investment in the partially completed project and collect the carrying cost of the unamortized balance of the project.
- When the project is completed, the utility may add to its rate base the construction costs that do not exceed costs approved by the PSC (either in the original certificate or through approved revisions). Inclusion of excess costs will be permitted if shown to have been reasonable and prudent.
- "Compliance with the provisions of the certificate as approved or modified by the commission shall result in a presumption of prudence."

**IDAHO**

**Legislation: S.B. 1123**

Enacted April 2009

This legislation recognizes that utilities are embarking on major transmission and generation projects to serve growing loads during a period when financial markets are risk-averse and is designed to provide the stability necessary to attract investors at a more reasonable cost-of-capital. It expands the Public Utilities Commission’s ability to shape the resources in a utility’s portfolio prior to construction or commitment to a given resource. It provides additional surety to capital markets that utility expenditures are prudent and pose less risk of financial loss. These voluntary provisions are designed to benefit utility customers through lower financing costs and provide a more transparent system of
resource selection. Utilities now may now file an application with the Commission for a binding order specifying in advance the use of nontraditional ratemaking treatment or nontraditional cost recovery mechanisms.

Key elements:

- A utility choosing to use this voluntary process will apply to the Commission for an order that includes the utility’s proposal for cost recovery and any proposed ratemaking treatment to be applied to the proposed facility. Utility proposals may include but are not limited to the following:
  - Return on common equity or the method for calculating the return on common equity;
  - Depreciation life or schedule;
  - Maximum costs that can be included in rates without the burden of providing additional evidence on the prudence and reasonableness of such costs;
  - Method for handling any variances between cost estimates and actual costs; and
  - Treatment of revenues received from wholesale purchasers of service from the proposed facility.
- The legislation directs the Commission to hold a public hearing on the proposal and to base its orders on the hearing record.
- The legislation allows the Commission to accept, deny, or modify proposed ratemaking treatments, and to issue rules or orders as necessary.

ILLINOIS

Legislation: S.B. 2814
Enacted December 7, 2016

The Illinois legislature adopted the Future Energy Jobs Bill on December 1, 2016, and the governor of Illinois signed it on December 7, 2016.

Key Elements:

- Sets forth a zero emission standard.
- Defines “zero emission facility” to mean a facility that: (1) is fueled by nuclear power; and (2) is interconnected with PJM Interconnection or the Midcontinent Independent System Operator.
- Allows electric utilities to recover through tariff charges all of the costs associated with the purchase of zero emission credits from zero emission facilities and allows recovery of certain other costs provided that certain criteria are satisfied.
- Requires the Planning and Procurement Bureau to include in procurement plans and competitive procurement processes the procurement of zero emission credits from zero emission facilities for the utilities' retail customers.
Provides that, beginning with the delivery year commencing on a specified date, the procurement plans shall include cost-effective zero emission credits from zero emission facilities in a specified amount.

**Resolution: House Resolution 1146, Nuclear Power Plant Closures**
Adopted May 29, 2014

The Illinois House of Representatives adopted House Resolution 1146. This resolution finds, among other things, that the state’s eleven nuclear power plants contribute to the state’s low electricity prices, form a powerful economic engine, supply 92 percent of the state’s emission-free electricity generation, and are at risk of premature shutdown for a variety of electric transmission and economic reasons.

Through this resolution, the Illinois House urges the federal government and the midwest grid operator to adopt policies and rules to protect Illinois’s nuclear plants for the sake of the environment, the economy and energy reliability. The resolution also directs Illinois state agencies to protect the nuclear facilities and to study market-based solutions, the societal costs of increased greenhouse gas emissions, and the economic and reliability impacts of closing plants.

**INDIANA**

**Resolution: House Resolution 54**
Adopted March 19, 2013

The Indiana House of Representatives found that there is renewed interest in small and simpler units for generating electricity from nuclear power, and resolved to urge the Indiana Legislative Council to assign to the regulatory flexibility committee the task of studying, during 2013, small modular nuclear reactors.

This resolution urged the committee to study several aspects of small reactors, including: economic issues such as cost, economic impact, potential job creation, cost savings for electricity consumers; and technical, design, and regulatory questions.

**Legislation: S.B. 251**
Enacted May 10, 2011

This wide-ranging energy legislation provides for, among other things, financial incentives to assist electric companies with nuclear generating facilities to recover costs and expenses incurred during comprehensive life cycle management upgrades to existing facilities. The upgrades must enhance the facility’s safe and reliable operation.

**Key elements:**

- The law amends the Indiana Code’s definition of “clean energy project” to
include projects that enhance nuclear safety and reliability, the purchase of fuels or energy by a nuclear power plant, and electric transmission facilities that serve a nuclear plant.

- A “nuclear facility” is defined to include those undergoing comprehensive life cycle management projects and includes their transmission lines and associated equipment.
- “Qualified utility system expenses” is redefined to include the costs associated with the study, analysis, or development of a life cycle management project for a nuclear plant.
- The financial incentives include timely recovery of costs and expenses incurred during construction and operation, the authorization of up to three percentage points on the return on shareholder equity on these projects, and the recovery of costs and expenses related to the purchase of fuel and energy.

