

DRESDEN NUCLEAR POWER STATION AND GRUNDY COUNTY

COMMUNITY LINKAGES, LONG-HORIZON PLANNING, AND PRACTICAL PREPARATION FOR ECONOMIC DEVELOPMENT OFFICIALS

PREPARED FOR:

GRUNDY COUNTY ECONOMIC DEVELOPMENT
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EXECUTIVE SUMMARY

For over 50 years, the Dresden Nuclear Power Station (Dresden) has been the dominant economic and fiscal engine of Grundy County. Dresden, owned by Constellation Energy (Constellation) employs more than 1,000 workers and annually generates approximately \$413 million in regional economic output through direct, indirect, and induced activity. In addition, Dresden's wages materially exceed regional averages, and its property tax contributions are foundational—Coal City schools rely on plant-related revenues for more than half of their annual budget. No other single institution in the region carries this scale of socioeconomic impact.

While Dresden is expected to operate for many years to come, eventual plant closure is a certainty. National experience demonstrates that changes in valuation, workforce behavior, and fiscal conditions can emerge over time, often well in advance of formal operational closures. In addition, spent nuclear fuel remains on site for decades following closure, further complicating any site redevelopment scenarios.

Lessons from the Vermont Yankee Nuclear Power Plant (Vermont Yankee) and the Pilgrim Nuclear Power Station (Pilgrim) are clear: plant closure decisions are often delivered with limited warning; revenue declines associated with closure are sharp; highly skilled workers may begin leaving years in advance of closure; and, site redevelopment timelines are far longer than communities expect and result in significantly less economic development than the previous site use.

In this context, local officials face two clear paths. First, act while plant-related revenues and leverage remain strong. Establish baseline planning scenarios, conduct fiscal exposure mapping, assess workforce and supply-chain concentration, formalize a nuclear transition working group, engage peer communities, and launch diversification strategies. Preparation is disciplined stewardship: acting early preserves stability, protects institutions, and positions Grundy County to shape—rather than react to—its long-term future.

Second, the national nuclear resurgence and the Governor's recent Executive Order creates a strategic opening for Grundy County to lead statewide. Through the Illinois Nuclear Host Community Framework, officials can embed lifecycle fiscal safeguards, workforce protections, and economic diversification into nuclear generation policy —ensuring that innovation proceeds alongside fiscal discipline, reliable generation, and durable economic resilience.

1. INTRODUCTION

This report is intended for local and regional economic development officials responsible for stewarding the long-term economic health of Grundy County and its communities. Dresden has no anticipated date for closure. Current license status, a robust economy, operator incentives, and broader energy systems requirements all point toward continued operation for the foreseeable future.

At the same time, federal regulatory frameworks, national precedents, and documented experience establish that all large-scale energy facilities operate within a long-term regulatory market and lifecycle frameworks that warrant prudent planning over time, including eventual closure. Preparing for that outcome does not imply imminence, prediction, or advocacy. Rather, it reflects prudent, responsible risk management consistent with standard economic development practice—similar to how communities plan for the eventual replacement of aging infrastructure, changes in dominant employers, or long-term demographic shifts.

This report aligns prior analyses of Dresden’s economic linkages, post-closure realities, and integrates preparation strategies into a single, cohesive document tailored to the needs of economic development and planning professionals. Its purpose is to equip officials with factual grounding, a common language, and concrete planning tools that allow preparation for closure to occur gradually, credibly, and without triggering unnecessary political or public concern.

This report is also an effort to reframe the inevitable closure as an opportunity for Grundy County to refocus on a new nuclear future as outlined in the Grundy County Nuclear Leadership Council discussion with support of the Governor’s recent Executive Order supporting communities and their energy-focused future.¹

2. CONTEXT SETTING

For more than five decades, Dresden has functioned as a central economic and fiscal anchor for Grundy County. Its influence extends well beyond direct employment through high wages, induced spending, property tax contributions, and the stabilization of local institutions—particularly in the Illinois communities of Coal City and Morris. In many respects, Dresden has acted as a stabilizing force in an otherwise cyclical regional economy, buffering downturn and supporting consistent public services.

Workforce decisions, tax valuation changes, and shifts in local spending patterns frequently precede official closure announcements. These impacts are driven primarily by federal regulation, utility incentives, capital planning cycles, and long-term spent fuel management realities rather than by local decision-making.

Experience across a range of nuclear and non-nuclear facility closures demonstrates that communities that prepare early and incrementally—without assigning timelines or projecting

¹ Executive Order 2026-01 Executive Order to Accelerate New Safe Nuclear Power Generation in Illinois; February 18, 2026.

outcomes—are consistently better positioned to manage fiscal exposure, workforce change, and long-term uncertainty associated with plant closure. This report provides economic development officials with evidence-based framework for understanding Dresden’s role in the local economy, anticipating well-documented post-closure realities, and taking responsible, modest steps now to improve readiness over time while outlining positive outcomes that may result from taking a leading-edge role in the evolving nuclear landscape.

At the same time, this closure planning effort takes place amid unprecedented enthusiasm for new nuclear energy development across the country. More specifically,

Florent Heidet, chief technical officer of Nano Nuclear, told *Nuclear News* that that the company is focusing on Illinois because it, “...is a key state with respect to nuclear energy and future nuclear projects, and also because of the significant local workforce, attractive living conditions, and its central location—facilitating logistics all over the U.S.”²

3. UNDERSTANDING THE LINKAGES BETWEEN DRESDEN AND GRUNDY COUNTY

The Dresden nuclear plant is located on the border of Grundy and Will Counties, southwest of Chicago. The plant, one of the oldest in the country,³ has been a stable, high tax revenue and employment industry in the county. The utility industry’s GDP and associated average wage exceed all other industries in the county by almost 2X.^{4,5} The plant serves as the economic heart of the county, supporting industries across all personal, professional, retail and trade services, as well as services funded through both personal and property taxes.



