

## **Holtec Palisades | Community Benefits**

**Project Summary:** In September 2024, the Loan Programs Office announced the closing of a \$1.52 billion loan guarantee to [Holtec Palisades, LLC](#) to bring an 800-MW nuclear power plant back online in Covert Township, Michigan. This project represents the first recommissioning of a shut-down nuclear power plant in the US, and the plant will be upgraded to produce baseload clean power until at least 2051.

### **Highlights from Community Benefits Plan**

- Holtec executed a Recommissioning Labor Agreement in February 2024 with 15 trade unions supporting the restart of the power plant.
- The plant is well on its way to employing more than 600 full-time nuclear professionals, and nearly half of the workforce is represented by organized labor. The repowering will also support more than 1,000 additional workers every 18 months for scheduled refueling and maintenance.
- A growing local tax base supports essential public services including public schools, libraries, public safety, and senior and veteran services.
- Holtec is working with educational institutions like Lake Michigan College, local K-12 public schools, and the Van Buren Intermediate School District to invest in the local workforce and build a clean energy jobs pipeline.

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## **Community Benefits Plan**

Holtec International  
Palisades Restart Project

### **Purpose**

The Palisades Community Benefits Plan (CBP) outlines a comprehensive strategy to support community and labor engagement; ensure job quality and workforce continuity; promote diversity, equity, inclusion, and accessibility; and support the Biden-Harris administration's Justice40 goals of benefiting area communities. This CBP has been developed to support the repowering of the Palisades Nuclear Power Plant and maximize positive impacts on the surrounding communities, minimize project risk, and build upon long-existing, broad-based community and stakeholder support for the plant and now its historic repowering.

## **A. General Project Information**

### **1. Construction Information**

The Palisades Nuclear Power Plant is located at 27780 Blue Star Highway, Covert, MI 49043. During operation, Palisades produces 800 megawatts of safe, reliable, and carbon-free energy to support the region's energy needs and achieve the State of Michigan's clean climate goals. This project is primarily a maintenance project versus a typical construction project (i.e., not "new build"). The majority of the work will be performed on existing power plant systems, equipment, and buildings, which are well-understood and have been maintained throughout the plant's proven history of safe, reliable operation. The site has a robust safety program, culture, and procedures that have carried over from operations and adhere to industry best practices and standards.

Holtec's workforce augmentation efforts have met with great success, with more than 520 Holtec employees employed at the plant as of October 2024, an increase of approximately 300 personnel since the re-start program began. This recruitment initiative has led to the rehiring of former plant employees as well as the on-boarding of new talent, contributing to the preservation and creation of hundreds of high-paying jobs in Michigan. Hiring is on track and scheduled to continue across all disciplines through 2025. Notably, nearly half of these employees are union members, represented by the Utility Workers Union of America (UWUA) and the United Government Security Officers of America (UGSOA). Holtec has successfully executed a recommissioning labor agreement with 15 trade unions that are supporting the project, reinforcing the company's commitment to collaboration with unionized labor, fair labor practices, and the highest standards of quality and safety.

### **2. Locations and Communities Affected**



As a major employer, taxpayer, charitable contributor, economic engine, and generator of reliable carbon-free electricity, the environmental and socioeconomic benefits of the Palisades Nuclear Power Plant are significant to the greater Southwest Michigan region and beyond. A study published in 2023 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 (direct, indirect, and induced across industries) for just a tri-county region<sup>1</sup> in Southwest Michigan alone. Those benefits are most immediately felt in the four-county region of Allegan, Berrien, Cass, and Van Buren counties, in which the overwhelming majority of the plant's workforce resided during times of regular operation and since its early scheduled shutdown in May 2022. During operation, more than half of the plant's 600-member workforce lived in or around the greater Covert-South Haven and Benton Harbor-St. Joseph communities in Van Buren, Allegan, and Berrien counties, respectively, which have absorbed the most direct economic hardship of the site's workforce and/or tax reductions since the plant's early shutdown. Those hardships would remain legacy challenges for those recovering communities.

Palisades is geographically located in Covert Township, Van Buren County (Census Tract 26159010600) and closely neighbors economically impacted communities and federally recognized Tribal lands. The plant is located on the eastern shore of Lake Michigan, between the cities of South Haven and Benton Harbor, Michigan. Palisades is located near several federally recognized disadvantaged communities (DACs), a full listing of which is included in the Palisades CBP Appendix along with CEJST and MiEJScreen maps. Covert Township has benefited from the economic activity and tax revenues generated by Palisades, which support township public services (e.g., police/fire/EMT) and the Covert Public Schools system. The Covert Public School system serves a diverse student population. Snapshots pulled from federal and state databases of the greater Covert community and surrounding public school systems are also included in the Palisades CBP Appendix.

Covert Township, and more broadly Van Buren County, has benefitted from Palisades's support through property taxes received by other area taxing units, including the Van Buren District Library (which has a branch location in Covert Township), Lake Michigan College in Benton Harbor (which has a satellite campus in neighboring South Haven), the Van Buren Intermediate School District (which provides career and technical training for Van Buren County public school students and resources for residents with special needs), and the Van Buren County government, which provides transportation infrastructure and public transit, law enforcement, community health, veterans affairs, senior services, courts and public defenders services, among other critical services to area residents.

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<sup>1</sup> Defined in the study as Berrien, Cass, and Van Buren counties.



The City of South Haven and South Haven Charter Township are located to the immediate north of the Palisades Plant and Covert Township. Residences within the South Haven ZIP code (which also includes portions of Bangor, Casco, and Geneva townships) accounted for a plurality of the plant workforce during operation.

To the south of Covert Township is the City of Benton Harbor and Benton Charter Township, which are also classified by the federal government as DACs.

The Pokagon Band of Potawatomi is headquartered near the City of Dowagiac, Cass County, Michigan. The Band owns Tribal property throughout the Michigan tri-county region of Berrien, Cass, and Van Buren counties as well as in nearby Northern Indiana.

Palisades has benefited from strong community support throughout its operation, evidenced by the broad-based support for the plant's repowering.



## **B. Community and Labor Engagement**

The Palisades repowering has broad-based support from the local community and labor unions, which long supported the plant during operation. That is in part a testament to the public transparency and engagement activities at Palisades, which continued through scheduled early shutdown, license transfer, early decommissioning activities, and under the restart. The Palisades CBP prioritizes the ongoing continuation of transparent, inclusive, and meaningful engagement with all stakeholders. Through open dialogues and consultation, Holtec Palisades will maintain those strong partnerships and be receptive to the needs, concerns, and aspirations related to the repowering project and future operation of the plant. These continued engagements will help ensure that the interests of the benefited communities and labor force are integrated into the project's implementation.

### **1. Community and Labor Stakeholder Engagement**

Palisades has built and maintained a strong program of community engagement and stakeholder outreach, which has continued under the ownership of Holtec with strong public enthusiasm for the restart. That engagement extends to federal, Tribal, state, local, and non-governmental partners and encompasses public officials, governmental departments and agencies, community-based organizations, local residents, economic and workforce development organizations, organized labor, and the broader nuclear industry. Those relationships are evidenced by the strong degree of support for the Palisades repowering. Beyond public support, those relationships include ongoing exploration of opportunities to further solidify a local talent pipeline to meet future plant and area workforce needs. Many stakeholder partners participate in U.S. Nuclear Regulatory Commission (NRC) public meetings concerning the proposed path to reauthorize plant operations, including public comment in support of such effort.

#### **Economic / Community Development Partners**

Holtec is an invested partner in the region's economic and social prosperity. The company actively participates in local and statewide organizations that enable it to share information, solicit feedback, and answer questions related to the company and the Palisades repowering effort, as well as to better understand the aspirations and challenges within the local community and facing peers in other industries. Those partnerships include public educational institutions, local economic development, workforce development, economic planning, local and state Chambers of Commerce, and state and federal associations. Beyond support for the repower, these partnerships are focused on the long-term growth of a local and regional workforce to support the nation's power industry.



- Market One: Economic development organization for Van Buren and Cass counties, with broad and diverse representation from local units of government, business leaders, and private citizens.
- Lake Michigan College: Support skills-based certification programs to support future labor needs and creation of talent pipeline. Headquartered in Benton Harbor, Michigan, LMC provides educational and training services to a population of primarily local residents with a premium on improving access to higher education.
- Kinexus Group: Workforce development organization for Berrien, Cass, and Van Buren counties. Interfaces with local businesses, state, and local units of government to support job creation, career training, and economic challenges.
- Southwest Michigan Planning Commission: Serving Berrien, Cass, and Van Buren counties. One of 14 regional planning and development organizations in the State. Partnered with the Economic Growth Institute at the University of Michigan.
- South Haven Area Chamber of Commerce: Representing more than 400 businesses in Van Buren County. Palisades is a long-time supporter of the Chamber, including its monthly business professional networking events, leadership training, and community/civic events.
- Southwest Michigan Regional Chamber of Commerce: Southwest Michigan's largest Chamber, based in St. Joseph/Benton Harbor. Similarly, Palisades is a strong supporter of the Chamber, which provides a platform to further share site information with the public and government entities.
- Michigan Chamber of Commerce
- Michigan Manufacturers Association

### **Labor Partners**

As noted in further detail in this document, nearly half of Palisades employees are represented by the Utility Workers Union of America (UWUA) and the United Government Security Officers of America (UGSOA), both of which have active Collective Bargaining Agreements and a long history at Palisades.

