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July 14, 2009

Letter sent by facsimile

The Honorable Steven Chu  
Secretary of Energy  
United States Department of Energy  
Washington, D.C. 20585-1000

Dear Mr. Secretary:

The members of the Nuclear Waste Strategy Coalition (NWSC) strongly supports the request of the Nuclear Energy Institute who represents the nuclear energy industry, and the National Association of Regulatory Utility Commissioners who represent states ratepayers, to suspend the withholding of fees paid into the Nuclear Waste Fund (NWF) paid by ratepayers from 41 states through their electric utilities.

The Department of Energy (DOE) stated in its fiscal year (FY) 2010 budget that, "The Yucca Mountain program will be scaled back to those costs necessary to answer inquiries from the Nuclear Regulatory Commission, while the Administration devises a new strategy toward nuclear waste disposal."

Therefore, the members of the NWSC request that you immediately suspend payments made into the NWF since the corpus of the Fund has more than sufficient funds to cover license application activities and carry out a review of the fee adequacy of the NWF to account for the status and overall cost of the Program.

Since 1983, ratepayers from 41 states have paid more than \$30 billion, including interest, into the NWF, which Congress established for the development of a permanent repository for spent nuclear fuel and high-level radioactive waste. According to the 1982 Nuclear Waste Policy Act, as amended, (NWPA) Section 302 (a)(4), the Secretary is required to review annually and evaluate whether the fees collected should be adjusted upwards or downwards to provide sufficient revenue to recover costs incurred for carrying out Program activities.

The DOE's FY 2010 budget request of \$98.4 million from the NWF is less than 13% of the \$763 million paid into the Fund in 2008 by the nation's electric ratepayers. With an investment return of \$1,117 billion, the total annual income in 2008 was \$1,880 billion, according to the DOE's *June 2009 Summary of Program Financial and Budget Information Report*. The report further indicates that more than \$10.8 billion has been expended for the Office of Civilian Radioactive Waste Management (OCRWM) and non-OCRWM activities, leaving \$19.2 billion available for Program activities in the corpus of the NWF. Therefore, the DOE has more than sufficient funds available in the NWF to maintain a viable licensing application process for the Yucca Mountain permanent repository, as well as implement the DOE's National Transportation Plan and proposed pilot projects in order to assess the adequacy of transportation policies, procedures, and processes that will be needed regardless of the waste disposal program that is implemented.

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The NWSC was formed in 1993 out of frustration with the Department of Energy's (DOE) lack of progress in developing a permanent repository for spent nuclear fuel and high-level radioactive waste, as well as Congress' failure to fully fund the nuclear waste disposal program since 1982. We are an ad hoc group of state utility regulators, state attorneys general, electric utilities and associate members representing 46 member organizations in 26 states.

Respectfully yours,

A handwritten signature in black ink, appearing to read "David Wright". The signature is fluid and cursive, with the first name "David" being more prominent than the last name "Wright".

David Wright  
Commissioner, South Carolina Public Service Commission and  
Chairman, Nuclear Waste Strategy Coalition

C: The President of the United States.  
The Speaker of the House of Representatives.  
Senator Harry Reid, Senate Majority Leader.  
Members of the Senate Appropriations Committee.  
Representative John Boehner, Minority Leader, The House of Representatives.  
Members of the House Appropriations Committee.  
Governors with stranded SNF and HLRW in their state.