² [From uncertainty to vitality: The future of nuclear energy in Illinois -- ANS / Nuclear Newswire](#)

³ https://www.nuclearpowersillinois.com/dresden_clean_energy_center

⁴ “Gross domestic product (GDP) per capita provides a measurement of how the overall prosperity within the county is dispersed among its residents. GDP estimates the value of the goods and services produced in an area. It can be used to compare the size and growth of county economies across the nation. (Evaluating GDP per capita implies dividing the total GDP by total population). In Grundy County in 2020, GDP per capita was \$82,185 and its growth rate was 2.88%, both of which are above both the national average and most all its comparable counties. This places its growth in the 54th percentile and its GDP per capita in the 95th percentile nationally. It should be noted that the utilities industry contributes strongly to the GDP of Grundy County, thus is a critical factor in the prosperity of the region.” [Comprehensive Economic Overview, Grundy County, 20203, UM Economic Growth Institute](#), page 7.

⁵ Ibid, page 16

It is important to recognize that statistics quoted here are specific to a region that includes Grundy County, yet the impact of the Dresden plant extends beyond the adjacent municipal borders to the locations of employees, suppliers and supporting industries. However, the primary economic impacts of the plant are within the county lines and for this discussion, the figures cited will address those on Grundy County only.⁶

The utility sector associated with Dresden represents the highest-value component of the county economy. Average wages substantially exceed those of many other industries, often by a wide margin. These wages translate directly into higher levels of household spending, stronger housing demand, and greater utilization of local services. Compared to other large employers in the region—many of which operate in logistics, warehousing, or service sectors—the Dresden workforce supports a markedly different, and enhanced, economic profile.



3.1. Dresden's Direct Economic Impacts

Economic impacts of Dresden's operation occur through three well-established channels: direct employment at the plant; indirect employment within the supply chain; and, induced employment resulting from household spending by plant workers and contractors. For example, plant-related spending supports local retail establishments, restaurants, healthcare providers, professional services, and construction trades. Each utility-related job supports additional 2.07 jobs⁷ in the regional economy, giving Dresden an outsized economic footprint compared to other local industries.⁸

⁶ Ibid, page 43. "The economic contribution of the nuclear plant is estimated through IMPLAN, a regional economic analysis software application. IMPLAN is based on InputOutput modeling, 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. IMPLAN uses annual, regional data to map buy-sell relationships to predict how specific economic changes will impact a given regional economy. In the case of the Dresden Generating Station, it measures how the economic activity related to the plant ripples throughout the local economy."

⁷ Economic Impact Analysis Dresden Generating Station Brian Harger, MS, EDFP, January 2020.

⁸ Ibid, page 43-44.

A total of \$413M is estimated to be the annual economic output, or spending, in the regional economy with a total of 1,041 jobs associated with direct, indirect and induced activity. For every \$1M in compensation paid to the employees of Dresden there is an additional \$331,000 in compensation paid to employees in related business sectors.⁹ Per job, this is significantly higher than any other industry in the region, meaning that the loss of any of these jobs has a higher economic impact than those of other industries.

A detailed list of the types of indirect and induced jobs impacted indicates an even split among administrative, accommodation/food service and retail. This analysis shows that the loss of one job or the entire Dresden plant workforce ripples through the region.

Tempering the impact of job losses and other potential financial outfall from the closure of Dresden is the presence of several other large industries and employers.¹⁰ These industries do not pay property taxes or wages at the level of the Dresden plant and some, such as the local hospital, rely on the plant's employees' insurance coverage for an important part of their revenue. Other larger regional employers are in the service and fulfillment sectors, generally offering lower paying jobs.

In contrast, the Dresden plant employs a large percentage of workers with skills specific to the nuclear industry, paid at a higher rate and which are nontransferable at a similar wage to other jobs in the region, apart from the other two nuclear plants within commuting distance.¹¹ Upon closure, the Dresden plant employees and a percentage of the supply chain industries are likely to leave the region.¹² Many residents have well-paying union jobs that rely on labor during the outages, which produces a large portion of their income. These workers circulate among the three nuclear plants during outages.

3.2 Property Taxes

There are seven taxing bodies in Grundy County. These are the Coal City Schools, Coal City Library, Coal City Fire District, Goose Lake Township, Goose Lake Road and Bridge, Joliet Junior College and Grundy County. The Dresden plant pays property taxes at a rate determined by a negotiated agreement among the taxing jurisdictions and the utility. These are a Payment in Lieu of Taxes (PILOT) or intergovernmental agreement, which remains in effect for a period of five years following agreement. The current agreement expires at the end of 2026, with the last revenues from this agreement being received in 2027 when it will be renegotiated. The rate has been negotiated based on a discussion that includes the footprint of the plant, machinery and

⁹ Ibid, page 44.

¹⁰ [Major employers in Grundy County](#)

¹¹ Lasalle Nuclear plant, 33 miles from Dresden and the Braidwood plant, 14 miles from Dresden.

¹² This experience was reported by local officials at the Vermont Yankee (Vernon, VT) and the Pilgrim (Plymouth, MA) plants upon closure.

equipment, the current state of the economy, production, status of license renewal and potentially other factors, none of which are specifically quantified or weighted.

In 2025, Dresden produced \$26,250,000 in property tax revenue, which is dispersed among the seven taxing districts in the following amounts. These figures show that in the event of a loss of these revenues, all taxpayers will be impacted through increased levies and or reduced services, with the smaller taxing bodies seeing the largest adverse impact on daily operations.

