

The New York Times

Green

A Blog About Energy and the Environment

DECEMBER 9, 2010, 4:51 PM

Oyster Creek Nuclear Deal Draws Some Fire

By *MATTHEW L. WALD*

Keith Meyers/The New York Times The Oyster Creek nuclear plant in Lacey Township, N.J. Some people were deeply disappointed by the [deal](#) cut by Exelon and Gov. Chris Christie of New Jersey to let the Oyster Creek nuclear plant run without a cooling tower but then cease operations by 2019, 10 years early. But they dislike it for very different reasons.

Representative Fred Upton, a Michigan Republican who will take over as chairman of the subcommittee that oversees the Nuclear Regulatory Commission when the new Congress comes in next month, called [Wednesday's news](#) the “[first domino](#)” in what could be a chain of announcements by nuclear operators, electricity generators and industrial users of cooling water, given that the Environmental Protection Agency is seeking to tighten the rules on plants that do not have cooling towers. The agency's aim is to reduce the amount of water drawn from and then returned to bays and rivers for cooling purposes.

Oyster Creek's early retirement “should serve as a wake-up call that rampant regulations are shutting down power plants and costing jobs,” Mr. Upton said. The government is promulgating rules on cooling water “with no cost-benefit analysis,” he complained, adding that it could affect more than 400 power plants nationwide.

But some environmentalists objected to the deal on the ground that, in their view, Exelon won.

“When Governor Christie ran he promised that he would protect Barnegat Bay and deal with the cooling towers issue at Oyster Creek,” the [New Jersey chapter of the Sierra Club](#) said in a statement. “He has done neither. He has taken the side of the polluter over the bay with his decision to side with Exelon.”

The plant's cooling system has caused “a near collapse of the shell fishing industry” in the bay, the Sierra Club said. Environmentalists say there are two problems: the plant emits hot water, and it sucks in such huge volumes of water that larvae and other small organisms are pulled through the system and killed, while larger marine life is pinned against an intake screen and dies.

But when Governor Christie held a news conference in Trenton on Thursday afternoon, representatives of several environmental organizations, including Clean Ocean Action, the American Littoral Society and the New Jersey Environmental Federation, appeared with him to endorse the deal.

In a telephone interview, Bob Martin, the commissioner of the New Jersey Department of Environmental Protection, said that by the time Oyster Creek was shut, its output was likely to

be replaced by a new high-efficiency plant running on natural gas. The state will have added substantial offshore wind power and solar power by then, he said.

Shutting the plant involves some trade-offs, he said, but he added that it was a good environmental bargain “when you look at the whole picture.”

Exelon said on Wednesday that the cost of building cooling towers would exceed the value of the plant. The actual math remained a bit murky; the company did not say just how it valued the plant or even specify what form of cooling system played into its calculations for construction — one hourglass-shaped tower, or a row of smaller ones.

Another cost factor was that running a tower or towers would soak up perhaps 3 or 4 percent of the plant’s power output.

The announcement of an agreement on closing Oyster Creek comes at a time that the nuclear industry had hoped would usher in a “renaissance.” But another reactor could close even earlier: Vermont Yankee, where the license expires in 2012 and the Vermont state Legislature has refused to permit continued operation. The last reactor to close in the United States was Millstone 1, in Waterford, Conn., in July 1998.

At the moment, foundations are being poured for four new reactors, **two in Georgia and two in South Carolina**. By 2019, the industry hopes several others will be finished or well under way.

Meanwhile, the Energy Department expects numerous electric generation stations, many of them small, antiquated coal-fired plants, to close over the next few years.