Fla. Residents Angered Over Scrapped Nuke Plant

TAMARA LUSH, Associated Press

OTTER CREEK, Fla. (AP) — Money is usually tight in Florida's Levy and Citrus counties, which are hours removed from the flashy tourist attractions in Orlando and the vast housing subdivisions in suburban Tampa. The median household income in each ranks near the state's bottom.

Still, residents in the two mostly rural counties thought the future was bright: Duke Energy Corp. was promising to build a $24.7 billion nuclear plant in Levy while rebuilding a shuttered nuke plant in neighboring Citrus.

Hundreds of good-paying construction jobs would be created in the short-term and hundreds of well-paid workers would be employed at the plants long-term. That money would flow through the local economy, creating more jobs. If any locals had any environmental concerns, most weren't saying them out loud.

But the counties' current and future economic prospects dimmed considerably when Duke announced earlier this month that it will not build the Levy plant after saying earlier this year that it would not rebuild the Crystal River Plant in Citrus. The country's largest utility cited changes in the energy market — including natural gas prices — and regulatory hurdles at the state and federal level.

For some final kicks, North Carolina-based Duke intends to charge its 1.7 million Florida customers — which includes thousands in Levy and Citrus — a monthly fee to pay for the costs it incurred planning the construction on the plants. Through these fees, Duke customers have paid $1.5 billion for Levy County plant so far.

And the company has refused to pay about $16 million of its $36 million property tax bill in Citrus, saying the nuclear plant has lost value. That shortfall represents about 3 percent each of Citrus County's school and county government revenue, causing emergency cuts.

Michelle Larkin, a 45-year-old bartender in Levy County who lives in Citrus, made a face when asked about Duke's impact on both counties. She didn't mind paying the fees on her utility bill when she thought there was a chance that a new plant was going up, seeing it as a key to reviving the area. Now that the company has put its plans on hold, she's skeptical of the future. The unemployment rate in each county is 7.6 percent, above the state average of 7.2 percent. Citrus has a population of 140,000, Levy 40,000.

"I think it's just gonna make it worse for the economy," Larkin said with a sigh. She who works at the Hickory Island Lodge in Inglis, a Levy town not far from the Citrus County line. It's near the road to the now-closed Crystal River plant, and she

remembers how the bar used to be packed when she started as a bartender five years ago. But Crystal River workers cracked a concrete containment building during an attempt to upgrade the plant in 2009. An attempt to fix the problem in 2011 resulted in more cracks.

Business has since lagged.

"Now we don't have the nuke workers," she said, looking around at the bar, which contained a handful of people, including a few bikers just passing through.

Duke's announcements came just a few years after U.S. nuclear industry executives said they were on the cusp of a revival. That revival fell short as new technology allowed drillers to tap more natural gas within the United States, which increased supplies and pushed down prices.

Duke executives have maintained that the Levy property remains a "good site" for a nuclear power plant and that the company could still wind up building there some day. It is still pursuing a federal license.

"I'm hopeful it does come here eventually," said Larkin, shaking her head. "But by the looks of what's happened, I don't think it will."

Duke Energy spokesman Sterling Ivey said the company still has 300 employees winding down operations at the Citrus plant, which will take several years. At its peak, that plant employed 600 — at least 200 were given other jobs within the company, Ivey said. The company also employs about 166 people at its four coal-fired plants on the Crystal River site; two of the older coal plants will be shut down by 2018 because of changing federal regulations.

Ivey acknowledges that retiring the Crystal River plant has had an impact on the area.

"The loss of that unit is going to be felt in that community," he said. "But we've said that we weren't leaving, that we were going to maintain a presence in the community."

Just Thursday, Ivey said, Duke gave $50,000 to the Citrus County Chamber of Commerce for tourism promotion efforts and $444,000 to the county's economic development council to develop a plan to attract new businesses.

Levy County has received no such help — the company hadn't started construction on the plants there. When the plant was originally announced in 2009, it was supposed to be open by 2016.

"I'm one of those people who is sad that it's not going to happen," said Heath Davis, a 36-year-old banker and former city commissioner in the Levy community of Cedar Key. "Somewhere in our school system right now, 30 to 40 eighth graders aren't going to have an opportunity to stay right here in their hometown."

In Otter Creek, Hershel's Quick Stop is like stepping back into old Florida: there's gator meat for sale by the pound and the locals tack up photos of their Gulf catches on the wall. Folks drink coffee inside and read the local weekly newspaper while sitting at a well-worn picnic table.

The gas station-bait shop-restaurant sits smack in the middle of northwest Florida's Levy County, a mostly rural place that's known for its clam farms along the Gulf of Mexico. Until recently, residents of thought the area would soon shed its old Florida image and become a little more modern.

That anticipation of progress mostly came because of Duke's promise.

"I don't think anyone was really against it," said Buddy Sharp, a 57-year-old cabinet maker. "It's a shame."

Said Virgil Sandlin, the Cedar Key's police chief: "I kinda thought this was a done deal, and I think a lot of folks thought it was a done deal."

"The Crystal River plant pumped a lot into the community," said Wayne Burns, a 54-year-old retired Citrus County Sherriff's deputy who was relaxing on a recent day at the docks along Cedar Key in Levy County.

Burns said he's disappointed Duke has declined to pay the full amount of its property taxes in Citrus County.

"I know they're a business, but this has negatively affected the community," he said.

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