**IOWA**

**Legislation: H.F. 2399**  
Enacted April 28, 2010

This legislation requires certain Iowa utilities to analyze and prepare for the possible construction of new nuclear generating facilities. It also allows utilities to make significant alterations to existing power stations.

**Key elements:**

- The law is designed to help electric utilities determine the feasibility of clean sources of energy: HF 2399 encourages utilities to perform studies, at a limited cost to ratepayers and with the oversight of the Iowa Utilities Board, on expanding nuclear power in Iowa.
- The legislation also amends existing law related to electricity generation and to switching existing coal-based plants to other fuel sources. Utilities will be allowed to raise rates to pay for investments that may lead to lower carbon emissions from current plants. This opens the door for plants to switch from coal to natural gas, add “carbon capture” to existing plants, and add gas or biomass as a primary source of fuel for these plants.

**Legislation: H.F. 577**  
Enacted 2001

Iowa passed legislation aimed at attracting the development of sufficient in-state generation and transmission. It allows the Iowa Utilities Board (IUB) to specify the rate-making principles that will apply when a new baseload generating facility (built or leased) begins service before construction commences or a lease is signed. Rate-making principles typically include elements like the return on equity for that project (can be different from the utility’s general ROE), the depreciable life of the project and any recovery of stranded costs if the project is prudently canceled.
Key elements:

► The baseload facility must have a nameplate capacity of 300 MW or greater.
► To receive advanced rate determination on a project, the regulated utility must demonstrate 1) that it has in place an IUB-approved energy efficiency plan, and 2) that the proposed facility or lease is reasonable when compared to other feasible alternative sources of supply. The IUB has discretion on what is deemed reasonable. In cases that have appeared since HF 577 was enacted, least cost is not the sole standard. Environmental considerations have also been considered.
► In determining the future rate, the IUB “shall not be limited to traditional rate-making principles or traditional cost recovery mechanisms.”
► The rate-making principles established for a project are binding and cannot be changed in subsequent rate proceedings.

KANSAS

Legislation: S.B. 586
Enacted May 2008

This bill allows nuclear power plants to qualify for recovery of Construction Work in Progress (CWIP) and other preconstruction expenditures in rates. Previously, nuclear power plants were excluded from this treatment.

Key elements:

► This bill requires the Kansas Corporation Commission (KCC) to allow a utility to recover in rates prudent expenditures for developing a new nuclear plant. These development costs may include preliminary engineering, feasibility studies, prepayments for major equipment and permitting.
► Utilities can also seek predetermination of ratemaking principles that would apply to recover these costs.
► Costs of nuclear plant construction may be included in customer rates before the plant is operational.
► This legislation requires the KCC to allow utilities to capitalize and add to their rate base costs for energy efficiency, conservation and demand response programs.

Legislation: H.B. 2038
Enacted April 2007

This legislation would exempt from state property taxes any property purchased, constructed or installed to expand capacity at an existing nuclear plant or to build a new nuclear plant.
Key elements:

- A qualifying new nuclear plant must be within three miles of an existing reactor.
- Expanded capacity must increase an existing facility’s capacity by at least 10 percent.
- Eligible projects that add nuclear capacity must be started after December 31, 2006.
- Property tax exemption begins at the start of construction or installation of the property and continues for 10 years after the construction or installation is complete. If new nuclear capacity that is already expanded or operating is purchased, the exemption is for 10 years after purchase.
- In lieu of property taxes, a fee must be paid to the state equal to the tax on the real property (land) on which the expanded nuclear capacity is being constructed or exists.
- The provision reduces the siting requirements for a qualifying nuclear project.
- Construction of a new nuclear plant requires a permit from the KCC. In considering the application for such a permit, the KCC will make a decision based on whether the proposed nuclear plant will help meet the state’s electricity demand and whether the existing generating capacity is “capable of being distributed economically, reliably, technically and environmentally.” The decision is not purely based on economics.
- Once the KCC issues a permit to build a nuclear plant, no local ordinance, resolution or regulation can prohibit its construction.

Legislation: Substitute for H.B. 2516
Enacted April 2004

This bill expanded upon the 2003 legislation described below. One clause of particular interest allows the KCC to make adjustments to a utility’s revenue requirements allowing the utility to retain benefits equivalent to 10 percent of the net revenue from electricity sold to out-of-state customers generated from a new or expanded generator in a county with 5 percent or less population growth.

Legislation: Substitute for S.B. 104
Enacted April 2003

This legislation permits the KCC to determine rate-making principles that will apply to a utility’s investment in generation or transmission before constructing a facility or entering into a contract for purchasing power. It is similar to Iowa’s HF 577, but less restrictive.

Key elements:

- There is no restriction on the type or the size of electric generating unit for which rate-making principles can be set in advance.
A petition for predetermining rate-making principles will include a description of the following: the utility’s conservation measures, demand-side management efforts, 10-year generation and load forecast, and all power supply alternatives considered.