Holtec successfully executed a Project Labor Agreement in February 2024 with 15 trade unions that are supporting the project: The International Association of Heat and Frost Insulators and Allied Workers; the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers, and Helpers; the International Union of Bricklayers and Allied Craftworkers; the United Brotherhood of Carpenters and Joiners of America; the Operative Plasterers' and Cement Masons' International Association; the International Brotherhood of Electrical Workers; the International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers; the Laborers' International Union of North America; the International Union of Operating Engineers; the International Union of Painters and Allied Trades; the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and



Canada; the United Union of Roofers, Waterproofers and Allied Workers; the International Association of Sheet Metal, Air, Rail and Transportation Workers; the International Brotherhood of Teamsters; and the International Union of Elevator Constructors.

## **2. Stakeholder Engagement Tools**

Holtec utilizes a wide range of outreach tools to engage stakeholder groups as well as members of the public.

### **NRC Public Meetings**

Since 2023, Holtec has participated in a series of public meetings with staff of the U.S. Nuclear Regulatory Commission (NRC) concerning the reauthorization of operations. Those meetings have entailed presentations by the company and public comment. In April 2024, the NRC hosted its first in-person public meeting in Southwest Michigan regarding the Palisades reauthorization, which was held at Lake Michigan College in Benton Harbor. The NRC hosted a public environmental scope meeting at LMC in July 2024 and another in-person public meeting in August 2024, in which Holtec presented.

### **Public Open Houses**

In addition to participation in NRC public meetings and utilizing other avenues of public engagement, of which some are noted below, Holtec is hosting informational public open houses on plant activities. The first of which took place in June 2024 at its Joint Information Center (JIC) in Benton Harbor, with a second public open house tentatively planned for December 2024. These events are designed to provide yet a further avenue for public feedback and direct engagement with plant personnel, and to promote career opportunities within the community.

### **Public Inquiry**

Holtec's Palisades Power Plant website – [www.palisadespower.com](http://www.palisadespower.com) – includes information on the repower and future operations, including common FAQs, plant information, and resource links. The website also includes an online form for members of the public to contact the plant with questions as well as information on career opportunities.

### **Stakeholder Meetings**

Holtec proactively has alignments with external stakeholders on a frequent basis. These informational touchpoints provide updates on plant activities, answer stakeholder questions, and receive feedback. Holtec also provides periodic public updates to county, township, and municipal units of government. Those interactions provide an additional avenue to answer questions from members of the public on current plant repowering activities.



### **Monthly Stakeholder Conference Call**

Palisades hosts a monthly stakeholder conference call to which federal, Tribal, state, community, and economic development partners are invited to participate. The format includes a report on plant status and station activities, an update on community affairs/outreach activities, and an open forum to discuss those or any other topics. The monthly stakeholder call ensures a standing touchpoint for stakeholders to raise questions, comments, and/or concerns if a touchpoint and/or communication has not been made since the prior month's meeting.

### **Service Club/Community Meetings**

Holtec is often invited to make public presentations at meetings of regional service clubs and community groups, such as Chambers of Commerce, Kiwanis International, and Rotary International. These venues provide an opportunity for long-form presentations and discussions with local residents about the Palisades restart project.

### **Site Tours**

Holtec utilizes visits to Palisades to educate members of the public, providing a face-to-face platform with the plant leadership and plant subject matter experts.

### **Community Event Participation / Sponsorships**

To support informal public interactions and maintain an open community presence, Holtec regularly participates in a variety of community events. That support includes charitable contributions, volunteerism, and in-person, engaged participation. Charitable activities are prioritized for supporting public education, community resources, and disadvantaged communities.

### **Palisades Community Advisory Panel**

Holtec holds two positions on the Palisades Community Advisory Panel (PCAP), which was formed in 2021 by the Van Buren County Board of Commissioners to serve as a conduit for public information and advise on the decommissioning of Palisades. The group has served to support the economic recovery of the community and support long-term planning, including the potential for site reuse, under a decommissioning scenario. The PCAP was composed of diverse representations of the local community, including private citizens, public education, public health, public safety, local units of government, state agencies, Tribes, labor, and conservation representatives. While the PCAP has not reconvened as public interest has moved from decommissioning to repower, Holtec has remained engaged with members of the PCAP and its represented organizations to advise them of plant restart activities.

## **3. Collective Bargaining Agreement (Non-Construction)**

Nearly half of Palisades employees belong to the Utility Workers Union of America Local 150 (UWUA) and the United Government Security Officers of America Local 29 (UGSOA) and plans





to continue these affiliations throughout the scope of the project and the life of the plant operations.

UWUA job classifications include Operators, Electricians, Mechanics, Welders, Radiation Protection Technicians, I&C Technicians and Chemistry Technicians, and Stockkeepers. The training for the majority of those jobs is done on site to comply with NRC/ANSI standards. Ongoing Holtec recruitment efforts for these positions have been supported by applicants from the surrounding communities including the DACs near Palisades. The majority of the jobs require specific basics skills and knowledge to be successful, requiring applicants to take aptitude tests. These tests are developed by the Edison Electrical Institute (EEI) and Holtec has worked with EEI to implement best practices to promote increased diversity hiring. There is a current Collective Bargaining Agreement (CBA) and multiple MOUs with Holtec that the UWUA is currently operating under. Plans are underway to initiate a new CBA for restart. The site has long had an incredibly good working relationship with the UWUA, holding regular meetings with the local UWUA representatives to ensure continued cooperation and discuss matters of mutual interest and concern.

The UGSOA represents members of the Palisades Security Department, the largest department on site. The union is operating under a CBA that was negotiated with the union in May 2022. Historically, recruitment for these positions are almost exclusively from local communities including the DACs in the area. Officer positions are commonly filled by employees with military and law enforcement backgrounds, and the training takes place upon hire on site. The current UGSOA CBA has a no-lockout and no-strike Article. Meetings with Union Leadership and Site Management occur regularly as one of the mechanisms for labor-management cooperation. UGSOA and Site Management have a positive, mutually respected relationship. The negotiated Security Officer wages are competitive with the local area and in most cases above average for any non-nuclear armed security officer or law enforcement officer.

#### **4. Project Labor Agreement (Construction)**

Holtec has successfully executed a Project Labor Agreement with 15 trades (please see above) in support of restart. The contract has language agreeing that there shall be no lockouts or strikes during the life of the Agreement. The Agreement also includes language defining the resolution mechanism for any disputes and grievances. Champion Specialty Services, LLC is identified as the principal contractor currently engaged to perform work at Palisades.

For future career readiness and talent pipeline creation, Holtec is engaged with local units of government and key economic/workforce stakeholders to support the relocation and retention of a local workforce. Holtec is also in conversations with workforce development organization Kinexus Group of Benton Harbor, Michigan, to support the attraction and training of future



employees. The company is also in discussion with Lake Michigan College and Van Buren Intermediate School District with respect to future skills-based training to meet hiring needs.



## **C. Investing in Job Quality and a Skilled Workforce**

As part of Holtec's commitment to job quality, the Palisades repowering project will create opportunities for skilled and unskilled workers alike. The plant's Training program was successfully reestablished, and the Control Room Simulator reconstituted to support ongoing Operator training. Holtec will continue to invest in workforce development programs to provide training and skill enhancement, fostering a seamless transition for the current workforce while empowering new talent to participate in the clean energy economy. The company's emphasis on workforce continuity ensures that local workers are at the forefront of the employment opportunities arising from the project.

### **1. Collective bargaining**

As noted elsewhere, Palisades has a long history as a large union employer and relies upon union contractors (see Collective Bargaining and Project Labor Agreement sections above under "General Project Information" and "Community and Labor Engagement"). That commitment is underpinned by good working relationships and communications between site leadership and union representatives. Holtec is committed to upholding the principles of worker organizing and collective bargaining rights, going above and beyond its legal obligations as stipulated by the 1935 National Labor Relations Act. Holtec believes that a workforce that is empowered to collectively voice their concerns and negotiate fair terms is crucial for a thriving and equitable work environment and a highly trained workforce. Holtec affirms its adherence to Davis-Bacon compliance standards, ensuring that all workers involved in federally funded construction projects receive fair and prevailing wages.

### **2. Union support**

The Palisades repowering effort is strongly backed by the labor community. Palisades has a large union workforce presence (UWUA and UGSOA), a Project Labor Agreement with 15 trades, and has long utilized local halls to support activities during operation and the plant's scheduled refueling and maintenance outages. Union labor will be used extensively as part of the repowering and during operation. Palisades received letters of support for the restart from several labor organizations.

### **3. Job quality**

Holtec offers all full-time employees a competitive and comprehensive benefits package. The wages have been benchmarked within the nuclear industry and remain competitive, assigned wages outside of the CBAs are based on those used as an operating plant. Palisades wages greatly exceed the median household income for the surrounding counties (Van Buren -



\$60,182; Allegan - \$75,901; Berrien - \$61,333; Cass - \$60,725) and neighboring municipalities (Covert Township - \$32,036; City of Benton Harbor - \$24,549; City of South Haven - \$55,469).

Safety is the highest priority at Palisades, operating under robust safety standards for both physical safety and the Nuclear Safety Culture (NSC) program. During operation, the plant ranked in the NRC's highest safety category. The plant's safety management system is the guide to how the team views and works through safety processes. It is fundamental to what they do and how they build and maintain a strong safety culture.

#### **a. Ongoing Operations and Production Jobs**

**Commitment C3a.1:** Holtec will provide competitive wages and benefits, benchmarked to the industry average for the region.

The 2021 Census data for median household income in Van Buren County, where Palisades is located, is \$60,182. The median household income in Covert Township is \$32,036, which is 45 percent below the median household income for the County. The anticipated average annual income for the fully staffed Palisades Operating plant based on the market reference value used for the financial models is \$104,013. The financial model also includes a 40% adder for all benefits and incentives.

The salaries in the financial model have been benchmarked for the industry averages and have been found to be competitive.