- School district - \$ 17.3M 53% of tax levy and 38% of revenue
- Coal City Fire District - \$ 1,800,000
- Grundy County - \$ 3,862,000
- Coal City Library - \$ 850,000
- Goose Lake Township- \$ \$92,000
- Goose Lake Road District – \$630,000
- Joliet Junior College - \$1,700,000

In 2025, Grundy County government received \$3,862,000 from operations at the Dresden plant, representing 5.37% of total fiscal revenue. The impact on the County governmental operations would be less than other taxing bodies Grundy County has strategically decreased the tax rate to a level that provides a significant fiscal safety net. In the event Dresden was closed, the County maintains flexibility to request the same tax levy amount in the following year. While this ensures the County's budget remains stable, it is important to note that if this contingency were triggered, the tax burden would shift, requiring other taxpayers' proportionate share to significantly increase. In addition, Grundy County government benefits from multiple sources of revenue from the state and federal sources, further decreasing the overall impact.

The Coal City schools rely on funding from the Dresden plant in the amount of \$17.3M per year, which represents half of the taxable value in the school district. The agreement expires in 2026 and will be renegotiated. If the revenue stream is eliminated with a closure, the taxable property valuation and resulting taxes could not make up the amount currently paid by the plant.

Tax revenues are used as part of the general fund of the school system and not directed at instruction, capital improvements or debt service on three outstanding bonds. The district has reserves for half a year, following which cuts to staff would take effect. This would translate into higher class sizes, an increase of the school levy to the legal limit, but even with these changes the loss of the Dresden income would not make up the difference.

As a percentage, the Coal City school budget is most impacted by tax revenues from the plant, with over 50% of its budget reliant on the PILOT agreement. Coal City has filed a property tax appeal to maintain its revenue stream This, and pending PILOT negotiations, leave the school district with uncertainty and an unpredictable budget into the future, impacting capital improvements, operating costs and programming.

3.3 The Social Impact of Dresden

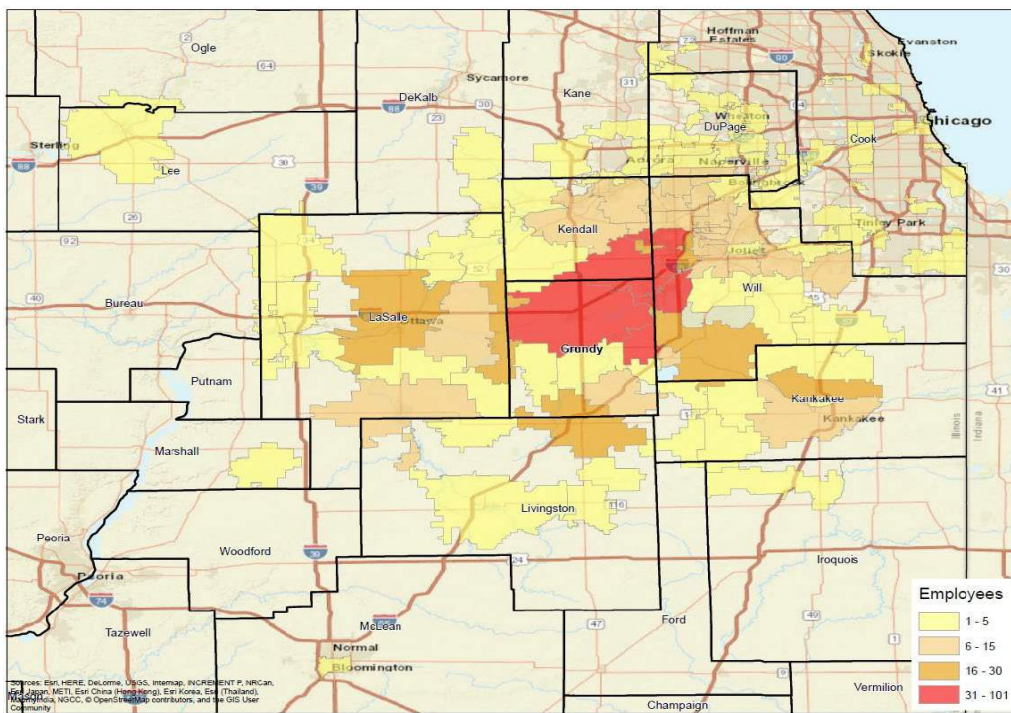
Major employers in small communities frequently dominate the employment base, the volunteer base, impact rental housing supply and cost, are responsible for stable school enrollment and can skew the demographics and resulting services and demand. Examples of this are evident in Midland, Michigan – home to Dow Chemical, Kohler, Wisconsin - home to Kohler, at a smaller scale Muscatine, Iowa - home to HON and major Monsanto assets. Each of these communities demonstrates the outsized influence of a major industry with an employment base as well as the divergence from the demographic norm for the region.

3.3.1 Services and Amenities

Often, the longer the tenure of the industry, the more the host community reflects and relies on the company. Many of these corporations contribute substantial amounts of support for activities and community foundations, often having their own philanthropic arm that shapes local offerings and strengths. Dresden's largest financial impact is through its property taxes, particularly on the schools. Its corporate and employee contributions to local charities and organizations, as well as high ranging salaries for local workers, have substantial influence on the area's quality of life.

3.3.2 Volunteerism, School Enrollment, Housing

It is necessary to understand where employees and suppliers live to quantify the impact of volunteers, school enrollment and housing costs. Residence has a direct correlation to school population, local property taxes and values, civic engagement and demographic characteristics that drive services and demands.



Dresden Employee Residence by Zip Code

This above map shows the location of employees as of 2020, included as a general indicator of the concentrations of employees and the associated effect on tax revenues and the overall economy.

