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German nuclear lobby threatens to close down power plants



The high voltage nuclear power debate is testing the nerves of all sides

German energy companies have stirred up more controversy in the debate over extending the life of nuclear power plants after threatening to close facilities if the government introduces a fuel rod tax.

The CEOs of four energy giants have injected more controversy into an already heated debate on extending the life span of Germany's 17 nuclear power plants by threatening to shut down facilities, if Berlin goes ahead with plans for a nuclear fuel tax.

The heads of E.ON, RWE, EnBW and Vattenfall reportedly told the government that if a fuel rod tax was introduced, as is currently being considered, they would pull the plug immediately on their nuclear power generators.

On Monday, they also demanded that the life spans of the reactors be extended by a minimum of 15 years to make their operation worthwhile.



The threat to close plants has been met with broad criticism

Germany's center-right government under Chancellor Angela Merkel is planning to unveil a new and comprehensive national energy concept by the end of September. Beforehand, Merkel's cabinet is slated to vote on the new fuel tax proposal on September 1. The tax would bring in an estimated 2.3 billion euros (\$2.9 billion) a year.

Empty threat or demonstration of power?

In a first reaction to the closure threat, the opposition Social Democrat party leader, Sigmar Gabriel, called on the government to take up the gauntlet thrown down by the nuclear lobby and quit the ongoing negotiations.

"There is no reason to negotiate with the nuclear power companies," Gabriel said, "because a fuel tax isn't needed to pay for extending the operating life of the plants, but to keep the taxpayers from footing the bill of up to 10 billion euros for refurbishing old, dilapidated waste storage facilities."

"Refurbishing is not the task of the taxpayer; it's the responsibility of the waste producer," he said.



Gabriel says the government should not be blackmailed

The remarks from the nuclear lobby came at an inopportune time for the government. Chancellor Merkel's spokesman Steffen Seibert said "when talks are in progress, it is really not helpful when threats are made public. I think that doesn't serve any purpose and will not influence the talks."

The co-leader of the Greens in parliament, Renate Kuenast, accused the energy companies of acting like Germany was their fiefdom.

"The four big energy companies are acting like the four occupying forces (after World War II). They've divided up the country into four zones and are trying to push through their interests," she said.

Green party leader, Cem Oezdemir, criticized Merkel, saying "the chancellor has to stop acting like the extended arm of the nuclear lobby."

Berlin has no clear policy

Even the government has no clear policy on the nuclear issue. While Environment Minister Norbert Roettgen has argued for a moderate life span extension of the country's nuclear power plants of no more than 10 years, Economics Minister Rainer Bruederle has called for at least 15 to 20 years. The Bavarian Christian Social Union has even come out in favor of an unrestricted extension.

The Free Democrat environment spokesman in parliament, Michael Kauch, sharply criticized the energy companies, calling their threat a lot of "theatrics to pay as little as possible to the government."

Kauch also said he was not aware of any external estimate showing that the fuel tax would "in any way endanger the economic feasibility of the German nuclear power plants."

Energy industry alternative



The energy industry warns that a nuclear phase-out would cost jobs

The energy companies have warned in the past that a quick nuclear phase-out as originally planned by the year 2020 would trigger a jump in energy prices and cost many jobs.

As an alternative to the fuel tax, they have proposed setting up an energy fund into which they would pay half of their annual profits. The government would get a regular pay-out and the rest would be used to finance investments to modernize nuclear facilities and the country's energy network. They also want their payments into the fund to be tax deductible.

The energy companies are deeply concerned that if the fuel tax becomes law, it could be used by as an instrument to saddle the nuclear power industry with even higher taxes, should an "anti-nuke" coalition of Social Democrats and Greens win the next national election.

In a gesture of support for the interests of the energy companies, Merkel's CDU deputy parliamentary leader, Michael Fuchs, has warned that the government's new energy plan has to be worthwhile for the companies involved. "If it's not profitable, they will lose interest on extending the life span of plants," he said.

Author: Gregg Benzow (dpa/AFP/AP/Reuters)

Editor: Rob Turner