**Commitment C3a.2:** Holtec will provide workforce education and training.

Most of the training for the craft workforce is done as on-the-job training. Each discipline has a training program designed and administered within the sites Training department. Holtec feels an individual who possesses a desire to continue their education, in addition to performing their full-time job, shows a commitment to improving themselves and their position within Holtec. To encourage and reward these individuals, Holtec offers an Education Assistance benefit.

Full-time employees may continue their education in a related field and Holtec may reimburse all or part of the registration and tuition costs of a maximum of the annual costs up to a limit of \$5,000 per year for exempt employees and \$1,000 per year for non-exempt employees.

In addition to educational assistance for formal education, Holtec may arrange training programs that enable employees to progress in their technical knowledge of the business. If an associate becomes aware of a particular seminar that he or she believes is appropriate



for enhancing their skills (and/or those of other employees), the associate is encouraged to bring it to the attention of his or her supervisor.

**Commitment C3a.3:** Holtec will ensure workers are engaged in the design and implementation of workplace safety and health plans.

Holtec Palisades provides all employees, contractors, vendors, and visitors with a workplace free from recognizable hazards. Palisades will adhere to all pertinent Michigan Occupational Safety Health Administration (MiOSHA) workplace standards for employee safety.

- **Employee Concerns Program** – Holtec values an environment for raising concerns. A safety conscious work environment is maintained where personnel feel free to raise safety concerns without fear of retaliation, intimidation, harassment, or discrimination and where leaders take ownership when receiving and responding to concerns. Holtec maintains a fleet Employee Concerns Program (ECP) for employees to raise concerns about safety or otherwise outside of the management structure. Palisades has reestablished and hired an on-site ECP manager to be a direct point of contact for employees and contractors to confidentially raise concerns outside of the traditional organizational reporting structure.
- **Safety Representative** – The Palisades site Safety Representative will continue to coordinate all administrative safety required tasks, be the competent and qualified safety person for the site and work closely with all personnel and departments on safe work execution. The site Safety Representative will serve as the interface between the Palisades company and MiOSHA regulatory entity.
- **Culture** – All employees, contractors, and visitors will use self-awareness and stay engaged to drive a heightened sense of situational awareness. This heightened sense will keep workers “on their game” and focused on the task at hand. Special safety meetings will be held at any time it is deemed necessary to do so. Pre-job briefs (PJB) will be conducted from a safety standpoint prior to work execution and job site safety reviews (JSR) will be conducted prior to, while work commences, and after the work is completed.
- **Job Safety Hazard Analysis** – Workplace Job Safety Hazard Analyses (JSHAs) will be utilized when safety work can only be executed outside the framework of safety procedures, or when a task at hand has not been executed at the site previously.
- **Safety Committee** – Site Safety Committee meets on a scheduled basis, all departments have an active committee member and are represented, purpose is to communicate safety related information up and down through the organization and to drive safety issues remediation. All safety related issues/incidents will be discussed at the daily Plan



of the Day (POD) meeting and/or Managers meeting and tracked through resolution and closure.

- **Reporting** – Safety issues/incidents will be brought forward through written communications (e.g., emails, text messages), through verbal communications, and through the Incident Tracking/Condition Reporting system.
- **Improvements** – Safety improvement suggestions will be communicated directly with the associate’s team, supervisor, manager, and with the Palisades site Safety Representative. Safety suggestions that are deemed feasible, reasonable, and/or required will be tracked for management approval, funding, and through to completion.
- **Training** – Safety-related training will focus on general safety awareness and including, but not limited, to multiple topics such as asbestos, lead, fire prevention and protection, control of combustibles, hazard identification, mitigation, and elimination, Personal Protective Equipment (PPE), Blood Borne pathogen safety and prevention.

#### **b. Construction Jobs**

**Commitment C3b.1** Holtec commits to ensure subcontractors pay competitive wage and benefit rates benchmarked against local Davis-Bacon prevailing wages per the contract.

**Commitment C3b.2:** Holtec will ensure the highest standards of construction site health and safety, including site free of harassment and discrimination. See Commitment C3a.3.

#### **4. Job Projections**

The Palisades organization is composed of approximately 600 highly skilled, full-time employees to support the plant restart and return to safe, reliable operation. As elsewhere noted, the Palisades team is a highly qualified, pedigreed team of experienced Palisades workers, industry veterans, and talented hires. Like other U.S. commercial nuclear plants, Palisades offers a wide array of career opportunities, drawing from diverse training and professional backgrounds. Approximately 45 percent of the plant workforce is represented by organized labor and the plant is a major employer of U.S. military veterans.

The Palisades organization is a professionally diverse organization, including professionals from the fields of administration, building and grounds, chemistry, communications, emergency planning, ECP, engineering, finance, government affairs, human resources, IT, maintenance (including electrical, I&C, and mechanical), operations, outage, procurement, production, projects, quality assurance, regulatory assurance, radiation protection, safety, security, and training.



## **D. Diversity, Equity, Inclusion, and Accessibility**

As a minority-owned business, Holtec is committed to promoting diversity, equity, inclusion, and accessibility (DEIA) across all aspects of the repowering project, carrying those values forward during the plant's repower and continued operation. Holtec recognizes the importance of diverse perspectives in decision-making and will actively seek input from underrepresented groups to ensure their voices are heard, including employees, contractors, and external stakeholders.

### **Supplier Diversity**

Holtec International prides itself on the strong relationships it holds with its stakeholders, vendors, and the communities that it serves. The company values diversity in heritage, background, lifestyle, and thought. Holtec has long been a certified Minority Business Enterprise (MBE), and early in 2021 expanded its efforts by designating a Supplier Diversity Manager, who immediately implemented a program to identify and foster Tier 1 and Tier 2 diverse suppliers.

This program underscores the company's commitment to equal opportunity, sustaining and enhancing the economic development of small businesses and diverse organizations in their communities, and aligns with programs and policies that are becoming the norm in the industry and the nation.

Holtec's first goal was to establish a baseline and gain an understanding of its existing vendors that are certified with recognized diversity classifications. A cross-functional Holtec team developed a basic online questionnaire and application to compile and analyze data, as well as a means of inputting this information into its existing vendor database. Since then, the company has incorporated questions regarding small business into its online Supplier Registration form, which then integrates into its vendor database.

Holtec International was the 2023 recipient of the TVA Prime Supplier of the Year Award and in 2022 received the Entergy Premier Vendor Award, both because of its supplier diversity efforts. Its efforts will continue to evolve with next steps focusing on attracting more vendors owned by persons from underrepresented groups through creative outreach efforts.

### **Employee Resources**

Like most U.S. commercial nuclear power plants, Palisades is a large veteran employer that attracts workforce from the U.S. Navy and the other branches of the U.S. Armed Forces. Holtec will reimplement an on-site DEIA Council, an associate-driven organization to keep DEIA issues and recommendations at the forefront and raised with site managers. Holtec Palisades also



supports associate engagement through the on-site reformation of well-established national chapters of Women In Nuclear (WIN) and North American Young Generation in Nuclear (NAYGN), which promote career development opportunities, community engagement, and outreach.

### **Job Promotion**

Holtec is working with its community partners to improve access to jobs for local and underrepresented workers, including DAC residents. Those engagements include workforce development organization Kinexus Group of Benton Harbor, Michigan, which provides career training and job placement services to Berrien, Cass, and Van Buren counties. Holtec is also in dialogue with Lake Michigan College of Benton Harbor and South Haven, Michigan, on skill-based certification programs to establish a talent pipeline from within the local community. Holtec has met with DAC entities to seek feedback and understanding on local employment opportunities and how to best attract workers from those plant stakeholder communities.





## E. Justice40 Initiative

The repowering of the Palisades Nuclear Power Plant will advance the U.S. Department of Energy's equity, environmental, and energy justice priorities in several ways, aligning with the Department's commitment to the Justice40 initiative and supporting energy communities. Those investments made in the repowering of Palisades will advance economic prosperity, public health, and environmental well-being within these communities. Holtec's commitment seeks to empower and uplift these communities. While many of the benefits of repowering will be immediately felt and are quantifiable during the restart project (e.g., hiring employees and contractors) it is important to note that many of the community benefits will be actualized over the long-term operation, including increased energy reliability and climate change mitigation.

For purposes of informing the Palisades CBP, disadvantaged community (DAC) data was derived from the White House Council on Environmental Quality's (CEQ) Climate and Economic Justice Screening Tool (CEJST), the U.S. Census Bureau, and the MiEJScreen mapping tool which was developed by the Michigan Department of Environment, Great Lakes, and Energy's (EGLE) Office of the Environmental Justice Public Advocate in cooperation with the state's Interagency Environmental Justice Response Team Data and Research Workgroup.

### 1. A decrease in energy burden

**Benefit E1.1:** Energy price volatility and reliability concerns can have significant and adverse effects on disadvantaged and low-income communities. These communities are particularly vulnerable to fluctuations in energy prices due to limited financial resources and often lack access to affordable energy-efficient technologies. Long-term energy prices are unpredictable, subject to market demand, availability of resources, planned and unplanned outages, supply chains, and policymaking among other factors.

Michigan, like many other states, has been transitioning away from coal-fired power plants to reach clean climate goals and reduce harmful greenhouse gas emissions. For Michigan, coal plants were once the dominant contributor to the state's generation portfolio and historically known for their high reliability factor, albeit lower than that of nuclear power.

In support of the Palisades repowering and future operation, Holtec has entered a long-term power purchase agreement (PPA) with two rural, not-for-profit energy cooperatives – Wolverine Power and Hoosier Energy – who will purchase the plant's emissions-free baseload generation. That agreement not only ensures the plant's operational safety and reliability, economic viability, and debt service, but provides long-term price stability for an asset that is both baseload generation and supports the state's clean climate goals.