The KCC may review, but need not require, a competitive request for proposal process used by the utility.

If the KCC fails to issue a determination within 180 days of the petition filing, the rate-making principles the utility proposed will be deemed to have been approved by the commission and shall be binding.

If the project is built, once it is placed in service the rate-making principles apply to that generating facility in all subsequent rate cases.

**KENTUCKY**

**Legislation H.B. 559**
Enacted April 11, 2012

The Commonwealth of Kentucky adopted this legislation to allow for the construction of facilities that use certain nuclear technologies for these industrial processes:

- enrichment of depleted uranium hexafluoride tails;
- processing of metals contaminated with radioactive materials;
- recycling or reprocessing of spent nuclear fuels; and
- nuclear-assisted coal or gas conversion processes.

Kentucky’s moratorium on building new nuclear facilities to generate electricity remains in force. H.B. 559 states specifically that the moratorium continues to apply to nuclear facilities that generate electricity.

**LOUISIANA**

**Regulation: Docket No. R-29712**
Louisiana Public Service Commission Adopted May 2007

The Incentive Cost Recovery Rule for Nuclear Power Generation requires three phases of certification covering 1) siting and licensing, 2) design and development, and 3) construction to commercial operation. Once a phase is certified, costs will be reviewed and approved on an annual basis for future recovery in rates when the plant is either canceled or begins commercial operation. Cash earnings on construction work in progress will be recovered in rates during the certified phase of nuclear plant development.

**Key elements:**

- A utility must apply for certification for nuclear power plant siting and licensing activities. To allow a project to progress, the utility is allowed to recover
costs prudently incurred before and during review of the application, regardless of the outcome of the certification proceeding. These are called transition costs. The utility must file its request for recovery of transition costs along with its application for siting and licensing certification. The Louisiana Public Service Commission (LPSC) has 120 days to make a preliminary determination on whether the utility’s application is in the public interest and to rule on the reasonableness of the transition costs. The commission has 18 months to approve the certification.

- A utility must similarly apply for certification for design and development activities and certification for activities to construct a plant and bring it into commercial operation. The commission has 18 months to approve each certification. Transition costs for each of these phases may also be recovered, provided requests for transition cost recovery accompany certification applications. The commission has 120 days to approve the application preliminarily and find transition costs reasonable.

- Once certification is granted for any phase, an annual prudence review hearing will review and approve costs incurred. The legal presumption of prudence shall apply to all costs incurred for the certified phase of the project. These reviews will only consider costs that have not yet been reviewed and found prudent. The commission has 12 months to issue an order allowing recovery of these costs in future rates when the plant is canceled or begins commercial operation.

- The utility will also provide the LPSC with written quarterly progress reports during each phase that compare previous estimates of costs and schedule to actual costs and schedule.

- The utility is required to hold annual stakeholder briefings and provide ongoing information on its website to keep the public apprised of the project’s progress.

- One year prior to expected commencement of commercial operation, the utility will file a rate case to move incurred siting, licensing, design, development and construction costs into rate base. The rate case will only examine costs that have not been previously certified as prudent during the annual review process.

**MARYLAND**

**Regulation: Case No. 9127**

Proposed Order Affirmed June 2009

On November 13, 2007, UniStar Nuclear Energy, LLC and UniStar Nuclear Operating Services, LLC filed a joint application with the Maryland Public Service Commission for a Certificate of Public Convenience and Necessity to construct a new nuclear power plant at Calvert Cliffs in Calvert County. Following a series of public hearings, the Hearing Examiner issued a proposed order to grant the Certificate on April 28, 2009. Two appeals were filed on May 29, 2009, and on June 4, 2009, the co-applicants filed a motion to dismiss the appeals. On June 26, 2009, the Commission dismissed the appeals after finding no basis to grant
the interventions and affirmed the proposed order to grant the certificate. The Certificate of Public Convenience and Necessity was granted by final order and the case closed.

**MICHIGAN**

**Legislation: H.B. 5524**  
Enacted October 2008

This bill was part of a package of energy bills that enacted regulatory reform, a renewable portfolio standard, renewable tax credits and an energy optimization program. Regulatory reform is addressed in H.B. 5524, including the creation of a certificate of necessity for large capital investments, which will support construction of nuclear plants.

