

A Candid Off-The-Record Interview of a West Michigan Utility Industry Consultant

Being critical of the current politically correct energy policy is dangerous for politicians, business leaders, and utility industry insiders. So it is harder to find experts willing to speak publicly on-the-record. We have therefore conducted this interview of a utility consultant with decades of industry experience off-the-record. He has firsthand knowledge of the situation with the regional electric grid, the Campbell plant, and the Palisades plant. There are good reasons to question the current policy direction.

Interviewer: It was through the combined efforts in a lawsuit by Sierra Club, Earth Justice and Attorney General Nessel that CE eventually settled to close the Campbell 15 years earlier than originally planned. CE has enjoyed the privileges of being able to operate as a monopoly, and to some degree, understandably so. I think that there is a moral imperative for CE to consider its customers' welfare in keeping the Campbell open given the realities in our electric grid and given that their customers have nowhere else to go for electric power. We think that CE caved in to pressure quickly to keep its shareholders happy.

Interviewee: Actually, they didn't "cave-in"; it was internally executed by Patti Poppe (CEO from 2016 to 2020) as she destroyed CE [Consumers Energy] to make a "Green" name for herself to be able to "Cash-In" at PG&E (\$14 in Salary & Bonus last year for a ~\$50M take).¹ John Russell (CEO 2010 to 2016) was the first CEO that began to not-care about the Rate Payers which paved the way for Poppe to make the claim to shut down all the Coal Plants by 2040. This original claim was made in 2018 by Poppe and rolled back to "before 2030" in 2020 which secured the PG&E job for her. This is all part of a trend of Public Utility CEO's that abandoned the rate payers in the 2000's when the Public Service Commissions were taken over by liberals (as in ours in MI). This led to the current condition where neither the Regulators or the Utility care for the rate payers as witnessed by the current "Peak and Off-Peak" rate structure which previous CEO's (1900's and early 2000's) would have called as a "third world" condition that would have only happened in an "over my dead body" condition. How does this work??? – the Liberals/Regulators say, "We want you to do this." - and the Utilities say, "Can we charge the rate payers?" – the answer is "YES" – so it happens.

Interviewer: What makes it more critical is that so many other power plants have been closed and are being shut down, especially peaking in 2025-2027. MISO, the entity assigned to act as the "air traffic controller" for the electric grid to which Michigan falls under has raised repeated

¹ See article on how Poppe's compensation is rising at time of soaring rate increases for ratepayers:
<https://www.mercurynews.com/2024/04/04/pge-energy-bill-electric-gas-ceo-exec-pay-profit-stock-fire-economy/>

warnings that we are headed to scheduled power outages if there are no reliable replacements. CE states that it purchased the Covert Power Station as replacement for the Campbell Plant; but Covert Station was already a part of the electric grid and thus brought no new megawatts to our electric grid. Interestingly, AG Nessel has allowed the Monroe Power Plant on the east side of the state to stay open till 2035 which makes some suspicious that West Michiganders are being particularly targeted.

Interviewee: Both the Covert and Zeeland Plants were owned and operated by Independent Power Producers; thus, treated differently by MISO then and still treated differently now. This allows for some of the deception that you quote. I could write a volume on this; but there is plenty of evidence available by several watchdog groups available. The “Key” here is that MISO can be a very good ally to your cause as they control not only the MISO Grid but the MI Grid which is dramatically affected by the loss of the Campbell Generation.

Interviewer: Evidently, Biden and Whitmer are both concerned about the profound loss of megawatts from coal power plants that they are now rushing to repower the Palisades Nuclear Power Plant. And its current owner, Holtec Decommissioning Inc., is going to be in charge of reviving it. Nuclear energy can be a wise source of electricity, but it has to be done right and Holtec is maybe the last company that should be trusted to do it. I can save you the time to research this particular point because I have amassed lots of information on Holtec. Just let me know and I can send you all the links. In November 2022, its application to restart Palisades was rejected by the Department of Energy on the grounds that it was not licensed to be a utility nuclear company. One has to wonder what changed in the last 16 months!

Interviewee: Palisades was placed in a “No-Win” condition by the Grandholm administration years ago. She was the leading protagonist during her eight years; now, saving face in pretending to be “Pro-Plant”, totally for “political” purpose. Another volume could be written here; but Palisades will “never” be restarted. It was only re-licensed to operate until 2031 and no amount of money or effort would bring it to NRC Operating Condition. I could list the 99 reasons; but when you hear that someone can “do” what has “never been done before in cost and schedule” --- well that’s the answer --- there are no shortcuts in the Nuclear Industry.

Interviewer: Even Holtec's proposal to build two small modular reactors to provide electricity on a commercial scale should be questioned. If NuScale abandoned its efforts recently, must Holtec have our confidence that it can do better? It will just be a drain of taxpayer dollars and Holtec will not be able to pay back the billions that Biden and Whitmer plan to give it. We should even wonder if Holtec can be trusted with the decommissioning work we expect it to do at the Palisades Nuclear plant.

Interviewee: 100% true, and all Holtec likely wants is their cut of the money spent in either a failed restart or years of trying to build a Nuclear Plant on the shore of Lake Michigan. Even the proposal, or thinking, that a Plant that has never been Designed, Constructed, and Placed "Into Operation" – anywhere – is disturbing and only fodder for the unknowing. NuScale is a Reactor Design that has never been incorporated into an operating plant – if built at the Oak Ridge Facility or in the middle of the Nevada/Utah deserts – it would take ten to twenty years to construct the first plant.

Interviewer: Of a greater concern are the safety violations for which Holtec has been charged and fined. There is a culture of carelessness/negligence and bribery in the company as records show.

Interviewee: True!

Interviewer: With the extreme environmentalists targeting gas-powered plants as well, we cannot bank on gas filling in for the loss of megawatts. No new gas plants are on schedule to be built in Michigan---again due mainly to their "terrible earth-warming emissions of carbon and methane". And MISO again questions the reliability of wind and solar for Michigan and the Midwest. Besides, MISO states that the current hardware and software used in our electric grid are not equipped to handle the variability associated with using weather-dependent wind turbines and solar panels. Apparently, several "green renewables projects" have been cancelled due to that reason.

Interviewee: As stated above, because CE and the MI PSC do not care and are protected by Politics, MISO is likely the only outside entity that has the ability to "stay" the shut-down scenario.