**DAC that will benefit:** The clean and reliable generation and capacity provided by Palisades will benefit residential, commercial, and industrial energy customers in MISO, which constitutes the vast majority of Michigan’s lower peninsula, covering numerous DACs.

**How benefits will be delivered:** Long-term price stability and energy reliability will be delivered by the Palisades PPA offtaker to its customers.

**When benefit will be delivered:** Over the course of the plant’s long-term operation and duration of the PPA.

**Milestones toward benefit delivery:** On September 12, 2023, Holtec announced a long-term PPA with Wolverine Power Cooperative and Hoosier Energy, two rural, not-for-profit energy providers. The foundation of this partnership is a long-term, multi-decade PPA with Wolverine committing to purchase up to two-thirds of the carbon-free power generated by Palisades for its Michigan-based rural electric cooperatives. Wolverine’s non-profit rural electric cooperative project partner, Hoosier Energy, will purchase the balance. Both Wolverine and Hoosier operate within MISO.

**Metrics to track and report on benefits:** Benefits will be actualized over the long term of the plant’s operation and PPA.

**Community-based organization(s) involved in identifying or negotiating benefits or developing plan for benefit delivery:** Customer benefits will be the result of the PPA negotiated between plant owner Holtec and offtakers Wolverine and Hoosier.

## 2. A decrease in environmental exposure and burdens

**Benefit E2.1:** Palisades provides greenhouse-gas-emissions-free generation, which is essential to supporting long-term public health and achieving the State of Michigan’s clean climate goals<sup>2</sup>. The power to replace Palisades has been estimated at 4.47 million tons of CO<sub>2</sub> emissions annually – in addition to other greenhouse gas pollutants emitted by fossil fuel plants such as sulfur dioxide (SO<sub>2</sub>), nitrogen oxides (NO<sub>x</sub>), and particulate matter – equating to more than 900,000 cars on the road. Nuclear power plants like Palisades do not emit these pollutants during electricity generation, contributing to improvements in local air quality and public health. In addition to the direct socioeconomic benefits of Palisades, the plant’s contribution to mitigate the human cost of climate change is significant<sup>3</sup>.

The repowering of Palisades provides a bridge of clean, reliable generation for the State of Michigan as it transitions from fossil-fuel generation – with most of the state’s baseload, coal-fired generation scheduled to close by 2030 – to renewables and other advanced technologies. Carbon-free, baseload generation is essential to public health as well as Michigan’s economic competitiveness and attracting future employers as well as

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<sup>2</sup> <https://www.michigan.gov/egle/about/organization/climate-and-energy/mi-healthy-climate-plan>

<sup>3</sup> <https://screeningtool.geoplatform.gov/en/#11.01/42.2708/-86.2962>

supporting the growth of electric vehicles and EV infrastructure, which Governor Whitmer's administration has stated is a priority<sup>4</sup>.

**DAC that will benefit:** All DACs that would be disproportionately impacted by the fossil-fueled generation required to offset the loss of Palisades's baseload, emissions-free generation. Of most immediate benefit is the surrounding plant community of Allegan, Berrien, Cass, and Van Buren counties. This is especially important for communities at higher risk for asthma and cardiovascular disease, which make residents vulnerable to the impact of climate change.

**How benefit will be delivered:** Benefit is direct through the safe, reliable, and emissions-free operation of the plant in helping mitigate the effects of climate change to which other energy resources contribute.

**When benefit will be delivered:** Following repowering and over the duration of the plant's operation.

**Milestones toward benefit delivery:** Completion of repowering.

**Metrics to track and report on benefits:** The benefits of reducing greenhouse gas emissions and air pollutants are well understood. Palisades is vital in Michigan's clean energy transition.

### 3. An increase in quality job creation, the clean energy job pipeline, and job training for individuals

**Benefit E3.1:** During operation, Palisades employed approximately 600 full-time, highly skilled jobs with an average salary that greatly exceeds the area median annual household. Those jobs directly provide a major economic stimulus to the local and regional economies through wages spent on goods, services, and housing as well as sales and income taxes. A 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 (direct, indirect, and induced across industries) for Southwest Michigan.

In addition to direct full-time employees, the plant brings more than an additional 1,000 specialty workers into the community every 18 months to support scheduled refueling and maintenance outages. Those outages further support the region's economy and have been essential to the area's hospitality, lodging, and service industries.

**DAC that will benefit:** Greater Southwest Michigan region – including Covert Township, South Haven, and Benton Harbor – and extending beyond the tri-county region to both urban and rural DACs.

**How benefits will be delivered:** Directly through the ongoing hiring of more than 300 new employees to the plant's full-time, permanent workforce. The repowering will also

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<sup>4</sup> <https://www.michigan.gov/whitmer/news/press-releases/2023/04/25/whitmer-announces-launch-of-state-of-michigan-community-ev-toolkit-to-support-local-governments>



support more than 1,000 specialized supplemental workers, which is typical of the plant's regularly scheduled refueling and maintenance outages that occur every 18 months. Many of those outage workers are hired from within the local community and through utilizing area union halls. The indirect benefit will be delivered to the greater Southwest Michigan region, which benefits from the influx of tax revenues and associated spending.

**When benefit will be delivered:** Hiring of full-time, permanent employees commenced in September 2023 with an emphasis on hiring future plant Operators and has continued across all plant areas. The workforce and contractors will be maintained throughout the repower and during plant operation.

**Milestones toward benefit delivery:** Currently in process.

**Metrics to track and report on benefits:** Employees hired to populate organizational chart. Geographic disbursement of employees, current and future.

**Community-based organization(s) involved in identifying or negotiating benefits or developing plan for benefit delivery:** Holtec has been engaged with regional workforce development organizations and trade unions.

In support of the plant's repowering and long-term future operations, Holtec is engaged with Michigan educational institutions – including Lake Michigan College (LMC) and other institutions of higher education, local K-12 public schools, and the Van Buren Intermediate School District (VBISD) – to help build the local clean energy job pipeline.

During its operation, the plant had previously partnered with LMC in nearby Benton Harbor, Michigan, to develop a technical career training curriculum for students entering the nuclear energy industry. LMC's student population heavily draws from the surrounding counties and provides financial assistance that makes access to quality higher education and career-based training attainable for low-income students and other DAC populations. That partnership between the plant and college included instruction by Palisades team members. Holtec is in conversation with LMC to potentially revitalize that nuclear career program.

Holtec has regular engagement with LMC and has already hosted LMC's Workforce and Career Readiness department on site to discuss revitalization of the nuclear career training program as well as developing a skills-based curriculum to meet the plant and region's long-term workforce needs, particularly in the skilled trades where demand will continue. In addition to future development of curriculum to meet those future needs, preliminary discussions have focused on heightening awareness of local nuclear career opportunities. LMC has a satellite campus in nearby South Haven, which is only miles north of Covert Township.



Similarly, Holtec has regular engagement with the VBISD, which provides career development and technical training opportunities to students at all public school systems in Van Buren County, including Covert Public Schools and South Haven Public Schools. These discussions have focused on meeting the plant and region's long-term skilled workforce needs through local employment. Those ongoing discussions include both increasing awareness of career opportunities for students – particularly those who may benefit from educational opportunities outside of a traditional four-year undergraduate degree or advanced degree – as well as potential tailoring of curriculum.

As a major veteran employer, Holtec is also engaged with the United States Navy to connect recent veterans with career opportunities. Historically, the U.S. Naval Nuclear Propulsion Program has provided a pipeline for future U.S. commercial nuclear power plant personnel in Operations and other departments.

Holtec is also engaged with Kinexus Group (Michigan Works), which provides career readiness and workforce development for the greater tri-county region of Berrien, Cass, and Van Buren counties.

#### **4. Increases in clean energy enterprise creation and contracting (e.g., diverse business enterprises)**

**Benefit E4.1:** As a minority-owned business, Holtec is committed to supporting partnership opportunities with high-performing, price-competitive enterprises that are owned or led by underrepresented groups. Holtec is also committed to diversity and inclusion within the company's own workforce.

**How benefits will be delivered:** Direct by applying DEIA values in hiring and contracting processes. Growing site and company mindfulness through establishment of associate-driven DEIA council to uphold company values and ensure all employees can contribute.

**Milestones toward benefit delivery:** Formation of associate-driven DEIA council.

#### **5. An increase in energy resilience**

**Benefit E5.1:** The repowering of Palisades will provide greater long-term energy resilience to DACs throughout the greater region, lessening the likelihood of long-duration electrical outages that have a disproportionate impact on disadvantaged, elderly, and health-sensitive community groups. During its operation, Palisades had a capacity factor of more than 90 percent, which exceeds the typical reliability expected of both traditional fossil fuel and renewable sources.

**DAC that will benefit:** Grid resilience benefits all residents and businesses.

**How benefits will be delivered:** Directly through the plant's return to operation, providing increased electric reliability to all end users.



**When benefit will be delivered:** Benefit of improved grid reliability and increased resilience will be actualized after completion of the repowering and over the duration of the plant's operation.

## **6. Support for vital public and community services/resources**

**Benefit E6.1:** During regular operation, Palisades was one of the region's largest, highest-paying employers as well as one of the largest local taxpayers. During operation, tax dollars were used to support local units of government and public services – such as police, fire, emergency response, public health, transportation, senior services, and veteran care – as well as public education.

**DAC that will benefit:** The most significant share of Palisades's property taxes is disbursed to those supporting disadvantaged populations. Covert Township and Covert Public Schools (see appendix) receive 50.5% of the plant's paid tax revenues. The Van Buren Intermediate School District receives 14.24%, serving students with disabilities, career/technical training skills, migrant worker families and ESL programming, as well as learning services for Covert Public School high school seniors and juniors. 14.8% of revenues go to Van Buren County (roads, transportation, public safety, public health, general operations). 4.71% of tax revenues are paid to Lake Michigan College, which has a campus in the South Haven-Covert Township DAC and is based in the DAC Benton Harbor, Michigan. 2.25% go to the Van Buren District Library, including its Covert Township Branch. 12.48% supports state education. The remaining revenues support other countywide services, including Senior Services, the Van Buren Conservation District, and veterans' services.

