

## **Economic Impact Comparison January 2016**

### **Summary**

- Total economic impact during decommissioning will be approximately 10% of that had the plant continued to operate.
- The number of jobs is about 17% of that had the plant continued to operate
  - Jobs created thru decommissioning are temporary versus jobs while operating which were long term / "permanent"
  - Decommissioning jobs are in lower wage sectors (craft, security, laborers, etc.) versus technical/professional positions needed during operation

### **Objective**

Compare the economic impacts of SONGS in operation versus the economic impact of SONGS in decommissioning.

### **Basis for Comparison**

We utilized the Beacon Economics economic impact study on SONGS decommissioning, performed in 2015, and the IHS Global Insight (IHS) study on SONGS operation, performed in 2011.

As the IHS study only looks at the economic impacts of SONGS operation upon California, the comparison will focus upon California impacts.

The study period is based upon the planned useful life remaining at SONGS at the time of closure, or 2013.5 – 2022 (9.5 years).

### **Methodology**

In order to compare the impacts from two studies, the study area and study period will need to be the normalized. We utilized California as the study area for comparison. We calculated annual impacts and then applied them to the study period.

For the Beacon study, we calculated the average annual FTEs, labor income and output from the study. We then multiplied the annual average by 9.5 to cover the 2013.5 – 2022 period.

For the IHS study, we utilized the “Economic Impacts of SONGS” table as the basis for the comparison. We used actual figures for 2013 and 2014 (2013 was divided by half) and the annual average after 2014 as the basis for 2015 - 2022.

We totaled the annual impacts from 2013.5-2022 from each study and compared them.

### Results

A simple comparison of the economic impacts between SONGS decommissioning and operation illustrate the following:

- Decommissioning FTEs are 17% of FTEs during operation
- Decommissioning Labor Income is 12% of the Labor Income during operation
- Decommissioning Total Output is 9% of the Total Output during operation

Comparison of Operational and Decommissioning Economic Impacts (\$m)			
Operation	Total FTE Impacts	Total Labor Income	Total Output
Annual Average	8,790	\$881	\$3,361
Study period	83,506	\$8,366	\$31,930
Decommissioning			
Annual Average	1,535	\$103	\$304
Study period	14,581	\$974	\$2,889
Decom as a % of operation	17%	12%	9%