

DRAFT Analysis Findings
**Economic Impacts of the Palisades
Nuclear Plant Decommissioning**

April 8, 2022

Methodology

The project partners are utilizing two different economic modeling softwares (IMPLAN and EMSI) to understand the impacts of changes to the local economy. The modeling technique is called Input-Output analysis, which is a type of applied economic analysis that tracks the interdependence among various producing and consuming industries of an economy. It measures the relationship between a given set of demands for final goods and services and the inputs required to satisfy those demands. In this case, it will measure how the closure of the plant ripples throughout the local economy.

Note: Impacts will be modeled within Van Buren County and the Tri-County region (Van Buren, Cass, and Berrien)

- EMSI was utilized to validate overall trends and top industries impacted with job losses.

Data for Modeling

Provided by Entergy:

- 594 employees
 - By summer 2022, 334 employees transitioned
 - 260 employees remaining and transitioned to Holtec
- Wages: \$70 million
 - EGI's team estimates an additional 30% in benefits and payroll taxes based on Bureau of Labor Statistics data for our region
 - Total: \$91 million for 594 employees
 - \$153,199 per employee (fully loaded)
 - *\$51 million in compensation lost in 2022 for 334 employees*

Defining Effects



1

Direct Effects



2

Indirect Effects



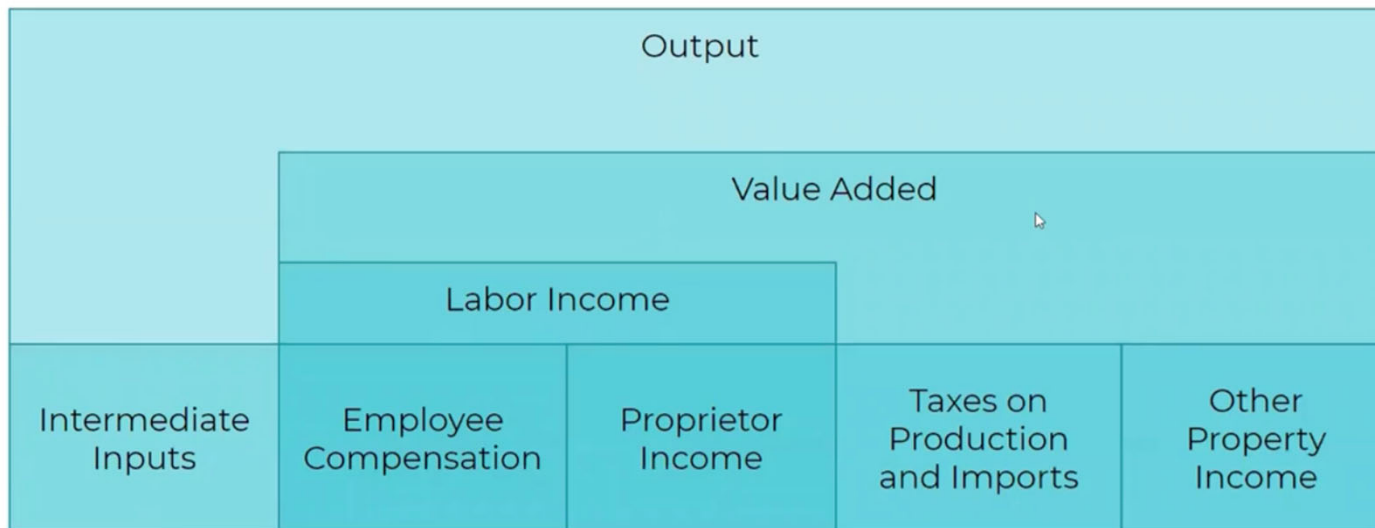
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Induced Effects

Defining Effects

IMPLAN

Economic Indicators



Economic Impacts in Van Buren in 2022

	In 2022
Direct	
Employment	-334
Labor Income	-\$51,166,462
Value Added	-\$89,454,121
Output	-\$166,202,547
Indirect	
Employment	-106
Labor Income	-\$4,811,615
Value Added	-\$6,288,219
Output	-\$13,357,454
Induced	
Employment	-109
Labor Income	-\$3,590,754
Value Added	-\$7,222,898
Output	-\$13,597,226
Total	
Employment	-549
Labor Income	-\$59,568,831
Value Added	-\$102,965,238
Output	-\$193,157,227

Top Industries Impacted from Indirect & Induced, Van Buren by 2022 Transition

Industry	Indirect	Induced	Total	% change
Employment services	-33.4	-1.4	-34.7	-7.03%
Restaurants	-11.5	-19.0	-30.5	-1.37%
Retail	-4.6	-23.3	-27.9	-0.98%
Healthcare	0.0	-12.5	-12.5	-0.76%
Other real estate	-7.1	-3.6	-10.6	-1.02%
Truck transportation & support activities	-8.4	-1.3	-9.6	-2.36%
Scientific research and development services	-7.6	-1.7	-9.2	-0.42%
Financial Services	-4.0	-4.4	-8.4	-1.45%
Consulting, management and office support services	-5.6	-1.9	-7.4	-0.76%
Philanthropic	-0.4	-7.0	-7.4	-1.22%
Other local government enterprises	-2.0	-0.3	-2.3	-5.07%

215 total jobs lost from indirect and induced impacts The above (161 jobs) represents 75% of the ripple effects in the economy.

Economic Impacts in Tri-County Region, Total

	Total Impacts
Direct	
Employment	-334
Labor Income	-\$51,166,462
Value Added	-\$91,733,823
Output	-\$180,124,823
Indirect	
Employment	-209
Labor Income	-\$14,030,370
Value Added	-\$24,916,373
Output	-\$52,198,969
Induced	
Employment	-197
Labor Income	-\$8,099,438
Value Added	-\$14,742,361
Output	-\$26,983,482
Total	
Employment	-739
Labor Income	-\$73,296,270
Value Added	-\$131,392,557
Output	-\$259,307,274

Top Industries Impacted from Indirect & Induced, Tri-County by 2022 Transition

Industry	Indirect	Induced	Total	% change
Employment services	-56.9	-4.2	-61.0	-1.89%
Restaurants	-14.8	-30.2	-45.0	-0.48%
Retail	-6.0	-34.8	-40.7	-0.36%
Healthcare	0.0	-32.3	-32.3	-0.35%
Electric power transmission & generation*	-19.5	-0.3	-19.7	-2.23%
Other real estate	-11.3	-7.3	-18.6	-0.40%
Other local government enterprises	-15.2	-2.5	-17.7	-0.90%
Financial Services	-9.2	-8.1	-17.3	-0.55%
Truck transportation & support activities	-15.2	-1.9	-17.1	-1.05%
Philanthropic	0.0	-10.3	-10.3	-0.41%
Scientific research and development services	-7.3	-2.0	-9.3	-0.29%
Consulting, management and office support services	-7.5	-1.4	-9.0	-0.58%

406 total jobs lost from indirect and induced impacts. This (298 jobs) represents 73% of the ripple effects in the economy.

Next Steps:

- Understanding transition with Holtec past 2022
- Integrating tax impacts findings between the model and local government data
- Final Analysis Findings report released Summer 2022

For more information on the Palisades Economic Recovery Initiative, please visit:
<https://www.vanburencountymi.gov/725/Palisades-Economic-Recovery-Initiative>

Questions? Comments?

Please email: palisades@marketvanburen.org