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July 6, 2009

Letter sent by facsimile

The Honorable David R. Obey
Chairman
House Appropriations Committee
United States House of Representatives
Washington, D.C. 20515

Dear Chairman Obey:

The members of the Nuclear Waste Strategy Coalition (NWSC) strongly urge you to keep the nuclear waste disposal program (Program) funded to maintain the license application progress during the technical and scientific review by the Nuclear Regulatory Commission (NRC).

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.

The House Appropriations Energy and Water Development Subcommittee's approval of the Administration's fiscal year (FY) 2010 budget **request of \$98.4 million from the Nuclear Waste Fund (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*.

In addition, the defense request was the lowest level ever requested by an Administration and recently authorized by the House Armed Services Committee for defense nuclear waste disposal. Congress must recognize that continued delay of the removal of defense waste could adversely impact two legally-binding agreements – the Batt and Tri-Party Agreements.

A much higher level of funding is required – and is being provided by the ratepayers – to maintain a viable licensing application process for the Yucca Mountain permanent repository by the DOE. According to the DOE's own FY 2010 proposed budget breakdown of \$196.8 million, approximately \$51 million will be available for the review of the license application. Based on this assumption, the best available estimate of the NRC's Yucca "License-Only" budget is approximately \$320-\$340 million. This is consistent with the Nuclear Energy Institute's (NEI) suggested funding level of \$340 million.

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Due to staff layoffs necessitated by reduced appropriations, the DOE is already lagging behind in answering the requests for additional information regarding the license application activities. If Congress appropriates \$196.8 million or below, DOE will be forced again to reduce its workforce; thus, it is doubtful that the license application review will be within 3-4 years as directed by the 1982 Nuclear Waste Policy Act (NWPA), as amended. Therefore, the members of the NWSC strongly urge you to reconsider and release appropriate funds, as estimated by the NRC and NEI, so that the DOE personnel at the Office of Civilian Radioactive Waste Management can carry out their mission as mandated by the NWPA.

The American public has a right to expect that their contractual payments into the NWF will provide the promised services and that the United States Congress will appropriate sufficient money from the Fund to do so. More than \$30 billion, including interest, has already been paid into the NWF. Using the NWF for other purposes has been, and continues to be, an unjust tax on the American electricity consumer.

This money is collected to provide safe, timely, and cost effective storage and permanent disposal of spent nuclear fuel and high-level radioactive waste from commercial and decommissioned plant sites. The House Appropriations Committee is obligated to fully and adequately fund the Yucca Mountain licensing application process and transportation related programs that will be needed regardless of any alternative strategies that may be recommended by the proposed Blue Ribbon Panel who will be reviewing the management of spent nuclear fuel and high-level radioactive waste currently stranded in 121 sites in 39 states.

Respectfully yours,



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

- C: The Honorable, Jerry Lewis, Ranking Member, House Appropriations Committee.
The Honorable Peter Visclosky, Chairman, House Appropriations Energy and Water Subcommittee.
The Honorable Ed Pastor House Acting Chairman, Appropriations Energy and Water Subcommittee.
The Honorable Rodney Frelinghuysen, Ranking Member, House Appropriations Energy and Water Subcommittee.
Members of the House Appropriations Committee.
Members of the Senate Appropriations Committee.
Governors with stranded material in their state.