**Key elements:**

- This legislation reforms the Electric Choice program capping at 10 percent the number of a utility’s customers lost to other non-utility suppliers.
- The way in which rates are set is changed to eliminate, over five years, the subsidy by businesses of residential rates.
- The bill creates deadlines for action by the Michigan Public Service Commission (MPSC) upon receiving a filing, including a 12-month deadline on rate case decisions. If this deadline is not met, a utility may implement a requested rate increase subject to some limitations.
- MPSC is given authority to review proposed utility mergers and acquisitions in the state.
- Utilities can apply for and receive a certificate of necessity for assets costing $5 million or more prior to construction or purchase that allows the MPSC to predetermine the prudence of the investment (including explicitly the need for the asset and the appropriateness of the fuel choice).
- A certificate of necessity will specify approved project costs that can be added to rates when the asset becomes operational. Cost overruns are subject to additional MPSC review and approval.
- The MPSC may allow interest payments on capital work in progress to be passed through in rates during construction for projects granted certificates of necessity. Equity used during construction shall be recognized and treated as allowance for funds used during construction, which means an accrued rate of return on the equity and the principal equity will be applied to rates when the asset is operational.
MISSISSIPPI

Legislation: S.B. 2793
Enacted May 2008

This legislation authorizes the Public Service Commission (PSC) to utilize an alternative method of cost recovery for certain base load generation. The PSC is authorized to include in an electric utility’s rates certain pre-construction, construction work in progress, operating and other costs incurred in connection with certain new baseload generating facilities, including nuclear.

Key elements:

► This legislation promotes and fosters the prudent, timely expansion and construction of adequate and appropriate levels of electric generation, through a diversity of fuel sources, including nuclear.
► The state recognizes it should take advantage of advances in nuclear, coal and other technologies, including technologies that reduce or minimize, or that facilitate the future reduction or minimization of, regulated air emissions.
► The state recognizes it should take advantage of financial and other incentives afforded and provided by the federal Energy Policy Act of 2005 for the construction of certain electric generating facilities.
► The PSC is authorized to include in rate base and rates all expenditures determined to be prudently-incurred pre-construction, construction, operating and related costs, including but not limited to all such costs contained in the utility’s Construction Work in Progress accounts, whether or not the construction of any generating facility is ever commenced, completed, or placed into commercial operation.
► The PSC is authorized to contract for up to $350,000 for professional audit services associated with a given nuclear generating facility.

NEW MEXICO

Resolution: House Memorial 57, Study Small Modular Reactor in New Mexico
Adopted February 19, 2014

This resolution of the New Mexico House of Representatives directs the state’s Department of Energy, Minerals and Natural Resources to include, as part of its development of a state energy plan, an evaluation of the feasibility and economic benefits of constructing and operating a small modular reactor. The resolution also asks that department (1) identify the legal and regulatory requirements of building a small reactor, (2) include in the state energy plan a strategy to attract investment by the nuclear industry supply chain, and (3) report to the legislature by December 2014 its progress on these tasks.
NEW YORK

Cases 15-E-0302 and 16-E-0270
New York Public Service Commission
Adopted August 1, 2016

The New York Public Service Commission approved a Clean Energy Standard designed to enable the state to meet the ambitious environmental goals in the New York State Energy Plan, including a 40-percent reduction in greenhouse gas emissions from 1990 levels by 2030. New York Governor Andrew Cuomo recognized the challenge that New York would face if it were to lose any of its nuclear plants. In his directive to develop a Clean Energy Standard, he said that the closure of nuclear facilities “would eviscerate the emission reductions achieved through the state’s renewable energy programs, diminish fuel diversity, increase price volatility, and financially harm host communities.”

Accordingly, New York’s Clean Energy Standard explicitly values the nuclear fleet’s non-emitting attributes. To preserve a “public necessity,” the state requires all New York utilities, the New York Power Authority and Long Island Power Authority to purchase Zero-Emission Credits (ZEC), which compensate New York’s upstate nuclear plants for their carbon-free generation. Because the standard bases the value of the ZECs on the “social cost of carbon,” this allows nuclear plant operators to plan for long-term operation of their reactors and make investments in their facilities. New York’s own analysis projects a more than five-fold economic, environmental and tax return on the ZEC program. In the first two years, the cost of the zero-emission credits is up to $482 million per year, while the cost of electricity to replace the upstate nuclear plants if they shut down would be $1.7 billion per year. The program’s net benefit to consumers is therefore $1.2 billion every year.

The standard also requires utilities and energy suppliers to purchase a targeted number of Renewable Energy Credits each year, from renewable developers, to help finance new energy projects. The PSC’s order also calls for a New York-certified clean energy product, promotes energy efficiency, advances offshore wind energy, and invests in storage and transmission.

NORTH CAROLINA

Regulation: Docket No. E-7 Sub 819
North Carolina Utilities Commission
Adopted June 2008

The North Carolina Utility Commission (NCUC) has found that the Lee Nuclear Station project should be maintained as an option for meeting future load. The NCUC has approved Duke Energy’s decision to incur costs up to $160 million in 2008 and 2009. These costs will include capital and AFUDC. Specific expenditures incurred will be reviewed later to determine reasonableness and pru-
dence, and the current order does not increase the probability that any specific cost will be allowed.

Duke must file reports twice a year updating progress and spending on the project.

**Legislation: S.B. 3**  
*Enacted August 2007*

This energy legislation implements several initiatives, including a renewable energy and energy efficiency standard, adjustments to the fuel rider and the review of generating facility construction costs.

