Moniz press conference on Vogtle 3 & 4 loan guarantee deal

Feb. 20, 2014

Southern Co. & DOE loan guarantee signing ceremony

[notes within brackets are my commentary/questions – otherwise, rough notes from the press conference itself]

[why is DOE pushing a GA Power press conference? Call-through to # on DOE press release put me through to a GA Power PR person, who patched me through to the press conference]

[incredibly enough, the entire ceremony began with a Southern Co. safety engineer explaining to the assembled attendees to be careful if they get up from their chair or move around, as safety is the top priority! Let's hope they can “stand up” their atomic reactors safely!]

“Safety”

“Perfection”

high praise for: PSC Commissioners Everett, McDonald; US Rep Barrow (D-GA)

**CEO of Southern Co.**

“quality and safety”

ice storm restoration [what about SBO, Station Black Out?!]

“commemorate” [isn’t that for the dead?!]

3,000 working there now

4,000 will be working there

Nuclear Renaissance

GA’s economic engine for decades into the future

Southern Co’s CEO or DOE as “thought leader” of energy policy development in America [hahaha]

“arrows in the quiver” = “all of the above”
full “diverse portfolio”

energy security, national security, economic security

manufacturing, jobs, income

“nuclear dominant solution” within the full diverse portfolio

Southern Co. now the 2nd or 3rd largest consumer of natural gas in US

Price volatility of natural gas: $5-6 per million BTU in South, but over $100 per million BTU in some places [Japan, or does he mean just in US?]; compared to $1 per million BTU represented by Vogtle 3 & 4

[Bragging up] performance of nuclear during Polar Vortex 1 and 2

[Minimizing] renewables and efficiency

Nuclear: Clean, safe, affordable, reliable

Nuclear has no emissions, essentially just water vapor [tritiated, radioactive]

Making up for coal reductions

Westinghouse cleanest, safest technology in world

Miles of rebar, tons and tons of concrete and steel

Faces of the children, and their future...what we do as leaders of the utility industry...are so essential to those folks'

I do a lot of these shows, CNBC, or whatever...

Good morning...why it’s not

Political conflict – loan guarantees – cooperation between private industry and govt. working collaboratively -- “shining example”

Moniz – “what are we going to do to get these loan guarantees moving?!” first time they met

MONIZ
Solar thermal plant loan guarantee ceremony just happened too

Partnership and cooperation

First name basis with corporate CEOs [buddy buddy – a bit too cozy?]

“damn it, it’s time to get this thing done”

praise for Barrow

in the end, Congress is essential to getting this done

praise for PSC Commissioners

“ultimately the ratepayer is paying the bill, after all” [ain’t that the truth, thanks to CWIP! ironic – ratepayers and taxpayers could get stuck with the bill!]

praise for Peter Davidson, head of DOE Loan Office

outstanding financial team at DOE [despite secrecy]

praise for building trades/labor unions

the energy infrastructure developments providing middle class jobs

Obama’s “ladders of opportunity” for “our people”

These kinds of projects provide that in spades

Not outsourced jobs [what about Toshiba’s ownership of the reactor vendor?! Fabrication of the reactor pressure vessel overseas, as well as other large nuclear components?!]

“In four years, I wish you could accelerate it by a year” [THAT’S a very telling thing to say – nuclear takes forever and a day to deploy, when it goes “well”! Then come the schedule delays…]

State of Union – latest stop on a travelogue of hitting various sites with major energy projects

TX – Eagle Ford Shale; efficiency in San Antonio
CA – nearly 400 MW of solar thermal (mentioned above)
VA – renewables -- underpinning
GA -- nuclear

Nov. trip to Southern’s Kemper MS coal gasification project
Extreme weather

We really have to think about resilience to multiple threats – natural disasters, extreme weather, cyber threats, security threats, etc.

Energy portfolio

Obama adm. committed to combatting risks of climate change – it’s about All Of The Above

Lower carbon future

First movers – Vogtle 3 & 4, solar in CA, etc.

Dim memory of 2008, 2009, when our economy was not in very good shape, when getting debt financing for big projects was not really there

Push technology envelope

Very first commitment to AP1000 technology in US [never mind its overseas deployment, its foreign ownership even here, and plans to duplicate the AP1000 elsewhere in US, with generous other subsidies, perhaps even more loan guarantees—wasn’t the loan guarantee program supposedly to help new technology get off the ground? No, it’s a rubberstamp subsidy for replicating multiple copies of technologies here already deployed overseas, even owned by foreign firms!]

$36 trillion globally to reach ample, economic, clean energy supply that world needs –

if we don’t move out with these kinds of projects, we’re not going to be at the front of the train – we should not be running to catch up with the caboose

AP1000 – getting it done in the US means a lot, especially when you consider the safety regs we have here

China [concerns about QA violations, safety short cuts galore at Chinese nuclear power plants under construction]

To serve the energy needs in our country, and to establish strongly the tech. base that can lead to exports

We’re going to continue this build out and tech. push

Peter D’s office, [CEO just called him a “friend”]
$30 billion out, $40 billion yet to play (energy loan guarantees) [gambling metaphor]

pipelines

cherry on top of the Sunday [Sundaes melt down]

all of the above

it's working; this is an example of it working

MEAG

“travel safe home”

(on microphone, although I don’t think they realize it: “It would take me two hours to tell you why we can’t go faster.”---Southern CEO to Moniz)

optimistic to come to closure relatively soon (re: MEAG portion of Vogtle 3 & 4 loan guarantee)

$8 billion for fossil energy projects

substantial $ for add’l renewables, nuclear, advanced vehicles/components

Tom: Southern Co. does proprietary R&D, unique, partnering w/DOE

Expanding Kemper, MS concept

Clean safe reliable and affordable energy

Moniz:

Tom: solutions not rhetoric

4 years since process started
frustration
Got done pretty quickly in my tenure.

CEO: benefit GA citizens for decades to come.
Savings of $250 M in financing costs. It’s all about the customer.
Moniz: Congressman encouraged us.

“co-sign the note” [literally. American taxpayers are now co-signers on Vogtle 3 & 4. If it defaults, they get to pay the loans back. Oh wait, they provided the loans. Taxpayers will be stuck paying themselves back?]

details of loans not disclosed?
CEO: commercial matter in my view; risk-return evaluation, for GA customers, our North Star; terms and conditions are directly attributable to GA Power, don’t need to be disclosed to competitive firms

Average person?
At peak of construction, 5,000 employed at site

800 permanent workers; tax base

economic, sustainable, clean energy for 60 years to come

moniz: est. comm. Scale tech.

any more nuclear plants to come?
CEO: well certainly we think that nuclear as a part of the overall portfolio is dominant – will consider more nuclear in future – certainly not closing the door on future nuclear power plants

Moniz – hint to SMRs, but also support AP1000

We operate at many scales

At the same time as we are advancing SMRs, for serving parts of market nationally and internationally...

Ten years from now

In order to do nuclear, you need to have scale [just contradicted Moniz re: SMRs]; highest level financial integrity; highest level of nuclear competence

“awesome”

[nice Muzak]