

SENATE No. 325

By Mr. Costello, a petition (accompanied by bill, Senate, No. 325) of Nicholas J. Costello for legislation to prohibit the pass through of certain cost overruns on new nuclear power plants. Government Regulations.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Eight.

AN ACT PROHIBITING THE PASS THROUGH OF CERTAIN COST OVERRUNS OF NEW NUCLEAR POWER PLANTS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 Chapter 164 of the General Laws is hereby amended by inserting
- 2 after section 94H the following new section: —
- 3 Section 94I. The Department of Public Utilities shall
- 4 disapprove any schedule filed by a gas or electric company
- 5 pursuant to section 94 of this chapter, if such schedule includes
- 6 rates, prices or charges providing for the recovery of costs incurred
- 7 in the planning, development or construction of a nuclear power
- 8 plant in excess of the original cost estimates for the proposed plant
- 9 presented by the utility company seeking initial approval for the
- 10 construction of the facility in its petition for a certificate of
- 11 environmental impact and public need to the energy facilities
- 12 siting council pursuant to section 69K of this chapter; or costs
- 13 incurred in the planning, development or construction of a nuclear
- 14 plant in another state where the cost is in excess of the original
- 15 cost estimate presented to the agency of such other state which
- 16 regulates utility rates or has jurisdiction over the initial approval
- 17 of the construction of such facilities; or, if no such cost estimates
- 18 must be presented to such a state agency in another state, the cost
- 19 estimate presented to the nuclear regulatory commission in
- 20 licensing proceedings for a construction permit; except that, for
- 21 purposes of this section, the cost estimate for Seabrook Nuclear
- 22 Power Plant, Unit 1, shall be four billion six hundred million
- 23 dollars.

24 Nothing in this section shall be construed to limit the
25 department's authority under this chapter to review all planning,
26 development or construction costs of such facilities under its
27 jurisdiction and to disallow any such costs which are not prudently
28 incurred.