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Opposed to SB 215 & SB 216

Chair Sollman and members of the committee. I am Dave McTeague from Milwaukie, Oregon, and State Representative, 1985-94. I was Chief Petitioner/organizer for 1978 Ballot Measure #9, which stopped private utilities from charging ratepayers in advance for their nuclear power dreams (i.e. two Pebble Springs plants). When I was Leg. Asst. to Sen. Jan Wyers in 1979 we passed a temporary nuclear moratorium, which was codified into law by our successful 1980 initiative. After the Three-Mile Island meltdown happened, we had rally at the Capitol attended by 3,000.

Oregon and the Pacific Northwest have a tortured history with nuclear power. Are we really going to let billionaire Jeff Bezos (Amazon) undo the decision of Oregon voters forty-five years ago? Best to remember:

Trojan Nuclear Plant: After 16 years of irregular service, the plant was closed permanently in 1992 by PGE after cracks were discovered in the steam-generator tubes. **Cost to build: \$1.92 billion in 2023 dollars.** More for decommissioning and waste storage!

Two Pebble Springs nuclear power plants (PGE) proposed project in Gilliam County canceled in 1982; after **\$250 million expended.** (<https://www.encyclopedia.com/books/politics-and-business-magazines/portland-general-corporation>)

The WPPSS fiasco (Washington Public Power Supply System), largest U.S. municipal bond default in U.S. history (**\$2.25 billion**)*; failed plan to build five nuclear power plants; only one was completed. This impacted public utilities like the **Springfield Utility Board.** See Pages 6-10, historian Daniel Pope's article attached. (WPPSS is now called "Energy Northwest")

Hanford Nuclear Reservation. A massive never-ending clean-up in progress. High-level waste escaping from single-walled tanks and migrating towards the Columbia River. *"...one of the largest and most expensive environmental cleanup projects worldwide. We estimated in 2022 that the cleanup will cost between \$300 billion and \$640 billion and take decades."* (GAO, Sep 28, 2023)

Nu-Scale SMRs in Idaho: Cost inflation dooms latest project. *"[NuScale and the Utah Associated Municipal Power Systems \(UAMPS\) announced](#) what many have long expected. The construction cost and target price estimates for the 462-megawatt (MW) small modular reactor (SMR) are going up, way up. From 2016 to 2020, they said the target power price was \$55/megawatt-hour (MWh). Then, the price was raised to \$58/MWh when the project was downsized from 12 reactor modules to just six (924MW to 462MW). Now, after preparing a new and much more detailed cost estimate, **the target price for the power from the proposed SMR has soared to \$89/MWh.**"* Source: <https://ieefa.org/resources/eye-popping-new-cost-estimates-released-nuscale-small-modular-reactor>

* Excerpt from History Link: <https://www.historylink.org/file/5482>

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In January 1982, the WPPSS board stopped construction on Plants 4 and 5 when total cost for all the plants was projected to exceed \$24 billion. Because these plants generated no power and brought in no money, the system was forced to default on \$2.25 billion in bonds. This meant that the member utilities, and ultimately the rate payers, were obligated to pay back the borrowed money. In some small towns where unemployment due to the recession was already high, this amounted to more than \$12,000 per customer. The bondholders sued and the matter wound its way through courts for the next 13 years. Plants 1 and 3 were never finished either, but their costs were backed by the [Bonneville Power Administration](#) and the power it generated from the Columbia River Dams.

Excerpt from Daniel Pope's article:

<https://www.washingtonhistory.org/wp-content/uploads/2020/04/seduced-abandoned.pdf>

Seduced and Abandoned?: Utilities and WPPSS Nuclear Plants 4 and 5

Columbia Magazine, Fall 1991: Vol. 5, No. 3

"Ironically, however, although the Springfield community participated somewhat unthinkingly in the birth of plants 4 and 5, it was to play a crucial role in the events leading up to the default seven years later. The early 1980s were troubled times for Springfield Utility Board (SUB), along with other regional utilities, and controversy replaced the apparent indifference of the mid 1970s.

The woes affecting WPPSS' nuclear projects by the end of the 1970s are too numerous and complex to relate here. Suffice it to say that by 1980 plants 4 and 5 had slipped far behind schedule and cost estimates had soared to \$9.9 billion, nearly five times the original predictions. Underwriters and institutional investors were becoming increasingly jittery about the bonds for the projects, and interest rates were soaring. WPPSS board members ousted the agency's managing director and replaced him only after an arduous search. A Washington State Senate committee held embarrassing hearings about WPPSS management that summer and, in Oregon, Fourth District Representative Jim Weaver's prolonged complaints against WPPSS grew ever louder.

For Springfield the initial shock of the WPPSS fiasco came through increases in Bonneville's wholesale power rates. The need to begin repayment of bonds on the net-billed WPPSS plants accounted for a large fraction of rising costs. BPA's 85 percent hike in 1979 required an increase to SUB ratepayers of about 17 percent that year and 23 percent the next. When Springfield held hearings on the 1980 residential rate increase, opponents blamed WPPSS. According to the minutes, "Glenn Sofge...commented that he felt that if the Utility would quit pouring money into the nuclear projects that the rates would be more reasonable." Another ratepayer, representing Oregon Fair Share, pointedly asked the board if it realized that nuclear power was far more expensive than hydroelectric energy. A member ruefully replied that they were indeed aware of this, but the board nevertheless approved the rate increase unanimously. Only two weeks later, SUB heard that Bonneville anticipated raising its wholesale rates another 50 percent later in 1980."