**How benefits will be delivered:** The considerable benefits of increased property taxes are direct to the local community. Palisades property taxes are determined on an annual basis by the Tax Assessor who establishes the value of the property, real and personal. Millage rates are applied to that assessed value to determine the plant's property tax bill, which is paid in the winter and summer.

**When benefit will be delivered:** Holtec is committed to being a good community partner and will work with appropriate entities to determine a fair assessed value.

**Milestones toward benefit delivery:** The plant's return to service.

**Metrics to track and report on benefits:** Future property tax payments will be decided through the annual assessment process.

**Community-based organization(s) involved in identifying or negotiating benefits or developing plan for benefit delivery:** Covert Township and Van Buren County are the parties directly involved in the assessment process.

## **Potential Environmental Impact**



The Palisades Nuclear Power Plant was constructed in the late 1960s and provided safe, carbon-free, and reliable generation from December 1971 to its early shutdown in May 2022. The plant operated in the U.S. Nuclear Regulatory Commission’s (NRC’s) highest safety category and was recognized as a top performing plant within the U.S. commercial nuclear power industry. Its existence and operation are well established and thus repowering would have no new impact. Activities related to the restart fit within the plant’s current footprint, with primary equipment and system modifications, upgrades, inspections, and repairs occurring within the already-existing plant.

The health and safety of its workforce, the community, and environment are the plant’s highest priorities. Palisades maintains robust safety and environmental monitoring programs to ensure the health and safety of its workforce, the surrounding community, and the environment. Plant activities and reporting requirements comply with regulations set forth by the NRC, the U.S. Environmental Protection Agency (EPA), the Occupational Safety and Health Administration (OSHA), and agencies within the State of Michigan. Environmental sampling data is made publicly available through the NRC.

In 2023, the NRC formed a Palisades Nuclear Plant Restart Panel, which “will guide the staff efforts to review, inspect, and confirm that [Palisades] is ready to be returned to an operating facility. The Restart Panel will help coordinate licensing, inspection, and oversight activities across the agency to ensure that all aspects of the PNP restart project are meeting the NRC’s safety, security, and environmental requirements.”<sup>5</sup>

During operation, the NRC maintains a full-time, on-site presence at the plant led by a Senior Resident Inspector and Resident Inspector. Those Residents are supported by teams of NRC personnel who routinely visit the site for regularly scheduled inspections. Like all nuclear power plants in the United States, Palisades in operation annually undergoes thousands of hours of independent inspection and oversight by the NRC to ensure the plant adheres to the federal government’s highest safety standards. The NRC’s reports are regularly made available to the public and the agency hosts an annual assessment meeting for every operating plant. Prior to its shutdown, Palisades operated in the NRC’s highest safety category (i.e., Column I of the Reactor Oversight Process Action Matrix<sup>6</sup>) based on all information from inspections and performance indicators.

### Qualified Workforce / Training

The Palisades repower and its return to safe, reliable operation is led by a technical, highly trained, and highly qualified team of experienced nuclear power plant professionals. More than a third of its workforce remained on staff following early scheduled shutdown and ownership

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<sup>5</sup> <https://www.nrc.gov/docs/ML2329/ML23297A053.pdf>

<sup>6</sup> <https://www.nrc.gov/reactors/operating/oversight/actionmatrix-summary.html>





transfer, bringing with them careers of training and knowledge, plant-specific operational experience, and leadership across all major disciplines to lead the repower and operation. Since the restart decision was announced, the plant has focused on restaffing its organization with both highly qualified former plant employees – who had either relocated within the U.S. commercial nuclear power industry, sought other employment, or retired after the early scheduled shutdown – as well as highly talented hires from diverse backgrounds including elsewhere within the nuclear industry, the skilled trades/labor, institutions of higher education, and the U.S. Armed Forces. From the beginning of 2024 to July of that year, the plant had re/hired more than 200 highly qualified personnel and is on target to complete staffing of its roughly 600-member organization by early 2025. The workforce is a well-balanced mix of seasoned Palisades and industry veterans and talented new hires who represent the future of the nuclear industry in the United States.

Critical to the Palisades restart is the successful re-establishment of the plant’s accredited Training program. That entailed reconstitution of the plant’s Control Room Simulator, re-habitation and upgrade of the Training Building, and re-establishment of the Training Department staff and curriculum. Supported by long-time Palisades and industry veterans, the Palisades Training program is industry leading. Since the beginning of the year, 26 seasoned Palisades Operators have successfully completed their requalification training to support continued operations. Additionally, two initial Operator classes are well underway – to be completed by 2025 – and two pipeline Operator classes are to begin Q3 2024. Once licensed, nuclear power plant Operations personnel undergo continuous training to maintain their federally issued operations licenses. Additionally, maintenance and technical training programs are re-established and currently underway with great depth of experience in plant operations.

The experienced and highly qualified Palisades workforce is bolstered by the support of long-established contractors, vendors, labor partners, and industry peers.

#### Radiological Material Management

For the repowering, plant owner Holtec will rely upon its vast network of industry suppliers, which supported the plant during its operation. Like most nuclear power plants, Palisades uses uranium as fuel to initiate a controlled nuclear fission process. The heat generated through this process is converted into electricity through the production of steam. To meet domestic nuclear fuel demand, the U.S. commercial nuclear industry typically relies on uranium imports, primarily from Canada and Australia.

Like other U.S. nuclear power plants, Palisades is responsible for maintaining, monitoring, and protecting the spent fuel that it has produced during normal plant operation. Holtec International is the largest domestic and international supplier of spent fuel storage solutions to the commercial nuclear power industry. At Palisades, that spent fuel is safely stored in dry





fuel storage canisters located on two Independent Spent Fuel Storage Installation (ISFSI) pads. The canisters and ISFSIs are maintained in compliance with Palisades licensing requirements with NRC oversight. Like other nuclear power plants, the spent fuel will remain at Palisades until it is ready to be received by the federal government for transportation to an interim or permanent repository. In 2022, Palisades hosted a spent fuel transportation taskforce<sup>7</sup> from the U.S. Department of Energy to discuss the eventual removal of spent fuel from Palisades. That visit included community stakeholder roundtable discussions involving Palisades owner Holtec, Tribal, state, and local representatives, and members of the public. Michigan law prohibits the intrastate transportation of spent fuel from one plant to another.

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<sup>7</sup> Revised 2023 report pending publication by the U.S. Department of Energy:  
<https://www.energy.gov/ne/articles/nuclear-power-plant-infrastructure-evaluations-removal-spent-nuclear-fuel>



## F. Summary Table

Holtec recognizes its role as a responsible corporate citizen. The company also recognizes and deeply appreciates the significant importance that strong external support for the Palisades repower has had and will continue to play in future operation. The above CBP, which is designed to evolve based on changing needs, is a testament to Holtec’s commitment to making a positive impact in the communities it serves. With a focus on maintaining the well-being of its workforce, partnering with the communities, and maintaining meaningful engagement with external stakeholders, this plan outlines Holtec’s belief and commitment that the repower aligns with broader social and environmental goals. The company’s dedication to these values underscores its vision for a better and more sustainable future for all.

Below is a summary of the deliverable benefits outlined in the Palisades Community Benefits Plan:

Category and Commitment	Impacted Parties	Status	Milestones
<b>Community and Labor Engagement</b>			
Collective Bargaining Agreements (CBAs)	Utility Workers Union of America (UWUA) and United Government Security Officers of America (UGSOA)	Complete	Signed CBAs active and in place. Renewal of CBAs prior to restart (~Q4 2025).
Project Labor Agreement (PLA)	15 PLA signatory trade unions noted above under “Community and Labor Engagement”	Complete	PLA for repower activities successfully executed February 2024.
U.S. Nuclear Regulatory Commission Public Meetings	External stakeholders, community members	Ongoing	Since Q3 2023, Holtec has participated in a series of public meetings with NRC staff concerning the reauthorization of power operations.

			<p>Holtec is committed to continue to attend and/or participate in future NRC Palisades Restart Panel public meetings and pre-submittal meetings as appropriate and depending upon the meeting format and purpose.</p>
Public Open Houses	External stakeholders, community members	In Progress	<p>Holtec intends to host two informational public open houses every year, with plant subject matter experts available to discuss repower-related activities.</p> <p>The first open house was held in June 2024 in Benton Harbor, Michigan. A second open house is tentatively planned for Q4 2024.</p>
Public Inquiry	Community members	In Progress	<p>Palisades website (<a href="http://www.palisadespower.com">www.palisadespower.com</a>) revised and updated.</p> <p>The site will provide public information on plant, repower, emergency preparedness, career opportunities, and public comments and inquiry.</p> <p>Information will be updated on a timely, as-needed basis. Public comment and inquiry will be monitored by Holtec Government Affairs and Communications team.</p>

Monthly Stakeholder Conference Call	Federal, Tribal, state, local stakeholders	Ongoing	Held monthly to provide formal plant status update to stakeholders and key agencies. Twelve standing monthly calls per year with additional “jump up” calls as needed on topics of interest.
Utilization of stakeholder outreach tools	Federal, Tribal, state, local stakeholders; community members	Ongoing	Continuation of regular (weekly/monthly/ad hoc) touchpoints through and into return to operations. Inform on project status and plant activities; solicit feedback and questions.
<b>Investing in Job Quality and a Skilled Workforce</b>			
Competitive wages and benefits	Workforce – bargaining unit and non-bargaining unit	Ongoing	Continue to maintain during restart and during operations.
Workforce education and hiring	Workforce – BU/NBU	Ongoing	<p>Restoration of site Training program and hiring of pedigreed training personnel (Complete). Industry training program accreditation (Ongoing).</p> <p>Benefits in place for new employees (Complete).</p> <p>Active hiring to continue across most disciplines through 2025. Tracking job creation data to demonstrate clean energy job pipeline data (Ongoing).</p>