This legislation supports the construction of nuclear plants by establishing a utility’s ability to have incurred costs reviewed by the North Carolina Utilities Commission (NCUC) periodically and added to the rate base in a general rate case even if that facility is not yet complete. Additionally, the NCUC is given the ability to review and find prudent the activities associated with developing a nuclear plant, but not any specific costs of development.

**Key elements:**

- A certificate for construction of a coal or nuclear plant may not be issued unless the NCUC determines that energy efficiency, demand-side management, renewable energy, combined heat and power or any combination of these resources would not establish or maintain a more cost-effective and reliable generation system.
- Once a certificate is granted, the project cannot be canceled without approval of the NCUC.
- The utility must submit annual reports during construction. Upon the request of the utility or the commission’s own motion, the NCUC may conduct a review of the construction and approve or deny incurred costs and revised cost estimates.
- Expenditures that have been reviewed and approved by the NCUC during construction can be recovered through rates in a general rate case without further review by the commission. Construction does not have to be complete for approved, incurred costs to be added to the rate base during a general rate case.
- The costs of a completed facility that has not undergone annual NCUC reviews may be included in rates if the NCUC finds the costs reasonable and prudent.
- The NCUC can pre-approve costs of constructing a facility located out-of-state that will serve North Carolina customers after an application for a construction certificate has been filed, but not necessarily approved, in the host state. The NCUC has 180 days to issue an order on this type of petition.
- Like an in-state facility, annual, ongoing reviews of costs and construction of an out-of-state facility by NCUC allows the addition of approved, incurred costs to the rate base during a rate case even if the plant is not complete.
- If a project is cancelled, a utility has the ability to recover all costs incurred before the cancellation, provided those costs are reviewed and approved by
the NCUC either during construction or after the cancellation. This applies to generating projects both in and out of state.

- The NCUC now has the authority to rule on the prudence of a utility incurring project development costs for a potential new nuclear plant in or out of state without actually ruling on the prudence of specific actions or costs.

**NORTH DAKOTA**

**Legislation:** H.B. 1221  
Enacted April 12, 2011

North Dakota passed this legislation to allow public utilities to apply for advance determination of prudence for construction of “resource additions” such as renewable energy facilities, transmission facilities, demand response, and energy conversion facilities. Existing North Dakota law (North Dakota Code 49-22-03) defines “energy conversion facility” as any plant designed for or capable of, among other things, generating more than 50 megawatts of electricity or enrichment of uranium minerals.

**OHIO**

**Regulation:** Case No. 08-888-EL-ORD  
Adopted April 2009

In this finding and order, the Public Utilities Commission of Ohio adopted rules to implement the alternative energy portfolio standard created by Senate Bill 221, passed in 2008. This law requires that 25 percent of the kilowatt-hours sold in 2025 must be from alternate energy sources. Half of this requirement must be met by renewable sources and half may come from advanced energy resources that are defined to include “advanced nuclear energy technology” consisting of Generation III technology as defined by the Nuclear Regulatory Commission; other, later technology; or significant improvements to existing facilities.

**Key Elements:**

- The rules specify the annual benchmarks, or incremental percentage requirements, that utilities and service companies must meet to fulfill the renewable portion of the portfolio standard.
- Renewable Energy Credits (RECs), which represents the environmental attributes associated with the generation of one megawatt-hour of electricity from an eligible renewable energy facility, may be used to satisfy all or part of the renewable energy benchmarks.
- The rules also require electric utilities to deploy all available cost-effective energy efficiency measures. The Commission-adopted Total Resource Cost Test is used to determine cost-effectiveness. Utilities are required to undertake a review of potential efficiency programs and then propose a port-
All electric generation facility owners in Ohio are required to report greenhouse gas emissions to the international climate registry. Facility owners must also file an environmental and carbon dioxide control plan with the Commission and the Ohio EPA.

**Legislation: S.B. 221**  
Enacted May 2008

The bill defines “advanced energy projects” to include “advanced nuclear energy production, Generation III technology, or significant improvements to existing (nuclear) facilities.” In addition, the legislation directs the Public Utility Commission of Ohio to adopt rules prescribing “Advanced Energy Portfolio Standards” requiring 25 percent of electricity sourced from alternative energy resources. Half of that requirement may come from advanced energy resources, the other half must come from renewable resources.

**Key elements:**

- Requires electric distribution utilities and electric services companies to provide a portion of their electricity supplies from alternative energy resources, ratcheting up over time to 25 percent of kilowatt-hours sold in 2025.
- Alternative energy resources consist of specified advanced energy resources and renewable energy resources placed in-service January 1, 1998 or later.
- Advanced energy resources include advanced nuclear energy technology consisting of generation III or later technology, as defined by the Nuclear Regulatory Commission, or significant improvements to existing facilities.
- Establishes a cost cap on a utility’s or company’s obligation to comply with a renewable energy resource benchmark.

**SOUTH CAROLINA**

**Legislation: R. 45, S. 232**  
Enacted May 2009

This Act amends several sections of the South Carolina Code including Section 48-52-210, which requires the state to establish a comprehensive energy plan. The new legislation directs that the plan maximize, to the extent practical, environmental quality and energy efficiency while minimizing the cost of energy.