Volunteerism is difficult to quantify and includes people who coach children's sports, support programs in schools, spearhead clubs such as Girl Scouts, establish adult related activities such as running clubs, community activities, cleanups, senior assistance, Meals on Wheels, parades and other similar initiatives that are outside of the municipal budget. These contributions become more evident as the pool of potential volunteers and corporate and business sponsorship declines.

Philanthropic giving is directly impacted in situations where employee contributions are directed via payroll deductions such as the United Way, political action committees, and specific capital campaigns in communities. For example, in 2020, the United Way of Grundy County supported 29 organizations, 35% or \$1,018,626 in support from Dresden employees.¹³ Other philanthropic giving and participation through religious institutions, community foundations, Big Brothers Big Sisters and other locally specific contributions of money and time often ceases over time as employees relocate.

The demographics of Grundy and surrounding counties reflect this to some extent, in comparison to other counties without major corporate influence.

3.3.3 Infrastructure Impacts

Cooling Ponds

During plant operations, thermal discharges from Dresden's cooling ponds into the Kankakee River moderate winter water temperatures, reducing ice formation in connected waterways and influencing local hydrology. This artificial warming effect has been present for decades and has become part of the baseline condition to which downstream systems have adapted. Most specifically, this baseline condition (thermal discharges reducing ice jam hazards) has, over many years, facilitated considerable residential development along the shores of the Kankakee River.

Following plant closure, the ability to discharge heated water into the Kankakee River will be eliminated resulting in the increased likelihood of ice formation and ice jams. Raising this issue does not imply imminent risk. Rather, it reflects the same long-horizon infrastructure and environmental planning routinely applied to flood control, stormwater systems, and transportation assets.

Emergency Management

Grundy County Emergency Management Agency (EMA) participates in a three-region collaboration to address the three nuclear plants. The EMAs meet quarterly or as often as needed with plant representatives to stay current on emergency planning.

¹³ Economic Impact Analysis Dresden Generating Station Brian Harger, MS, EDFP, January 2020.

Radiological training and response funding for the EMA is provided through the State of Illinois. As of 2020, this amount was approximately \$22M used for 6 plants across 12 counties, as well as the State of Illinois' plants, funded via plant licensing fees. The State holds and controls a substantial sum of radiological emergency response dollars under the Nuclear Safety Preparedness Act¹⁴, dispersing funds annually. A grant ranging from \$70,000 to \$90,000 comes via a State grant for training, planning and special projects. All training funding would be lost with the closure of Dresden resulting in a significant decrease in emergency response capability due to loss of state radiological funds as well as the "all hazards" funds from property tax dollars. Radiological emergency funds would remain during decommissioning at a reduced scale.

Historically, emergency notification has been done through sirens, stationed throughout the three Emergency Planning Zones. Currently, there are 40 operational sirens in Grundy County, owned by Constellation Energy and used by the county without charge. All sirens are being phased out over the next three years and are being replaced with wireless options, cell phones and radios, many of which are currently in use.

There are 17 fire districts across the 3 Emergency Planning Zones, operating as mutual aid throughout the region. While any of the municipalities or fire districts can apply for funds from the state, the loss of Dresden would impact all of them. Coal City is home to the plant and the fire district is the nearest response unit to the plant, but it is not funded at a higher rate because of this.

4. POST-CLOSURE REALITIES OBSERVED IN NUCLEAR HOST COMMUNITIES

National experience demonstrates that nuclear plant closure is not a single event but a prolonged transition that unfolds over decades. The following realities recur consistently across host communities and serve to inform Grundy county's long-horizon economic development planning.

4.1. Decommissioning Extends for Decades

Under Nuclear Regulatory Commission (NRC) rules, decommissioning may legally extend for up to sixty years. During this period, the site remains under the jurisdiction of the NRC license with associated land-use restrictions. Communities that expect near-term redevelopment following closure frequently encounter frustration, as even relatively simple reuse options are constrained by regulatory requirements and ownership considerations.

4.2. Spent Nuclear Fuel Remains on Site

Spent nuclear fuel from reactor operations will remain on site for many decades after shutdown as there is no functioning nuclear waste management program in the United States. The presence of this fuel significantly constrains reuse, affects insurance and security requirements, and shapes public perception. Local governments have no authority over removal schedules,

¹⁴ [Nuclear Safety Preparedness Act](#)

making long-term on-site storage a certainty that drives prudent and realistic planning assumptions.

4.3. Fiscal Impacts Begin Before Closure

Reductions in assessed value and negotiated tax payments often begin before final shutdown. In many communities, utilities successfully challenge valuations once plants cease operation, leading to earlier-than-expected fiscal stress for school districts and local governments. Temporary mitigation measures may provide short-term relief but do not replace operating-era revenues.

4.4. Workforce Outmigration: Gradual then Sudden

Highly skilled nuclear workers respond to labor markets rather than formal timelines. Outmigration often begins years in advance of closure as nuclear workers seek stability elsewhere. With respect to Dresden, this may be tempered due to the presence of other nuclear plants in the region. The resulting loss of income, enrollment, and civic participation accumulates gradually and reshapes community dynamics over time. However, once a facility closes, outmigration spikes and the cascading socioeconomic effects are sudden, swift and severe.

4.5. Physical Site Features Continue to Matter

Closure does not eliminate the site's interaction with surrounding systems. Cooling ponds, hydrology, transmission infrastructure, and transportation access remain relevant and require monitoring and coordination long after operations cease.