Workplace safety and health plans	Workforce – BU/NBU, contractors	Complete; Ongoing	On-site ECP coordinator hired (Q12024). Reimplementation of policies/procedures for operations (Ongoing).
<b>Diversity, Equity, Inclusion, and Accessibility</b>			
On-site DEIA Council formation	Workforce – BU/NBU, contractors, suppliers, potential hires	In Progress	Formation of an associate-driven DEIA Council to drive DEIA-related issues and elevate to plant management (Q1 2025)
Job training partnerships, career pipeline, including DACs and local residents	Local K-12, ISD, and institutes of higher education	In Progress	Active discussions with local educational institutions to develop a local talent pipeline to support future careers and plant operations. Restoration of internship programs.
<b>Justice40 Initiative</b>			
Decrease energy burden	DACs, residential and C&I customers	In Progress	Price stability and generation reliability ensured by long-term PPA (Complete). Actualized beginning upon return to operation, realized over long-term operation.
Decrease environmental exposures and burdens	DACs, vulnerable community populations	In Progress	Offsetting global emissions of greenhouse gases. Upon return to operation, realized over long-term operation.
Increase in quality job creation	DACs	Ongoing	Continued engagement of workforce development and public education partners. Hiring in progress and tracking data.

			Engaged with local institutions of education to develop long-term career training opportunities.
Increase in energy resilience	DACs, residential and C&I customers	In Progress	Increased energy reliability through deployment of carbon-free, baseload generation from a proven generator. Upon return to operation, realized over long-term operation. Quantifiable in tracked megawatt-hours and online reliability factor.
Support for vital public and community services/resources	DACs, primarily local taxing units	Ongoing	Upon repowering and through future operation with restoration of plant property tax revenues, as determined by the assessment process. Taxes paid in Winter/Summer. Distribution of tax payments to local entities based on milage.



## G. Appendix

### Disadvantaged Communities and Federally Recognized Tribes

Below are the federally recognized DACs/Federally Recognized Tribes within the near vicinity of the Palisades Nuclear Power Plant, the location of its workforce, and immediate economic footprint. Plant engagement is not confined to the federal, Tribal, state, and local entities represented by this list.

#### Van Buren County DACs

- Covert Township (Tract 26159010600) – *Palisades Nuclear Power Plant location*
- South Haven Township (Tract 26159010500)
- City of South Haven (Tract 26159010400)
- City of Hartford (Tract 26159011400)
- Hartford Township (Tract 26159011300)
- Bangor Township (Tract 26159012000)
- City of Bangor (Tract 26159012000)
- Geneva Township (Tract 26159010200)
- Columbia Township (Tract 26159010200)
- Lawrence Township (Tract 26159011300)
- Paw Paw Township (Tract 26159011800)

#### Northern Berrien County DACs

- City of Benton Harbor (Tract 26021000300-600, 26021002200)
- Benton Township (Tract 26021002000-500)
- Watervliet Township (Tract 26021010300)
- City of Watervliet (Tract 26021010300)

#### Southern Allegan County DACs

- City of Allegan (Tract 26005031200)
- Lee Township (Tract 26005031000)
- Cheshire Township (Tract 26005031000)

#### Cass County DACs

- City of Dowagiac (Tract 26027001900-2200)
- Silver Creek Township (Tract 26027001900)
- Pokagon Township (Tract 26027002200)
- Wayne Township (Tract 26027002000)
- LaGrange Township (Tract 26027002100)



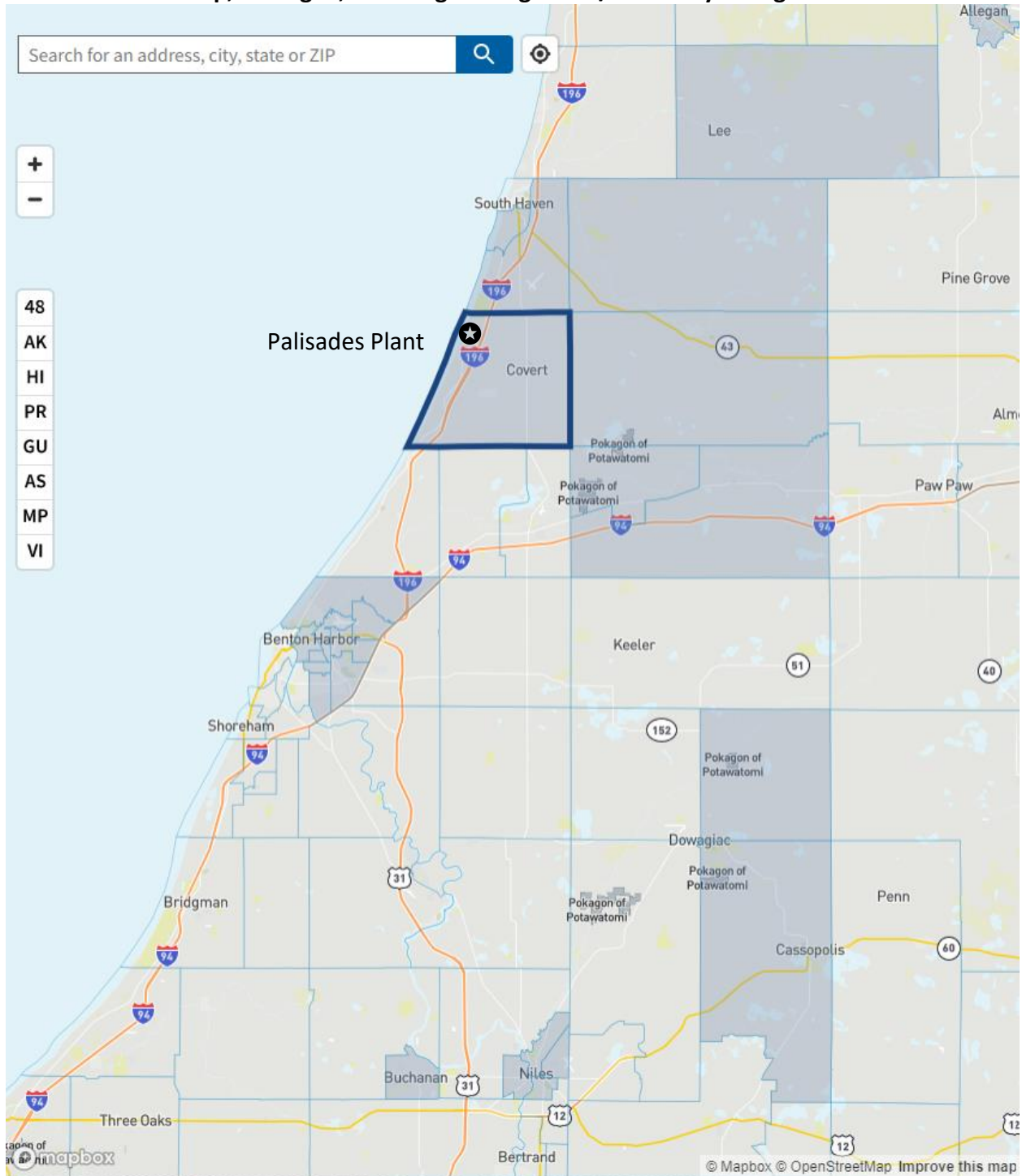
#### Federally Recognized Tribes

- Pokagon Band of Potawatomi (with lands including):
  - Hartford Township, Van Buren County
  - Bangor Township, Van Buren County
  - City of Dowagiac, Cass County – *Headquarters of the Pokagon Band*
  - Pokagon Township, Cass County
  - Silver Creek Township, Cass County
  - Wayne Township, Cass County
  - LaGrange Township, Cass County
  - New Buffalo Township, Berrien County



