

# CITY OF HIGH POINT

## AGENDA ITEM



### **Title: Nuclear Decommissioning Fund Bill**

**From:** Randy McCaslin  
Interim City Manager

**Meeting Date:** April 5, 2021

**Public Hearing:** N/A

**Advertising Date /**  
**Advertised By:** N/A

**Attachments:** Resolution

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### **PURPOSE:**

North Carolina Municipal Power Agency Number 1 (NCMPA1) seeks a statutory change that would allow NCMPA1 to invest the Catawba Nuclear Station Decommissioning Trust Fund in the existing Ancillary Governmental Participant Investment Program managed by the North Carolina State Treasurer; and assuming the current assumptions hold true this statutory change could lead to significantly lower wholesale electric rates to High Point and the other 18 participants in NCMPA1.

### **BACKGROUND:**

High Point is a participant in the North Carolina Municipal Power Agency Number 1. NCMPA1 invested in the Catawba Nuclear Station in Lake Wylie, South Carolina in 1978 and has enjoyed stable electric prices from the power plant since 1986. Due to its prudent investment in nuclear energy, NCMPA1 is a clean energy leader in the state, providing electricity that is more than 95 percent carbon-free to homes, businesses, and industry in its service territory. The Nuclear Regulatory Commission requires NCMPA1 and other investors in nuclear resources to contribute to a decommissioning trust fund to cover the costs of decommissioning the nuclear resources when the power plants are retired. State law governs the resources in which NCMPA1 may invest contributions to the Catawba Nuclear Station Decommissioning Trust Fund

### **BUDGET IMPACT:**

Could result in lower wholesale electric rates which could be passed along to the City's electric customers.

### **RECOMMENDATION / ACTION REQUESTED:**

City Council is requested to adopt a resolution encouraging support for Senate Bill 323 and House Bill 257 statutory change allowing NCMPA1 to invest the Catawba Nuclear Station Decommissioning Trust Fund in the existing Ancillary Governmental Participant Investment Program managed by the North Carolina State Treasurer.

**CITY OF HIGH POINT**  
**RESOLUTION**

**A RESOLUTION SUPPORTING THE PASSAGE OF LEGISLATION  
IN THE GENERAL ASSEMBLY OF NORTH CAROLINA**

- WHEREAS*, The City of High Point has provided electric service to its residents since 1893; and
- WHEREAS*, High Point is a participant in the North Carolina Municipal Power Agency Number 1 (NCMPA1); and
- WHEREAS*, NCMPA1 invested in the Catawba Nuclear Station in Lake Wylie, South Carolina in 1978 and has enjoyed stable electric prices from the power plant since 1986; and
- WHEREAS*, due to its prudent investment in nuclear energy, NCMPA1 is a clean energy leader in the state, providing electricity that is more than 95 percent carbon-free to homes, businesses, and industry in its service territory; and
- WHEREAS*, the Nuclear Regulatory Commission requires NCMPA1 and other investors in nuclear resources to contribute to a decommissioning trust fund to cover the costs of decommissioning the nuclear resources when the power plants are retired; and
- WHEREAS*, state law governs the resources in which NCMPA1 may invest contributions to the Catawba Nuclear Station Decommissioning Trust Fund; and
- WHEREAS*, NCMPA1 seeks a statutory change that would allow NCMPA1 to invest the Catawba Nuclear Station Decommissioning Trust Fund in the existing Ancillary Governmental Participant Investment Program managed by the North Carolina State Treasurer; and
- WHEREAS*, assuming the current assumptions hold true this statutory change could lead to significantly lower wholesale electric rates to High Point and the other 18 participants in NCMPA1; and
- WHEREAS*, High Point's delegation, Sen. Michael Garrett, and Rep. Pat Hurley are co-sponsors of Senate Bill 323 and House Bill 257, respectively, that would make the desired statutory change now.

Therefore, be it **RESOLVED**, that the City Council of High Point does commend this bill to the General Assembly and to the Governor of North Carolina as valuable, necessary, and timely and does recommend its passage into law for the benefit of the citizens of the State.

Adopted this 5th day of April 2021 in High Point, North Carolina.

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Jay W. Wagner, Mayor

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Lisa B. Vierling  
City Clerk

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