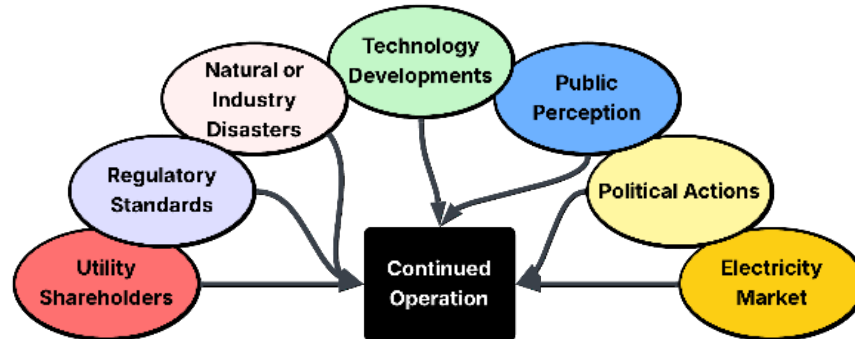
5. SCENARIOS: BENEFITS OF PLANNING AHEAD

Grundy County has maintained a valued partnership with Constellation for more than 50 years: reflected in the company's contributions to the community, its willingness to engage on the County's long-term financial health, and the deep commitment of its employees.

Because of this strong relationship, planning to mitigate the impacts of a potential nuclear plant closure is a difficult—but necessary—conversation. In many communities, raising the issue of closure is often perceived as advocating for shut-down, making such planning efforts hard to defend. As a result, they are frequently avoided. However, given the historic relationship between Grundy County and Constellation, long-term planning is viewed as a responsible endeavor to be undertaken in the best interests of both parties.

5.1. Factors Influencing Nuclear Power Plant Operation

To better examine the opportunity that comes from advanced planning, it is useful to first contextualize the factors that influence operation of a nuclear power plant. This is shown in the following figure.



The most important element for any host community to appreciate is that continued operation of a nuclear power plant is subject to the influence of many factors, all of which are beyond their direct control. As evidenced by the closures of Vermont Yankee and Pilgrim, and the on-again off-again closure of Diablo Canyon, the decision to close a nuclear power plant is made independent of local desires and often delivered with little to no advance warning.

5.1.1. Public Perception

As witnessed from recent experience, the acceptance and promotion of nuclear energy have swung to the positive by almost 20% in the last five years. About 60% of adults in the US now say, “they favor more nuclear power to generate electricity,... 15 up from 43% in 2020, driven by increasing support among both Republicans and Democrats.” Public acceptance drives longevity by limiting local friction and advocacy. It is also volatile.

5.1.2. Political Will

While public opinion regarding nuclear generation has changed, Federal and state decisions have the greatest influence on siting, operations and taxable value. States may see value in hosting spent fuel, for instance, or preliminary technology or a host of other options that a local or regional government does not.

5.1.3. Utility Shareholders

In the publicly traded nuclear industry, power generation is a profit centered business for the benefit of the shareholders. Shareholders demand that the business is operated for this purpose and all other requirements, such as safety and improvements, serve that end. Local impact, needs and acceptance are secondary to the profit motive.

¹⁵ [Pew Research Center survey fielded in April and May](#)

5.1.4. Technological Advances

Small module reactor (SMR) technology is advancing rapidly and is thought to be ten years from general use at current nuclear reactor sites, pending consensus on the technology and installation standards. When SMRs replace or enhance current plants, it will result in a substantial change in the footprint and grid integration of existing and new plants and as a result, taxable value, and use and relationship with the community.

5.1.5. Regulatory Standards

The NRC controls the licensure and operating parameters of nuclear plants. This happens largely in a vacuum with no local input or control. Decisions of the NRC are prescribed by federal statute.

5.1.6. Electricity Markets

The electricity market fluctuates based on supply and demand as well as delivery impediments, legal issues and a variety of other factors that are often unpredictable.

5.1.7. Natural Disasters

“On 11 March 2011, a major nuclear accident started at the Fukushima Daiichi Nuclear Power Plant in Ōkuma, Fukushima, Japan. The direct cause was the Tōhoku earthquake and tsunami...and the subsequent inability to sufficiently cool reactors after shutdown compromised containment and resulted in the release of radioactive contaminants into the surrounding environment.[8]: 56–58 It is regarded by the United Nations Scientific Committee on the Effects of Atomic Radiation as the worst nuclear incident since the Chernobyl disaster.”¹⁶

These seven factors are included to illustrate the many forces, all of which are beyond the control of the host community, govern the continued operation of a nuclear power plant. In that context, any one of these drivers can, under certain conditions, force the shutdown of said power plant. Given this reality, a host community is faced with two clear options: Status Quo or Proactive Engagement.

5.2. Status Quo

The advantages of this approach are modest. First, no internal resources are expended and there is no cause for internal strife. The disadvantage is that such an approach can put the host community in a poor position if they are unprepared to deal with the often devastating and swift effects of plant closure

This response occurs when there is community and political pressure to resist an impending closure, a sense of fatalism, or an adoption of uninformed optimism. In this context, it is difficult to advocate for the Status Quo strategy.

¹⁶ Wikipedia contributors. (n.d.). *Fukushima nuclear accident*. Wikipedia.
https://en.wikipedia.org/wiki/Fukushima_nuclear_accident

5.3. Proactive Engagement

Acceptance of the reality that every plant will close is the first step toward meaningful planning. It is a prudent and responsible tact for any community that hosts a nuclear facility and can take a myriad of forms, varying over time, circumstance and willingness to engage in an unpopular eventuality. Preparation for eventual closure can begin well in advance through incremental, low-risk actions that do not assume a timeline or advocate outcomes. These steps are consistent with routine economic development practice and provide tangible value regardless of when closure occurs.