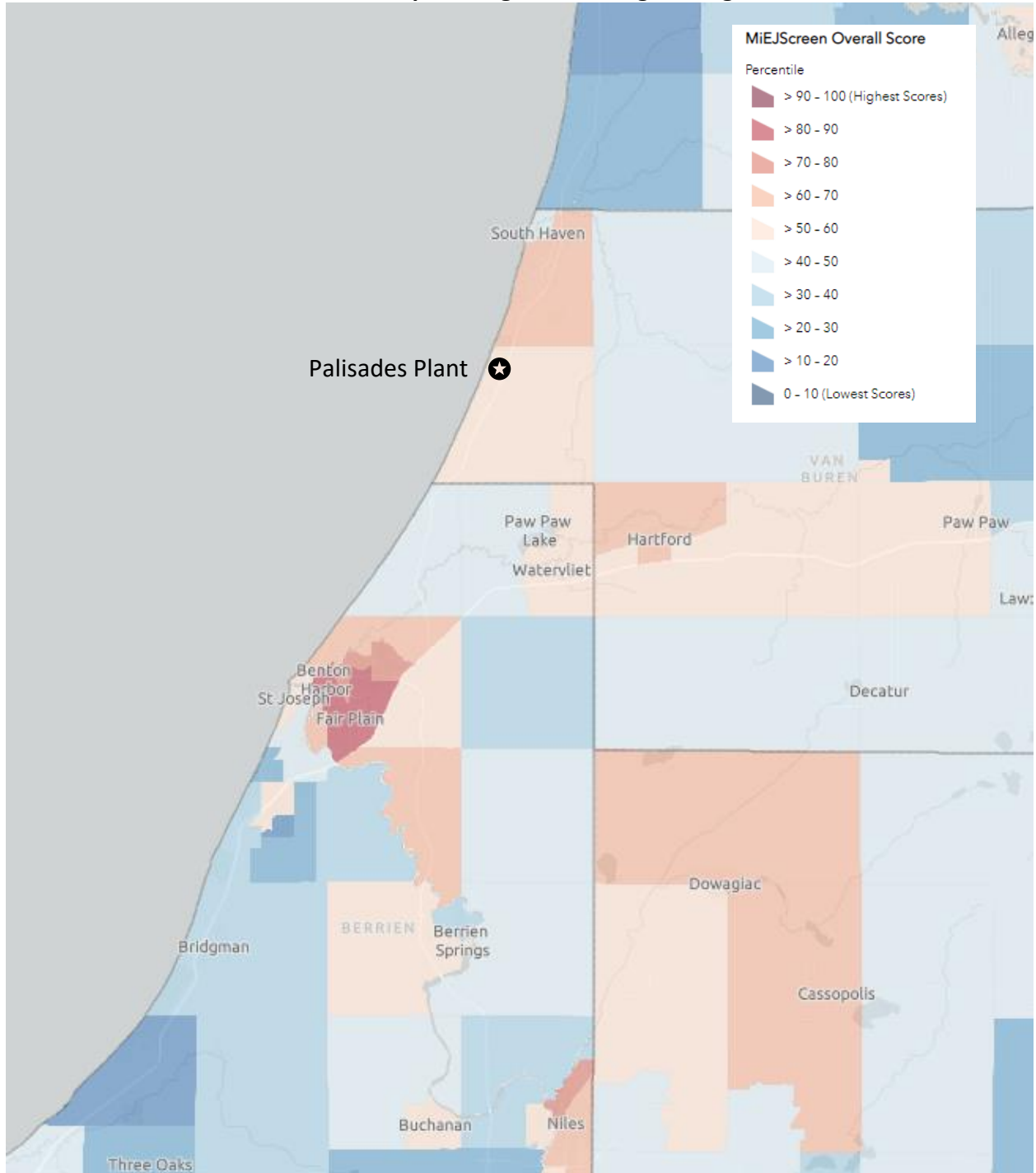
## Climate and Economic Justice Screening Tool (CEJST) Map

### Covert Township, Michigan, and Neighboring DACs / Federally Recognized Tribal Lands



Source: CEJST Website (<https://screeningtool.geoplatform.gov/en/#9.37/42.1484/-86.2743>); Census tracts that are overburdened and underserved are highlighted as being disadvantaged on the map above in blue. Federally Recognized Tribes, including Alaska Native Villages, are also considered disadvantaged communities.

## State of Michigan MiEJScreen Map Covert Township, Michigan, and Neighboring DACs



Source: MiEJScreen Mapping Tool (<https://eagle.maps.arcgis.com/apps/webappviewer/index.html?id=b100011f137945138a52a35ec6d8676f>);  
MiEJScreen scoring is conducted on a scale of 0 to 100 based on the categories of environment exposure and environmental effects (sub scored as environmental conditions) and sensitive populations and socioeconomic factors (sub scored as population characteristics), which determine a



*final composite score. A higher MiEJScreen score (indicated in red/orange) indicates a greater number of environmental and social justice indicators.*



## Community Snapshot: Covert Township, Michigan

### Summary

Covert Township is home to the Palisades Nuclear Power Plant. The township and the Covert Public School system are the two public entities most greatly and directly impacted by the loss of the plant's declining property tax payments. Covert is designated as a disadvantaged community because it meets more than one burden threshold (as identified by the CEJST<sup>8</sup>) and the associated socioeconomic threshold. CEJST and MiEJScreen both highlight the area's socioeconomic challenges, which include socioeconomic challenges (e.g., low household income, high poverty, language barriers, educational attainment) and sensitive populations (e.g., increased rates of medical conditions that may be increased by environmental factors), which are detailed below.

### Census Tract Information: Covert Township, Michigan

Number: 26159010600

County: Van Buren County

State: Michigan

Population: 2,869

### Demographics: Covert Township, Michigan

#### Race / Ethnicity

White	48%
Black or African American	20%
American Indian/Alaska Native	0%
Asian	0%
Native Hawaiian/Pacific Islander	0%
Other	12%
Two or more races	6%
Hispanic or Latino	27%

### 2020 U.S. Census Demographics: Covert Township, Michigan<sup>9</sup>

#### Income and Earnings

\$32,036 median household income in Covert Township (**45% below** median household income in Van Buren County, Michigan)

#### Poverty

**27.4%** of all residents in Covert Township (more than twice the overall rate of poverty in Van Buren County, Michigan)

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<sup>8</sup> CEJST: <https://screeningtool.geoplatform.gov/en/#11.01/42.2708/-86.2962>

<sup>9</sup> [https://data.census.gov/profile/Covert township, Van Buren County, Michigan?g=06000000US2615918560](https://data.census.gov/profile/Covert%20township,%20Van%20Buren%20County,%20Michigan?g=06000000US2615918560)



### Education Attainment

**52.7% lower** attainment of bachelor's degree or higher in Covert Township than in Van Buren County, Michigan (10.6% vs 22.4%, respectively)

**CEJST Tract Disadvantaged Data Points: Covert Township, Michigan**

### Low Income

Covert Township ranks in the **87<sup>th</sup> percentile** (above 65<sup>th</sup> percentile) for people in households where income is less than or equal to twice the federal poverty level, not including students enrolled in higher ed.

### Energy Cost

Covert Township ranks in the **97<sup>th</sup> percentile** (above 90<sup>th</sup> percentile) for average annual energy costs divided by household income, a figure that directly correlates to low income and earning levels within the township.

### Health

Covert township ranks in the **94<sup>th</sup> percentile** (above 90<sup>th</sup> percentile) for share of people who have been told they have **asthma**, the **93<sup>rd</sup> percentile** (above 90<sup>th</sup> percentile) for share of people ages 18 years and older who have **diabetes** other than diabetes during pregnancy, and the **91<sup>st</sup> percentile** (above 90<sup>th</sup> percentile) for share of people ages 18 years and older who have been told they have **heart disease**.

### Transportation

Covert Township ranks in the **94<sup>th</sup> percentile** (above 90<sup>th</sup> percentile) for transportation barriers, determined as the average of relative cost and time spent on transportation.

### Water and Wastewater

Covert Township ranks in the **97<sup>th</sup> percentile** (above 90<sup>th</sup> percentile) for modeled toxic concentrations at parts of streams within 500 meters.

### Workforce Development

Covert Township residents (**28 percent**) ages 25 years or older whose high school education is less than a high school diploma.



## MiEJScreen Report<sup>10</sup>

Reporting by the State of Michigan reached similar conclusions with respect to the environmental and population characteristics of Covert Township:

MiEJ Composite Score:	59 <sup>th</sup> percentile
Environmental Conditions:	31 <sup>st</sup> percentile
<i>Exposure</i>	31 <sup>st</sup> percentile
<i>Environmental Effects</i>	38 <sup>th</sup> percentile
Population Characteristics:	79 <sup>th</sup> percentile
<i>Sensitive Populations</i>	65 <sup>th</sup> percentile
<i>Socioeconomic Factors</i>	96 <sup>th</sup> percentile

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<sup>10</sup> <https://egle.maps.arcgis.com/apps/webappviewer/index.html?id=b100011f137945138a52a35ec6d8676f>

## Community Snapshot: City of South Haven (DAC Tract), Michigan

### Summary

The City of South Haven is located north of the Palisades Nuclear Power Plant of Covert Township. The City DAC Tract is designated as a disadvantaged community because it meets more than one burden threshold (as identified by the CEJST<sup>11</sup>) and the associated socioeconomic threshold. CEJST and MiEJScreen both highlight the area's challenges, which include socioeconomic challenges (e.g., low household income, educational attainment), environmental risk factors, and sensitive populations, which are detailed below.

### Census Tract Information: City of South Haven, Michigan (DAC Tract)

Number: 26159010400

County: Van Buren County

State: Michigan

Population: 2,645

### Demographics: City of South Haven, Michigan (DAC Tract)

#### Race / Ethnicity

White	68%
Black or African American	19%
American Indian/Alaska Native	0%
Asian	0%
Native Hawaiian/Pacific Islander	0%
Other	0%
Two or more races	5%
Hispanic or Latino	7%

### CEJST Tract Disadvantaged Data Points: City of South Haven, Michigan (DAC Tract)<sup>12</sup>

#### Low Income

The City of South Haven (DAC Tract) ranks in the **68<sup>th</sup> percentile** (above 65<sup>th</sup> percentile) for people in households where income is less than or equal to twice the federal poverty level, not including students enrolled in higher ed.

### Workforce Development

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<sup>11</sup> CEJST: <https://screeningtool.geoplatform.gov/en/#12.04/42.38508/-86.27896>



South Haven City residents (**13 percent**) ages 25 years or older whose high school education is less than a high school diploma.

### MiEJScreen Report<sup>13</sup>

Reporting by the State of Michigan reached similar conclusions with respect to the environmental and population characteristics of the City of South Haven (DAC Tract):

MiEJ Composite Score:	61 <sup>st</sup> percentile
Environmental Conditions:	46 <sup>th</sup> percentile
<i>Exposure</i>	38 <sup>th</sup> percentile
<i>Environmental Effects</i>	75 <sup>th</sup> percentile
Population Characteristics:	68 <sup>th</sup> percentile
<i>Sensitive Populations</i>	52 <sup>nd</sup> percentile
<i>Socioeconomic Factors</i>	81 <sup>st</sup> percentile

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<sup>13</sup> <https://egle.maps.arcgis.com/apps/webappviewer/index.html?id=b100011f137945138a52a35ec6d8676f>





## Community Snapshot: South Haven Charter Township, Michigan

### Summary

South Haven Charter Township is located north of the Palisades Nuclear Power Plant of Covert Township. The Township is designated as a disadvantaged community because it meets more than one burden threshold (as identified by the CEJST<sup>14</sup>) and the associated socioeconomic threshold. CEJST and MiEJScreen both highlight the area's challenges, which include socioeconomic challenges (e.g., low household income, educational attainment), environmental risk factors, and sensitive populations (health risks), which are detailed below.

