



Group says Georgia nuclear plant costs rise to \$29 billion

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WILMINGTON, Del. (Reuters) - A clean energy group that has opposed a nuclear project in Georgia estimates the plant's cost has soared to \$29 billion in the wake of the bankruptcy of the half-finished plant's contractor, Westinghouse Electric Co, a unit of Toshiba Corp ([6502.T](#))

Sara Barczak of the Southern Alliance for Clean Energy (SACE) said the new estimate adds \$9 billion to its projected cost of the Vogtle project, which has been beset by delays and billions of dollars of cost overruns.

SACE based its latest estimate on a report last week by two utility consultants to the Georgia Public Service Commission, which regulates utilities, including Southern Co's Georgia Power.

The report is based on a scenario in which the project comes online in 2022, three years late, and the bankruptcy layers on costs.

Southern Co's ([SO.N](#)) Georgia Power unit, which owns the largest stake in the Vogtle project, is reviewing the report, said a Georgia Power spokesman. It will discuss it with all parties, he added, emphasizing that it was based on a hypothetical scenario.

Georgia Power also is reviewing the schedule and cost of completing Vogtle to determine the best outcome for customers, said the spokesman, Jacob Hawkins.

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Westinghouse declined to comment.

SACE's latest estimate puts increased pressure on Georgia's utility regulator to ensure Southern Co cannot pass along future cost overruns to rate-payers.

SACE has warned since Vogtle was approved in 2009 that Southern Co was underestimating the time and cost of the project. Vogtle was originally expected to begin producing power in April 2016 and cost \$14 billion.

Vogtle was meant to be a showcase for Westinghouse and part of a U.S. nuclear renaissance. But it has been dogged by poor-quality work and subcontractor disputes, among other problems.

Toshiba guaranteed Westinghouse's work on the project and on Saturday said it will pay \$3.68 billion to the utility's owners for failure to complete the contract.

The expert reports also spell out the failure of Westinghouse to improve productivity. Over the past year, four core activities fell an average of 325 days further behind schedule, according to the reports.

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The experts estimated the cost to Georgia Power to finish Vogtle would be \$3 billion. SACE extrapolated that to the entire project and added costs for financing and taxes.

SACE's Barczak said she believes the project would not be completed. "But the unknown question is, 'How long is it going to take for Southern Co to pull the plug?'" she said.

Reporting by Tom Hals in Wilmington, Delaware; Editing by Grant McCool and Dan Grebler

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