In this framework there are opportunities to leverage the remaining life of the plant through the Grundy County Nuclear Leadership Council pillars and a coordinated statewide approach, potentially leading to state endorsement through legislation and funding. At the same time, this approach will protect and allow the region to maximize the value of planning and time, as opposed to equating closure with community decline.

Some of the responsible and concrete steps economic development officials can take are outlined here.

First, economic development officials can normalize long-horizon planning by embedding nuclear transition considerations within broader economic resilience efforts. Framing closure preparation alongside infrastructure aging, workforce transitions, and demographic change helps avoid singling out the plant as an exceptional risk.

Second, internal fiscal exposure mapping can be undertaken quietly and analytically. This work focuses on understanding which revenue streams, services, and institutions are most sensitive to plant-related activity, without proposing solutions or policy changes. Such analysis improves institutional awareness and reduces the likelihood of reactive decision-making later.

Third, tracking workforce and supply-chain characteristics provides clarity about where secondary impacts may occur over time. This includes understanding residency patterns, skill sets, and the degree to which suppliers are locally based. The goal is descriptive understanding, not forecasting job losses.

Fourth, quiet peer learning with other nuclear host communities allows officials to learn from experience without public escalation. Communities such as Zion (IL), Vermont Yankee (VT), and Pilgrim (MA) offer lessons about timing, communication, and unintended consequences of delayed preparation.

Fifth, economic diversification should continue to be pursued as a standing objective as a response to perceived risk. Supporting small and mid-sized businesses, strengthening transferable workforce skills, and encouraging investment aligned with regional strengths, all improve resilience regardless of plant outcomes.

Sixth, disciplined communication is essential. Economic development officials should recognize uncertainty, long timelines, and the distinction between preparation and prediction. Clear internal alignment reduces the risk that responsible planning efforts are misinterpreted or politicized. This includes addressing this in planning and zoning, budgeting, citizens' academies and similar ongoing activities.

Finally, Governor Pritzker's Executive Order 2026-01 accelerates new nuclear development in Illinois, but current policy does not adequately address the long-term fiscal and community impacts borne by host jurisdictions. The proposed Illinois Nuclear Host Community Framework establishes enforceable Host Community Compacts, in the event of a plant closure, which may include workforce transition standards, infrastructure and environmental oversight, and economic impact mitigation. Led by Grundy County as a statewide convener, the framework aligns nuclear expansion with durable fiscal resilience, workforce stability, and long-term community accountability (See Appendix A).

6. CONCLUSION -- ACTION DOES NOT REQUIRE AN ALARM, IT REQUIRES DISCIPLINE

The experience of nuclear host communities across the country is unambiguous: closure is not a question of if, but when—and the consequences are not theoretical. The economic linkages, fiscal dependence, workforce concentration, and infrastructure interdependencies described in this report are real, measurable, and manageable if addressed deliberately and early.

Grundy County is not facing imminent shutdown. It is facing a choice. The choice is whether to use the remaining operating years of Dresden to quietly strengthen fiscal resilience, modernize planning assumptions, protect core institutions, and shape the next chapter of its energy economy—or to defer those conversations until leverage has diminished.

County leaders can initiate confidential fiscal exposure modeling during the upcoming PILOT negotiations; formalize the Nuclear Leadership Council with defined workstreams; embed transition considerations into comprehensive planning and capital budgeting; deepen peer exchanges with communities that have lived through closure; and advance diversification initiatives aligned with regional strengths. In parallel, Grundy can lead statewide conversations to ensure that any new nuclear development embeds lifecycle fiscal protections and host community safeguards from the outset.

Preparation is not pessimism. It is stewardship. The opportunity before Grundy County is simple: act early, act thoughtfully, and convert inevitability into advantage.

APPENDIX A – THE ILLINOIS NUCLEAR HOST COMMUNITY FRAMEWORK

I. Executive Summary

Governor Pritzker’s recent Executive Order 2026-01 marks a generational inflection point in Illinois energy policy. The State has directed agencies to accelerate evaluation and potential deployment of at least 2GW of new nuclear power generation to address projected resource adequacy shortfalls, rising capacity prices, electrification-driven load growth, and long-term decarbonization goals.¹⁷

Grundy County, as host to the Dresden Generating Station, and with a 50 years long cooperative relationship with Constellation Energy, has decades of direct experience with both the benefits and structural vulnerabilities associated with nuclear generation. This report integrates fiscal modeling, legislative concepts, governance strategies, and lessons from other nuclear host communities to propose a comprehensive statewide Nuclear Host Community Framework (NHCF).

The objective of the NHCF is to support new nuclear facilities while ensuring that Illinois embeds lifecycle fiscal stabilization, workforce protections, environmental safeguards, and sustainable economic diversification into nuclear policy from the outset. By doing so, Illinois will set the national benchmark for responsible nuclear development—where innovation advances hand in hand with fiscal discipline, reliable energy generation and long-term economic resilience.

II. Illinois Nuclear Policy and Market Context

Illinois generates more nuclear power than any other state in the nation. Recent Resource Adequacy analyses project tightening reserve margins due to load growth from data centers, industrial electrification, and transportation electrification. Capacity auctions have set record-high prices, signaling a need for firm, dispatchable, carbon-free generation resources.¹⁸

While state policy discussions emphasize megawatts, financing structures, and interconnection queues, host-community lifecycle impacts—particularly fiscal exposure after retirement—remain underdeveloped in policy criteria.

III. Lifecycle Fiscal Exposure and Revenue Modeling

Large nuclear facilities frequently contribute upwards of tens of millions of dollars annually in local property taxes. In many host jurisdictions, 60–70% of this revenue supports public schools. With respect to Grundy County, the following illustrates the sizable influence that Dresden has on the fiscal health of the region.¹⁹

¹⁷ Executive Order 2026-01 Executive Order to Accelerate New Safe Nuclear Power Generation in Illinois; February 18, 2026.