### Census Tract Information: South Haven Township, Michigan

Number: 26159010500

County: Van Buren County

State: Michigan

Population: 3,368

### Demographics: South Haven Township, Michigan

#### Race / Ethnicity

White	73%
Black or African American	4%
American Indian/Alaska Native	0%
Asian	0%
Native Hawaiian/Pacific Islander	0%
Other	0%
Two or more races	0%
Hispanic or Latino	23%

### CEJST Tract Disadvantaged Data Points: South Haven Township, Michigan<sup>15</sup>

#### Low Income

South Haven Township ranks in the **80<sup>th</sup> percentile** (above 65<sup>th</sup> percentile) for people in households where income is less than or equal to twice the federal poverty level, not including students enrolled in higher ed.

#### Health

South Haven Township ranks in the **92<sup>nd</sup> percentile** (above 90<sup>th</sup> percentile) for the share of people ages 18 years and older who have been told they have **heart disease**.

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<sup>14</sup> CEJST: <https://screeningtool.geoplatform.gov/en/#10.65/42.3752/-86.2681>

## Water and Wastewater

South Haven Township ranks in the **94<sup>th</sup> percentile** (above 90<sup>th</sup> percentile) for modeled toxic concentrations at parts of streams within 500 meters.

## Workforce Development

South Haven Township residents (**15 percent**) ages 25 years or older whose high school education is less than a high school diploma.

## **MiEJScreen Report<sup>16</sup>**

Reporting by the State of Michigan reached similar conclusions with respect to the environmental and population characteristics of South Haven Township:

MiEJ Composite Score:	63 <sup>rd</sup> percentile
Environmental Conditions:	48 <sup>th</sup> percentile
<i>Exposure</i>	40 <sup>th</sup> percentile
<i>Environmental Effects</i>	75 <sup>th</sup> percentile
Population Characteristics:	70 <sup>th</sup> percentile
<i>Sensitive Populations</i>	48 <sup>th</sup> percentile
<i>Socioeconomic Factors</i>	88 <sup>th</sup> percentile

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<sup>16</sup> <https://egle.maps.arcgis.com/apps/webappviewer/index.html?id=b100011f137945138a52a35ec6d8676f>



### **Community Snapshot: Palisades-Area Public School Systems**

2020-2021/22 data for public school systems near to the Palisades Nuclear Power Plant provided by MI School Data<sup>17</sup>, the State of Michigan's official source for education data. directly benefits Covert Public Schools as well as the Van Buren Intermediate School District of Lawrence, Michigan, which provides career technical training and supportive services available to all students within Van Buren County. Plant employees often live, pay local taxes, and/or have family that attends school within these public schools.

#### **Covert Public Schools, Covert, Michigan**

Graduation Rate	68.75%
K-12 Enrollment	321
Economically Disadvantaged	100%
Students with Disabilities	16.2%

##### Student Body Demographics

Hispanic/Latino	65.11%
African American/Black	14.33%
White	14.02%
Two or More Races	5.3%
Native American	0.93%
Asian	0.31%

#### **South Haven Public Schools, South Haven, Michigan**

Graduation Rate	78.03%
K-12 Enrollment	1,818
Economically Disadvantaged	65.6%
Students with Disabilities	14.8%

##### Student Body Demographics

White	61.44%
Hispanic/Latino	16.89%
Two or More Races	11.28%
African American/Black	9.08%
Asian	0.72%
Native American	0.61%

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<sup>17</sup> <https://www.mischooldata.org/schools-at-a-glance/>



### **Hartford Public Schools, Hartford, Michigan**

Graduation Rate	85.56%
K-12 Enrollment	1,336
Economically Disadvantaged	87.6%
Students with Disabilities	12%

#### Student Body Demographics

Hispanic/Latino	56.96%
White	38.25%
Two or More Races	1.95%
African American/Black	1.5%
Native American	1.2%
Asian	0.07%

### **Benton Harbor Area Schools, Benton Harbor, Michigan**

Graduation Rate	63.41%
K-12 Enrollment	1,495
Economically Disadvantaged	96.3%
Students with Disabilities	19.9%

#### Student Body Demographics

African American/Black	93.11%
Two or More Races	2.65%
Hispanic/Latino	2.05%
White	1.66%
Native American	0.2%
Asian	0.13%

### **Bangor Public Schools, Bangor, Michigan**

Graduation Rate	58.23%
K-12 Enrollment	1,043
Economically Disadvantaged	75.9%
Students with Disabilities	14.2%

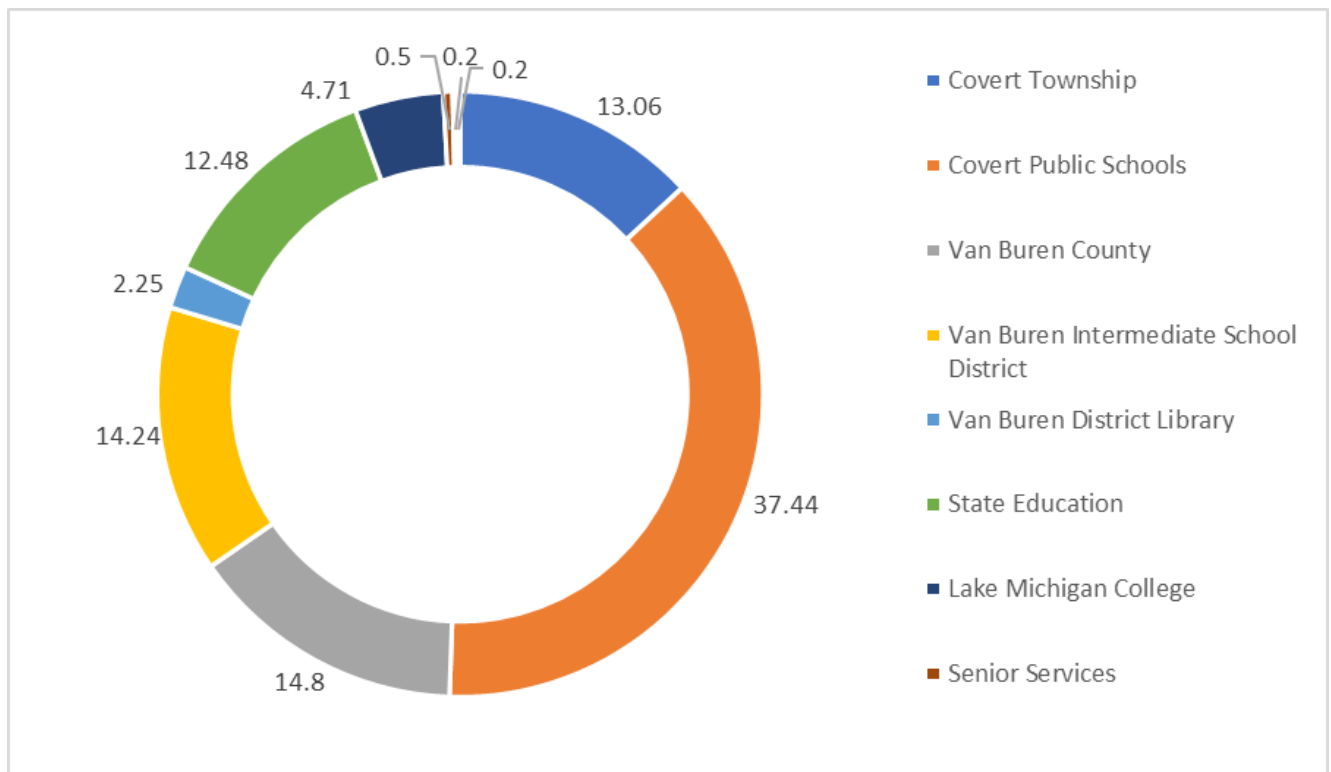
#### Student Body Demographics



White	47.65%
Hispanic/Latino	39.6%
Two or More Races	7.48%
African American/Black	4.99%
Native American	0.19%

### Annual Property Tax Distribution

During regular operation, Palisades was one of the region's largest, highest-paying employers as well as one of the largest local taxpayers. Palisades property taxes are determined on an annual basis by the Covert Township Tax Assessor who establishes the value of the property, real and personal. Millage rates are applied to that assessed value to determine the plant's property tax bill, which is paid in the winter and summer. The chart below breaks down how the plant's taxes directly benefit the local community.



The most significant share of Palisades's property taxes support disadvantaged populations. Covert Township and Covert Public Schools (please see snapshots above) receive 50.5% of the plant's paid tax revenues. The Van Buren Intermediate School District receives 14.24%, serving students with disabilities, career/technical training skills, migrant worker families and ESL programming, as well as learning services for Covert Public School high school seniors and juniors. 14.8% of revenues go to Van Buren County (roads, transportation, public safety, general operations). 4.71% of tax revenues are paid to Lake Michigan College, which has a campus in the South Haven-Covert Township area and is based in Benton Harbor, Michigan. 2.25% go to the Van Buren District Library, including its Covert Township Branch. 12.48% supports state education. The remaining revenues support other countywide services, including Senior Services, the Van Buren Conservation District, and veterans' services.