



Just the FACTS...

... about federal support for Southern Company's Plant Vogtle nuclear reactors

In 2008, Southern Co. and its utility partners, Oglethorpe Power and Municipal Electric Authority of Georgia applied to receive a federal loan guarantee to construct two 1,100 MW Westinghouse AP1000 reactors (reactors 3&4) at Southern Co.'s Plant Vogtle near Waynesboro, Georgia. The Department of Energy announced in February 2014 final plans for a \$6.5 billion loan guarantee for the project. Southern Company and partners spent more than three years lobbying policymakers to craft a deal that heavily benefits them and exposes U.S. taxpayers to even greater risk.

1 Fact: In August 2008, it was originally estimated that Plant Vogtle reactors 3&4 would cost \$14.3 billion. Today, the estimate of the project's cost has reached \$15.5 billion. Pending lawsuits between project partners and the construction contractors could push the project's final costs even higher to \$16.5 billion.

2 Fact: In August 2008, the initial construction schedule projected that Plant Vogtle reactors 3&4 would reach commercial operation in 2016 and 2017. Since then, Southern Company and its partners have failed to meet many of the project construction deadlines. Today, the reactors are projected to be completed in 2018 and 2019.

3 Fact: Standard and Poor's downgraded the Outlook on Southern Company and Georgia Power's credit ratings from 'Stable' to 'Negative' in May, 2013. Fitch Ratings downgraded the outlook on all of Oglethorpe Power Corporation's bonds from 'Stable' to 'Negative' in August, 2013. Moody's has downgraded the outlook on Municipal Electric Authority of Georgia bonds from 'Stable' to 'Negative.'

4 Fact: Southern Company has spent far more than any other electric utility on lobbying. From 2010 through 2013, it spent \$54.4 million lobbying the federal government.

Our Take: Wall Street and private backers are not interested in investing in new nuclear reactors because of their massive financial and technical uncertainties and the increasing competition from other energy sources such as natural gas. High costs, construction delays, and technical problems have plagued the Vogtle project. Private rating agencies are reacting to the rising costs and risk of the Vogtle project; the federal government should do the same - putting the full faith and credit of the U.S. government behind this costly, high-risk project is fiscally irresponsible.

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