¹⁸ <https://www.ans.org/news/article-7706/from-uncertainty-to-vitality-the-future-of-nuclear-energy-in-illinois/>

¹⁹ Chris Spencer, Coal City Superintendent, phone 2.26.26.

Grundy County Fiscal Exposure Scenario:

- Annual plant contribution estimated: \$413 million²⁰ - School allocation 61% in property taxes, 45.5% of school budget
- Grundy County allocation 24.6% from Dresden property taxes
Upon power plant closure, the corresponding income declines often occur faster than diversification efforts can compensate, forcing service reductions, deferred infrastructure maintenance, staffing cuts, and/or increased property tax burdens on residents.

IV. Comparative Lessons from Vermont Yankee and Pilgrim

Case studies from Vernon, Vermont (Vermont Yankee) and Plymouth, Massachusetts (Pilgrim) illustrate the fiscal, workforce, and governance realities of nuclear plant retirement.

Vermont Yankee (Shutdown 2014):

- \$12–15 million annual local tax contribution pre-closure
- Represented approximately 35–40% of Vernon’s municipal grand list
- Workforce declined from ~600 to fewer than 200 within several years
- Establishment of a Vermont Yankee Economic Development Fund supported economic diversification²¹
- Ownership transfer to decommissioning contractor (NorthStar) affected the relationship between the plant and surrounding community
- Spent fuel remains on-site for decades post-operation
- A 20-year renewal of the plant operating license was received in 2011 (securing operations through 2032) but the facility closed in 2014

Pilgrim Nuclear Power Station (Shutdown 2019):

- \$9–10 million annual tax contribution pre-closure
- Workforce declined from ~650 to <200 during early decommissioning
- Municipal budgets adjusted rapidly to tax contraction
- State-sponsored Community Advisory Panel enhanced transparency
- Spent fuel remains on-site for decades post-operation
- Ownership transfer to decommissioning contractor (Holtec) affected the relationship between the plant and surrounding community
- A 20-year renewal of the plant operating license was received in 2012 (securing operations through 2033) but the facility closed in 2019

²⁰ [Comprehensive Economic Overview, Grundy County, 20203, UM Economic Growth Institute](#), page 44.

²¹ The Vermont Yankee Economic Development Fund was a \$10 million fund (\$2 million per year for five years) established by Entergy as part of a 2013-2014 agreement with the State of Vermont. Funds were dispersed to support local economic development efforts through a competitive process.

Cross-State Observations:

1. Revenue shocks occur rapidly following operational shutdown.
2. Employee exodus and community impacts increase at closure announcement
3. Spent fuel duration extends local oversight for decades.
4. Early diversification planning materially improves outcomes.
5. State-level stabilization mechanisms reduce volatility.

V. Proposed Illinois Nuclear Host Community Framework

Combining the Governor's recent Executive Order with lessons from Massachusetts and Vermont (along with other experiences with industrial facility closure), Illinois is well-positioned to develop a strategic initiative that pairs innovation with fiscal responsibility, reliable energy generation, and durable economic strength. The proposed vehicle for such an initiative is the Illinois Nuclear Host Community Framework as outlined below, presenting a comprehensive opportunity for positive economic growth.

Pillar 1: Standardized Host Community Compact

1A. Property tax step down over 7-year period based on the value of the plant prior to closure announcement. Obligations structured to survive ownership transfer or bankruptcy.

1B. Upon formal notification of the licensee's intent to permanently cease operations of the nuclear power plant, the licensee shall provide the host community an amount equal to two percent (2%) of the Nuclear Decommissioning Trust (NDT). Such funds shall be drawn from the NDT to the maximum extent practicable; any shortfall shall be funded by the licensee. Funds shall be dedicated exclusively to economic transition planning, community stabilization, workforce and business retention efforts, and other long-term economic development activities designed to address the socioeconomic impacts of plant closure.

The Compact should also establish clear reporting, audit, and dispute-resolution mechanisms to ensure transparency and compliance, with payments and obligations structured to survive ownership transfer or bankruptcy.

1C. Establish long-term spent fuel accountability provisions—including secure on-site management standards, dedicated financial assurance, and clearly defined federal and state responsibilities—to prevent indefinite storage burdens from shifting to host communities.

Pillar 2: Lifecycle Evaluation Standard in Illinois Commerce Commission Proceedings²²

The full value to a host community of a new nuclear installation should be assessed across the entire project lifecycle—from siting and construction through operations, potential early closure, decommissioning, land disposal/acquisition by the host community and long-term stewardship. As part of an Illinois Commerce Commission (ICC) proceeding, a Lifecycle Host Impact Score offers a transparent, evidence-based framework to quantify and weigh fiscal

²²<https://www.ilga.gov/Legislation/ILCS/Articles?ActID=1277&ChapAct=220%26nbsp%3BILCS%26nbsp%3B5%2F&ChapterID=23&ChapterName=UTILITIES&ActName=Public+Utilities+Act%2E>

benefits, infrastructure demands, workforce effects, environmental and safety risks, and long-term obligations in a single, normalized metric. By incorporating net present value analysis, risk adjustments, and scenario testing, the score enables commissioners and stakeholders to evaluate whether enforceable commitments, mitigation measures, and revenue structures produce durable net benefits for the host community rather than short-term gains followed by long-term burdens.