**Key elements:**

- The plan must encourage the development and use of clean energy resources, including nuclear energy, energy conservation and efficiency, and indigenous renewable resources.
- Any future energy strategy that promotes carbon-free, non-greenhouse gas
emitting sources must include nuclear energy, renewable resources, and energy conservation and efficiency.

- The State Energy Office must submit an annual report of its actions to the Governor and key legislative committees.
- An independent committee annually reviews the state’s energy action plan and reports its findings to the General Assembly.

**Regulation: Docket No. 2007-440-E**
Adopted June 2008

The South Carolina Public Service Commission (PSC) approved Duke Energy’s decision to incur pre-construction project development costs for the proposed Lee Nuclear Station. The approved costs include approximately $70 million through December 31, 2007 and an estimated $160 million in 2008 and 2009.

This order notwithstanding, specific project development costs may be disputed by any party during ratemaking procedures.

**Legislation: H. 3499 and S. 431**
Enacted May 2007

This legislation, called the Base Load Review Act, allows the South Carolina Public Service Commission (PSC) to grant a project development order for nuclear projects and a base load review order for any base load facility, including nuclear projects. The base load review application may be combined with an application for certificate of necessity if the proposed plant is located within the state. The base load review application may be for a proposed plant located outside of the state.

**Key elements:**

- The term “base load” applies to coal or nuclear generation or any facility 350 MW or larger designed to run with a capacity factor greater than 70 percent.
- A project development order, applicable only to nuclear plants, allows pre-construction and development costs and an allowance for funds used during construction (AFUDC) associated with those costs to be included in the rate increase when the plant goes into service. If the project is abandoned prudently, these costs will be included in rates during the next rate review.
- A base load review order constitutes a final and binding determination that a plant is used and useful, and that its capital costs are prudent utility costs that will be properly included in rates so long as the plant is constructed or is being constructed within parameters defined in the order.
- A utility proposing to build a nuclear plant (no other baseload technology is eligible) may submit a revised rate request with the base load review order or one year after an order is granted, and every year thereafter. A revised rate request would allow the utility building a nuclear plant to collect the carrying cost of construction work in progress (CWIP), which includes both the interest on debt and the return on equity. When the plant goes into service, the final revised rate request will incorporate into rates the ongoing “in-
service expenses,” which include operating costs and the revenue requirements related to the utility’s cost of capital applied to the investment.

- Once a base load review order is granted, the utility must file quarterly reports of progress with the Office of Regulatory Staff until the project commences commercial operation.
- If the PSC fails to rule on a project development application, a base load review application or the subsequent requests for revised rates within the prescribed review times and process set forth in this legislation, approval is considered granted.

**TEXAS**

**Legislation: H.B. 1386**
Enacted May 2007

This bill gives the Public Utility Commission of Texas (PUCT) the authority to regulate decommissioning trust funds for up to six new nuclear power plants under construction before 2015. Nuclear plant owners will pay annually into the decommissioning trust fund. If the owner defaults on payments or if the fund is not large enough to cover decommissioning, the commission may authorize collection of decommissioning funds from retail customers.

**Key elements:**

- PUCT sets the amount annually remitted to the decommissioning trust fund by the plant owner.
- Plant owners must provide financial assurances on funds equal to 16 years of annual payments. PUCT will establish acceptable forms of assurance that will include parent guarantees and support agreements, letters of credit, and surety or insurance.
- The decommissioning trust fund is administered by the owner of the nuclear power plant according to rules issued by PUCT.
- PUCT will review the adequacy of the decommissioning trust fund at least once every three years and make adjustments to annual payments.
- If the owner defaults on trust fund payments and trust funds have been collected directly from retail customers, the defaulting owner or a new owner of the operating plant must repay those funds to retail customers over a period of time determined by PUCT.

**Legislation: H.B. 2994**
Enacted May 2007

This legislation expands existing legislation that enables local taxing authorities to grant property tax abatements adding new nuclear plants and IGCC facilities as eligible projects.
Key elements:

- The negotiated tax abatement period can be for up to 10 years.
- Local taxing authorities may opt to postpone commencement of the tax abatement period on nuclear plants for up to 7 years.

**UTAH**

**Legislation: S.B. 65**
Enacted March 26, 2012

The state of Utah adopted this legislation, Alternative Energy Development Tax Incentives, to revise its laws relating to alternative energy tax treatment. The law provides tax incentives for alternative energy development and manufacturing. It also defines “alternative energy” to include nuclear fuel.

**Legislation: H.B. 430**
Enacted March 2009

Utah passed the Renewable Energy Development Act to provide incentives to develop renewable energy projects, including nuclear energy generation facilities. The purpose of the Act is economic development; it was designed to bring new jobs to Utah and generate new state revenues. The Act enables the creation of renewable energy development zones and provides for economic development tax credits for business entities that develop qualified facilities within these zones.

