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Reopening and Expansion of Palisades Power Plant to Rejuvenate the Southwest Michigan Economy



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Power Plant Reopening Bolsters Regional Economy

Reopening the Palisades Nuclear Power Plant (PNPP) is a huge victory for the economy of SW Michigan and the entire state. A large nuclear generation station is both a source of clean firm electricity and a powerful engine for economic growth and job creation. Holtec Palisades, LLC's reopening of the PNPP will provide a large, long-term economic boost to Southwest Michigan, including Covert Township and several economically disadvantaged communities in the region.

Why is this happening? Holtec is investing to restart the plant, supported by a \$1.5 billion conditional loan commitment from U.S. Department of Energy's Loan Program Office and \$300 million in grants from the State of Michigan. The plant will also qualify for an annual clean-electricity tax credit passed by Congress as part of the Inflation Reduction Act.

This commitment has set in motion a series of substantially positive impacts across the region. Holtec has started work at PNPP and will resume electricity generation in the fourth quarter of 2025 producing 800 MW of clean, firm power through at least 2051. There are already over 480 permanent employees on-site, about 45% of whom are union members in either the Utility Workers Union of America (plant operators) or the United Government Security Officers of America (plant security). There are an additional 300 contractor employees at the site, most of whom work under a project labor agreement covering 15 unions. And through its community benefits process, Holtec is recruiting from disadvantaged and environmental justice communities across Southwest Michigan.

And the PNPP won't just be resurrected to its former status. Holtec is planning to expand the facility by installing two small modular reactors—Holtec's SMR-300—after 2030. This critical advanced nuclear technology is needed for the nation's competitiveness and to economically decarbonize our economy in the years ahead.

A [2023 study](#) by the Economic Growth Institute at the University of Michigan determined the premature shutdown of Palisades resulted in an annual loss of \$259 million in labor income and value added for the tri-county region. Reopening the PNPP will reverse this loss, grow the regional economy and build prosperity for workers and their communities.

Let's dig into the details of how this reopening and expansion will expand the region's economy.

More Jobs

- Already there are more than 480 employees at the plant—and nearly one-half are union members.
- Upon start-up Holtec will employ over 600 permanent employees at the plant.
- Every 18 months 1,000 specialized construction workers will be employed for up to two months for routine refueling and maintenance.
- After 2030, the planned installation of two small modular reactors will add another 300 permanent jobs to the site.

High Wages and Income for Workers

- Holtec Palisades is offering average annual wage income of approximately \$107,000 with an additional 40% in benefits and incentive pay.
- According to the US Department of Labor, about 60% of jobs at a typical nuclear power plant often require a college degree, 25% usually do not, and another 15% sometimes require a college degree.
- 40% of the jobs that sometimes or often do not require a college degree still pay very well with average annual wages ranging from \$75,000 and \$132,000.
- With average wage incomes of \$100,000, jobs at PNPP will add approximately \$90 million in gross personal income to the Tri-county region each year.

More Tax Revenue to Finance Schools and Community Services

- Local property tax revenue of about \$10 million annually.
- Personal income tax revenue of \$30 million.
- Over 50% of property tax revenue goes to Covert Township schools, libraries, and community services.

More Stability in Electricity Costs for Households and Businesses

- Reducing dependence on fossil fuels takes a lot of volatility out of energy costs.
- Clean firm nuclear power is reliable and provides long-term price stability.
- The US Department of Energy analysis concludes that nuclear combined with renewable energy and battery storage decreases the cost of decarbonization by 40%.

Adding it All Up: Win Win Win

- Over 600 permanent jobs at the plant, 1,000 construction jobs every 18 month, and more than 3,000 jobs added to the regional economy from Holtec worker's spending.

- Over \$90 million in personal income and \$40 million in annual tax revenue from the business and personal taxes.
- An additional 300 permanent jobs and additional construction jobs created by the installation and operation of two Holtec SMR-300 reactors.