

Nuclear Energy Institute  
Testimony for the Record

Pennsylvania General Assembly  
House Environmental Resources and Energy Committee  
HB 2277  
July 29, 2024

Chair Greg Vitali and Chair Martin Causer,

Chairs Vitali and Causer and members of the committee, I appreciate the opportunity to testify before you today on HB 2277. My name is John Kotek and I am senior vice president for policy and public affairs at the Nuclear Energy Institute (NEI). NEI is the national trade association for the commercial nuclear energy industry. NEI represents the policy interests of over 340 members in the nuclear power industry, including nuclear power plant licensees, reactor designers and advanced technology companies, architect and engineering firms, fuel suppliers and service companies, consulting services and manufacturing companies, companies involved in nuclear medicine and nuclear industrial applications, radionuclide and radiopharmaceutical companies, universities and research laboratories, law firms, labor unions, and international electric utilities.

As you know, Pennsylvania has historically been a leader on nuclear energy; the Commonwealth's eight current operating reactors meet over 30 percent of current electrical demand, produce more than 90 percent of the carbon-free generation, power 7.5 million homes, and provide 4,500 high-paying and reliable jobs. Pennsylvania is also home to world-leading nuclear energy suppliers like Westinghouse and the Curtiss-Wright Electromechanical Division. In fact, as highlighted in a 2017 report by the Energy Futures Initiative, Pennsylvania hosts 71 companies in the nuclear energy supply chain.

The energy sector in the U.S. has undergone significant transformation over the last decade and that transformation will continue. NEI recently conducted a survey of its member utilities and found that these utilities anticipate adding more than 100 gigawatts of new nuclear power by the 2050s to guarantee reliable access to clean energy. Non-electric sectors such as industrial heat and transportation are also considering nuclear energy to transition to a reliable, clean, and affordable energy supply. Ensuring that state energy policies are in place to support preserving and expanding nuclear generation is essential to ensuring an affordable, secure, and resilient energy sector well into the future.

### **Nuclear power is vital to the energy system**

NEI believes it is in the best interest of the country that nuclear power remains a significant and growing supply of clean energy as this evolution continues. Focusing only on the need for additional electricity in the U.S. in the upcoming decades would mistakenly overlook the likelihood of, and the need for, more energy in other sectors, such as transportation, industrial heat, and

hydrogen production. Nuclear is the only clean, reliable, and affordable energy source that can produce heat and steam that is needed for many of these processes.

Enacting state policies that encourage the continuation of the current nuclear fleet is particularly timely, as the U.S. Energy Information Administration forecasts the retirement of 140 gigawatts of generating capacity by 2040 across the country, including several nuclear power reactors. The existing domestic nuclear fleet is a central part of our nation's critical infrastructure and should not be taken for granted. Our nuclear energy future will include safe long-term operation of our existing nuclear power reactors through subsequent license renewals to allow operation for eighty years or more.

Policymakers in state capitals and Washington, DC have taken action to preserve twenty-two reactors that were at risk of closing prematurely, taking steps to acknowledge those reactors for their emissions-free generation. These actions have had the added benefit of preserving more than ten thousand jobs with family-sustaining wages. Not all these efforts were successful and some units, such as Three Mile Island unit 2, are no longer operational.

HB 2277 will help ensure that the Commonwealth's current nuclear fleet continues to save the people of Pennsylvania from 36.5 million metric tons of emissions. The legislation recognizes nuclear energy as a clean energy source and values the clean energy produced by a nuclear reactor that provides benefits to the Commonwealth. HB 2277 is sound fiscal policy – a plant is unable to receive to program benefits while also receiving the federal section 45U zero-emission nuclear production tax credit and Pennsylvania also can recapture funds provided should a plant permanently close within three years of receiving its program benefit. The legislation also looks towards the future and technological advancements currently taking place in the energy sector and includes nuclear energy as a Tier I energy source under the Pennsylvania Reliable Energy Sustainability Standard (PRESS).

## **Conclusion**

We appreciate and applaud Pennsylvania's support for nuclear energy. While 20 states have passed legislation to incentivize nuclear energy in the past year, HB 2277 is notable for taking strong action to create a program for nuclear energy that will secure the long-term operation of these valuable power stations. With this continued support and the dedication of the industry, NEI is confident that the U.S. will enhance its leadership role in nuclear technology and generation.

On behalf of NEI and its members, I thank you for considering this important piece of legislation. The legislation also will ensure that these economic engines continue to play a critical role in the nation's electric infrastructure. We look forward to working with the Committee and the General Assembly as HB 2277 makes its way through the legislative process.

John Kotek  
SVP, Policy and Public Affairs  
Nuclear Energy Institute