Key elements:

- The definition of “renewable energy” was amended to include “generation powered by nuclear fuel.”
- The definition of a “renewable energy project” was broadened to include a development opportunity that involves renewable energy generation or manufacturing of equipment used directly in renewable generation or increased efficiency.
- A prerequisite for the creation of a renewable energy development zone is a commitment by the local government entity to provide incentives that may include an abatement of some or all of a qualified renewable energy project’s property taxes for up to 30 years.
- In order to qualify, a project is expected to meet any three of the following economic factors: bring new incremental jobs to Utah, involve significant capital investment within the zone, create high-paying jobs, or generate significant purchases from Utah vendors and providers.
- The Governor’s Office of Economic Development must report annually on the success in attracting projects and creating jobs, the amount of tax credits offered and the time period they are in effect, and the economic impact on the state.
**Joint Resolution: S.J.R. 16**  
*Enrolled March 2009*

This joint resolution of the Utah Legislature expresses support for new nuclear plant development in Utah. It encourages new nuclear plant development in Utah for its beneficial impacts on the economy, fuel diversification and the environment. The resolution also takes notice of nuclear’s impressive operational safety and security record.

**Key elements:**

- Nuclear power has been shown to be a cost effective option.
- The development of nuclear power plants will provide significant economic benefits to the local, regional and state populations in the form of many high-paying jobs and additional tax revenues.
- The current practice of storing spent fuel in wet or dry storage containers at a nuclear plant has been proven safe since commercial nuclear power began in 1957.
- The Legislature of the State of Utah urges that new nuclear power development be pursued inside Utah.
- The Legislature encourages investor-owner and municipally owned utilities and power marketers and traders to consider participating in a nuclear power project in Utah.

**VIRGINIA**

**Legislation: S.B. 459, An Act to amend and reenact § 56-585.1 of the Code of Virginia, relating to electric utility regulation; recovery of nuclear costs.**  
*Enacted April 3, 2014*

This legislation establishes that planning and development for new nuclear generation facilities are in the public interest, and allows nuclear development costs to be included in base rates.

**Key elements:**

- Thirty percent of costs incurred by an electric utility between July 1, 2007, and December 31, 2013, in developing a nuclear power facility are recoverable through a rate adjustment clause. The remaining 70 percent shall be recovered through existing base rates as determined by the public service commission (known as the State Corporation Commission, or SCC) in the test periods under review in the utility’s next biennial review filed after July 1, 2014.
- All new nuclear development costs incurred after December 31, 2013, may be deferred for recovery through a rate adjustment clause as may be approved by the SCC.
- Nuclear refueling operation and maintenance costs may be amortized over the refueling cycle, but in no case for more than 18 months. The legislation requires the SCC to treat the deferred and amortized costs as part of the utility’s costs.
- The legislation states that the planning and development activities for new nuclear generation facilities are in the public interest.
The Virginia legislature established the Virginia Nuclear Energy Consortium to make Virginia a national and global leader in nuclear energy, and to serve as an interdisciplinary study, research, and information resource on nuclear energy issues. The legislation makes the consortium a nonprofit corporation with a board of directors and grants it authority to carry out its purposes, which include:

- entering into agreements with public and private institutions of higher learning to carry out research projects related to nuclear energy
- cooperating with Virginia's public and private nuclear energy entities to develop nuclear education programs
- encouraging, facilitating, and supporting the application, commercialization, and transfer of new nuclear energy technologies
- providing information to the public about nuclear energy and related education and job opportunities
- assisting institutions of higher learning that provide facilities for nuclear research or graduate education
- fostering innovative partnerships among Virginia's public colleges and universities, private companies, federal laboratories, and not-for-profit organizations to carry out the consortium's purposes.

Under this legislation, the State Corporation Commission (SCC) in Virginia will once again regulate retail electric sales and the construction of generation. Capped rates, which have been in place since the state was deregulated, ended December 31, 2008, and regulated rates returned to the state, except for large or aggregated customers (5 MW or greater) that can continue to choose competitive supply. The SCC can include performance incentives in general rates and must apply enhanced rates of return to construction of new baseload facilities, specifically nuclear, coal and combined cycle combustion turbines. There is a voluntary renewable portfolio standard that rewards participants for attaining certain percentages of renewable energy, which is calculated excluding nuclear generation.

**Key provisions pertinent to future construction of generation:**
- The determined rate of return on common equity shall not be lower than the average rate of return of other investor-owned electric utilities in the southeastern United States and shall not be higher than 300 basis points above such average.
- The SCC can increase or decrease the determined rate of return by 100 basis points to reward or penalize utility performance.
- The SCC will conduct biennial reviews of rates.
- If the SCC finds that a utility’s actual return for the previous period was more than 50 basis points above the determined rate of return, the SCC may either direct the excess earnings be returned to customers or 60 percent to customers.
and 40 percent to the utility as an incentive for continued good performance. If the actual rate of return was more than 50 basis points below the determined rate of return, future rates will be set in such a way to reimburse the utility for lost return. Two consecutive biennial periods exceeding 50 basis points above the determined rate of return can result in a rate reduction.

