



## MICHIGAN STRATEGIC FUND

### MEMORANDUM

**DATE:** September 30, 2025

**TO:** The Honorable Sarah Anthony, Chair  
Senate Appropriations Committee

The Honorable Ann Bollin, Chair  
House Appropriations Committee

The Honorable Jon Bumstead  
Minority Vice Chair  
Senate Appropriations Committee

The Honorable Mary Cavanagh, Chair  
Senate Appropriations Subcommittee on  
Labor and Economic Opportunity/MEDC

The Honorable Nancy Jenkins-Arno, Chair  
House Appropriations Subcommittee on Labor  
and Economic Opportunity

The Honorable Mark Huizenga  
Minority Vice Chair  
Senate Appropriations Subcommittee on  
Labor and Economic Opportunity/MEDC

The Honorable Jasper Martus  
Minority Vice Chair  
House Appropriations Subcommittee on Labor  
and Economic Opportunity

**FROM:** Quentin L. Messer Jr., President  
Michigan Strategic Fund

**SUBJECT:** FY25 Targeted Energy Investment Status Report – Section 811

Section 811 of Public Act 121 of 2024 requires the department to provide a status report on the targeted energy investment to restart the Palisades Nuclear Plant, a Michigan-based nuclear power generation facility capable of producing less than 1,000 megawatts that was in service as of January 1, 2022, but is not currently producing electricity.

The Palisades Nuclear Plant restart project is on track both in terms of the re-baselined schedule and budget. Current areas of focus include the recovery of engineering deliverables, addressing craft resource availability, managing long-lead time materials, maintaining training program timelines, closely monitoring critical and near-critical activities, and refining project cost estimates. Opportunities for cost savings have been identified and tracked, and risks are being fully evaluated and managed effectively. Other key accomplishments and upcoming milestones of the project include:

- A CCW HX Eddy Current Testing - Complete
- Dry Fuel Storage (DFS) Campaign - Complete
- Steam Generator Tube Sleaving/Plugging - Complete
- Transport of “D” Primary Coolant Pump Motor Offsite for Refurbishment
- Power Operation Technical Specifications
- Official License Transition to Operations

Overall, the project is positioned to achieve the milestones and objectives. The target completion/in service date is March 1, 2026.

On September 30, 2024, the U.S. Department of Energy (DOE) announced the closing of a loan guarantee of up to \$1.52 billion to Holtec Palisades, LLC to help finance the retired nuclear generating station's restart under the Inflation Reduction Act's [Energy Infrastructure Reinvestment](#) (EIR) program. As of September 16, 2025, an [announcement](#) from the U.S. DOE confirmed that six loan disbursements have been made to Holtec totaling \$491,056,853. In addition to the federal funds, a total of \$300 million in state funding was allocated towards this project. To date, all \$300 million of the state incentive has been disbursed to Holtec Palisades, LLC.

Please contact our Office of Legislative Affairs at [medcgovrelations@michigan.org](mailto:medcgovrelations@michigan.org) if you have any questions. In addition, please do not hesitate to contact me at [messerq@michigan.org](mailto:messerq@michigan.org).

cc:     Members, Senate and House Appropriations Committees  
          Members, Senate Appropriations Subcommittee on Labor and Economic Opportunity/MEDC  
          Members, House Appropriations Subcommittee on Labor and Economic Opportunity  
          Directors, Senate and House Fiscal Agencies  
          Director, State Budget Office