

Southern Co. unsure on loan help for reactors

By [Rob Pavey](#)

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Southern Co. and its subsidiary, Georgia Power, have not yet determined whether they will accept the Obama administration's Feb. 16 offer of \$8.33 billion in federal loan guarantees to help finance the addition of two new reactors at Plant Vogtle.

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"It's been offered to us, but the devil is in the details," said Southern Nuclear communications coordinator Mike McCracken, who spoke Thursday in Aiken to members of Citizens for Nuclear Technology Awareness.

"It's still being worked out now," McCracken said.

The U.S. Energy Department's commitment is the first of its kind and also has a 90-day deadline for acceptance, he said. "But there are conditions -- strings attached -- that still have to be worked out."

Officials at Georgia Power, which owns a 45.7 percent stake in Vogtle, have said its borrowings would not exceed \$3.4 billion, with the remainder of the loan guarantees available to the other owners of the Burke County plant.

McCracken could not elaborate on the specifics of the negotiations but mentioned efforts to establish a labor agreement for the \$14.5 billion project, which is expected to employ as many as 3,500 workers during

peak construction years, with about 800 permanent employees after the new units go online in 2016 and 2017.

The labor discussions are under way between The Shaw Group -- the project's construction manager -- and the Building and Construction Trades Department, a part of the AFL-CIO.

Construction of the reactor buildings cannot commence until the Nuclear Regulatory Commission issues a combined operating license for the project, which is expected to occur in 2011.

In the meantime, about 700 workers are involved in site preparation work now, with a major milestone on that front having been reached just last week, McCracken said.

The milestone was the completion of the 90-foot hole being dug for Unit 3.

"Early this week, the first layers of backfill were being put in place," he said.

The hole will be backfilled with sifted, inspected dirt to a depth of about 45 feet, where actual plant construction would occur once the project receives its appropriate licenses.

Who owns the generating plant?

Southern Nuclear is the operator of Plant Vogtle, and Georgia Power is one of the co-owners/parent companies. Southern Company is the holding company (and parent company) that owns Georgia Power and Southern Nuclear. The actual ownership of Plant Vogtle is divided among Georgia Power (45.7 percent), Oglethorpe Power Corp. (30 percent), Municipal Electric Authority of Georgia (22.7 percent) and the City of Dalton, Ga. (1.6 percent).

Source: Georgia Power Co.

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