Utilities may apply for recovery of the cost of building new generation before beginning construction. Costs that may be recovered when the facility begins commercial operation include costs associated with planning, development, life-cycle, associated infrastructure, construction and, as an incentive to undertake such projects, an enhanced rate of return for nuclear, coal and combined cycle generation. During construction, a utility may collect an allowance for funds used during construction and a rate of return, including the enhanced rate of return, on construction work in progress. The enhanced rate of return will be applied to project costs during construction and for an initial portion of the service life of the project. The enhanced return (a supplement to the determined general rate of return) and duration of initial portion of service life shall vary by type of facility accordingly: nuclear, 200 basis points for between 12 and 25 years; coal that is carbon capture compatible, 200 basis points for between 10 and 20 years; conventional coal, 100 basis points for between 10 and 20 years; combined-cycle combustion turbine, 100 basis points for between 10 and 20 years; and renewable facilities, 200 basis points for between 5 and 15 years.

The SCC can opt to apply reduced enhanced rates on new generation projects that are not making reasonable progress after 2018 or are initially applied for after 2018.

A voluntary renewable portfolio standard would reward participating electric companies that achieve prescribed renewable energy goals with an additional 50 basis points of return on top of the determined rate of return. The goals are 1) 4 percent of electric sales in 2010, 2) an average of 4 percent for 2011-2015 and 7 percent in 2016, and 3) an average of 7 percent in 2017-2021 and 12 percent in 2022. The prescribed percentages of renewable energy are calculated against all 2007 electric energy sales minus that generated by nuclear energy. In other words:

\[
\text{Renewable energy sold} \div (\text{All energy sold in 2007 – Avg. annual energy from nuclear in 2004-2006})
\]

WASHINGTON

Legislation: S.B. 6002, Operating Budget
Enacted April 4, 2014

The legislature of the state of Washington incorporated language authorizing a state nuclear energy task force into its 2014 supplemental operating appropriations budget. The legislation establishes and funds a Joint Select Task Force on Nuclear Energy to study the generation of energy in the region through the use of nuclear power. The legislative language first appeared in an original bill (S.B. 5991) introduced in January 2014 by the chairman of the Washington Senate’s Energy, Environment
and Telecommunications Committee that contemplated such a task force to study nuclear power as a possible replacement for electricity generated from fossil fuels.

Key elements:

- The legislation directs the task force to consider the greatest amount of environmental benefit for each dollar spent based on the life-cycle cost of any nuclear power technology. Life-cycle costs must include the storage and disposal of any nuclear waste.
- The eight-member legislative task force must report its findings and recommendations to the legislature by December 1, 2014.

WISCONSIN

Legislation: Act 344
Enacted April 2016

In April 2016, Wisconsin repealed its 33-year-old moratorium on new nuclear power plants. Previous law had required that, before issuing a certificate of public convenience and necessity for a new nuclear power plant, the public service commission must find that there is a spent fuel storage facility with capacity for Wisconsin’s used nuclear fuel and that certain other economic requirements are met. The new law repeals these conditions.

This new law also changes the policy of the state to include advanced nuclear energy in the state’s energy policy. State energy policy requires state agencies and local governments to design new and replacement energy projects in accordance with certain priorities. State and local governments must implement the priorities in designing their energy programs and awarding grants or loans for energy projects, and, with certain exceptions, the public service commission must implement the priorities, to the extent cost-effective, technically feasible, and environmentally sound, in making all energy-related decisions and orders. The new list of priorities is (in order): (1) energy conservation and efficiency; (2) noncombustible renewable energy resources; (3) combustible renewable energy resources; (4) advanced nuclear energy using a reactor design or amended reactor design approved after December 31, 2010, by the U.S. Nuclear Regulatory Commission; and (4) nonrenewable combustible energy resources.

Legislation: Act 7
Enacted May 2005

Wisconsin passed legislation similar to Kansas’ SB 104 in May 2005. It allows the Wisconsin Public Service Commission (PSC) to issue an order specifying in advance the rate-making principles that will apply to a new electric generating facility (built or purchased) before construction commences or the purchase contract is closed.

Key elements:
There is no restriction on the type or the size of electric generating unit for which rate-making principles can be set in advance.

The PSC must decide on an application within 180 days or when the commission takes final action on the application for a certificate for construction, if one has been submitted. (There is no consequence if the PSC does not act in 180 days, however.)

The PSC cannot reopen, change, amend or rescind an order specifying in advance ratemaking principles for a specific facility.

The PSC may not consider this type of order or the effects of the order in its treatment of the recovery of any other cost of the public utility.

**WYOMING**

**Legislation: H.B. 129**

Enacted March 2011

This legislation creates a task force on nuclear energy production to study ways to encourage nuclear power in Wyoming including tax incentives, water rights, public-private partnerships, state laws, storage and reprocessing technologies, and higher education. The law also requires the task force to publish its recommendations.