Pillar 3: Workforce and Supply Chain Strategy

Establish enforceable local hiring floors for construction and operations, paired with formal apprenticeship integration agreements with recognized labor organizations to ensure sustained access to high-quality career pathways. Develop nuclear-specific workforce pipelines at regional colleges and technical institutions—including credentialed programs in radiation protection, electrical maintenance, instrumentation and controls, cybersecurity, and advanced manufacturing—aligned with projected staffing needs over the full operating life of the facility. Require binding retraining and placement guarantees beginning no later than five years prior to retirement, funded through dedicated workforce transition accounts capitalized during operations. These provisions should be enacted in conjunction with those in the Climate and Equitable Jobs Act²³ and include portable credentials, tuition support, and priority hiring preferences for decommissioning and site reuse activities to reduce income shocks and preserve regional human capital after closure.

Pillar 4: Infrastructure and Environmental Oversight

New nuclear facilities should conduct comprehensive water resource impact analyses that assess consumptive use, thermal discharge effects, drought vulnerability, competing regional demands, and climate-adjusted hydrological projections over the facility’s full operating horizon. Require enforceable withdrawal caps, adaptive management triggers, and continuous monitoring protocols with publicly reported data to ensure compliance and protect downstream users and ecosystems. In addition, establish long-term spent fuel accountability provisions—including secure on-site management standards, dedicated financial assurance, and clearly defined federal and state responsibilities—to prevent indefinite storage burdens from shifting to host communities.

Pillar 5: Governance and Grundy County as Statewide Convener

Grundy County is well positioned to play a leading role in the establishment of the proposed Illinois Nuclear Host Community Framework. To that end, the establishment of the **Grundy County Nuclear Leadership Council** is proposed. This council would be composed of county officials, municipal leaders, school districts, labor representatives, economic development professionals, emergency services, and environmental stakeholders.

The Council would coordinate policy engagement, draft compact language, commission fiscal and technical studies, and convene other Illinois host communities to establish a statewide

²³ <https://www.ilga.gov/Documents/Legislation/PublicActs/102/PDF/102-0662.pdf>

coalition. They would engage with State and Federal Leaders, advocate for host communities in support of new nuclear, existing Host Community Compacts and ensure community representation with State and Federal decision making.

VI. Grundy County Nuclear Leadership Council – Implementation Roadmap

Task 1: Organizational Launch & Baseline Development

- Formally establish the Grundy County Nuclear Leadership Council through resolution of the County Board and participating municipalities; adopt bylaws, mission statement, and defined scope of authority.
- Retain independent fiscal, legal, engineering, transmission, water resource, and decommissioning finance advisors to ensure analytical credibility and independence from project sponsors.
- Initiate detailed lifecycle fiscal modeling, including revenue dependency ratios, tax base sensitivity analyses, workforce exposure mapping, and infrastructure cost projections under multiple operating and early-closure scenarios.
- Develop a communications protocol and stakeholder engagement plan, including coordination with school districts, fire protection districts, labor representatives, and regional economic development partners.
- Meet with state legislators and relevant committee staff to introduce the Council's mandate, outline expectations for Host Community Compact standards, and explore statutory mechanisms for state-level fiscal stabilization and regulatory alignment.

Task 2: Regulatory Engagement & Statewide Alignment²⁴

- Submit structured, evidence-based comments into Illinois Commerce Commission (ICC) proceedings, supported by technical exhibits and modeling outputs.
- Convene a statewide nuclear host summit including other Illinois host communities, labor leaders, economic development officials, and policy experts to align shared priorities and standardized Compact provisions.
- Refine lifecycle host impact scoring metrics and fiscal exposure thresholds based on stakeholder input and preliminary modeling results.

Task 3: Publication, Policy Development & Technical Completion

- New nuclear policies, impact reports, and related materials that will support the activities of the Grundy County Nuclear Leadership Council.
- Publish a comprehensive Lifecycle Fiscal Exposure Report detailing projected revenues, long-term dependency risks, infrastructure burdens, workforce transition scenarios, and mitigation strategies.
- Advance draft legislation in coordination with legislative sponsors, incorporating fiscal guardrails, transparency requirements, and enforcement mechanisms.

²⁴<https://www.ilga.gov/Legislation/ILCS/Articles?ActID=1277&ChapAct=220%26nbsp%3BILCS%26nbsp%3B5%2F&ChapterID=23&ChapterName=UTILITIES&ActName=Public+Utilities+Act%2E>

- Complete independent transmission capacity, water resource, and emergency management impact studies; integrate findings into Compact negotiations and ICC filings.
- Conduct targeted briefings with regional planning bodies and business leaders to build durable cross-sector support.

Quarter 4: Executive Engagement & Coalition Formalization

- Brief the Governor's Office, legislative leadership, and relevant state agencies on findings, proposed statutory changes, and Compact standards.
- Finalize and publish a standardized Host Community Compact template with enforceable fiscal, workforce, environmental, and post-closure provisions.
- Formalize a statewide coalition of nuclear host jurisdictions to coordinate advocacy, share data, and monitor implementation.
- Establish performance benchmarks and a Year-2 action plan, including ongoing monitoring, periodic lifecycle impact updates, and continued regulatory participation.

VII. Draft Legislative Concepts

1. Requirement of Host Community Compact as condition of state approval.
2. Consider what role the state of Illinois has in the case of plant decommissioning. Including modeling other state's legislative language.
3. Continue to advocate for community consideration at the Federal level and NRC, including the use of decommissioning funds to mitigate community impact.
4. Amendment to ICC evaluation standards incorporating Lifecycle Host Impact Score.

VIII. Conclusion

Illinois' nuclear expansion presents an opportunity to align clean energy goals with durable community resilience. Grundy County possesses the experience, credibility, and strategic positioning to lead this effort statewide. By embedding fiscal stabilization, workforce transition planning, and lifecycle accountability into state policy, Illinois can ensure that nuclear development strengthens host communities for decades—not only during plant operation.