



NUCLEAR POWER PURCHASE AGREEMENTS ACT (H.R. 4834)

The Nuclear Power Purchase Agreements Act would allow the Secretary of Energy to enter into long-term power purchase agreements (PPAs) with new nuclear power plants in order to provide around-the-clock clean electricity to federal facilities.

SUMMARY

The Nuclear Power Purchase Agreements Act allows the federal government to enter into long-term PPAs with newly constructed nuclear reactors. The bill directs the Secretary of Energy to collaborate with other federal agencies that would benefit from nuclear energy's unmatched ability to provide clean energy and reliability. By entering into these long-term PPAs of not more than 40 years, new nuclear technologies can provide clean and reliable power, especially in cases where it is important for a federal facility to maintain power during an emergency situation, if it is located off-grid, or if it is of high-value for national security. This Act supports early movers by sending a powerful market signal that can help drive additional deployments of new nuclear energy resources. Finally, this bill directs the Secretary of Energy to enter into at least one long-term PPA by December 31, 2026.

HISTORY:

Many next-generation nuclear plants are smaller, which means they can be built in new locations like remote off-grid areas. As these technologies also promise clean and reliable energy, they can benefit new end users and the federal government, which both require around-the-clock power. However, today, the current maximum length of a PPA is 10 years, which doesn't make sense as nuclear energy is a long-term investment and some designs can even operate for decades before refueling. Longer PPAs can maximize the value of these next-generation nuclear technologies. In addition, as recent challenges to the U.S. electricity grid have shown, any technologies that can weather a severe storm and aren't reliant on external fuel supplies can ensure that our most critical infrastructure remains online. Since nuclear also provides clean energy, new nuclear can support decarbonization while providing these important reliability benefits.

SPECIFICS:

The Nuclear Power Purchase Agreements Act directs the Secretary of Energy to collaborate with other federal agencies that may be interested in entering into long-term PPAs with new nuclear reactors. In addition, it directs the Secretary to enter into one agreement by December 31, 2026.

ORIGINAL SPONSORS:

Rep. Elaine Luria (D-VA)
Rep. Dan Newhouse (R-WA)
Rep. Scott Peters (D-CA)
Rep. Anthony Gonzalez (R-OH)

SUPPORT: ClearPath Action, U.S. Chamber of Commerce, U.S. Nuclear Industry Council, American Nuclear Society, Nuclear Energy Institute, NuScale Power, Nuclear Innovation Alliance

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