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For More Information Contact:

Commissioner David Wright, Chairman, (803) 896-5180
Martez Norris, Executive Director, (910) 295-6658

Significant Adverse Consequences to the Nation

Given that deep geologic disposal at Yucca Mountain is the current law of the land, the severe under-funding of the nuclear waste disposal program in the Administration's fiscal year (FY) 2010 budget is unconscionable. The nation's ratepayers are paying more than \$750 million per year into the Nuclear Waste Fund (NWF) to safely dispose of the nation's spent nuclear fuel (SNF) and high-level radioactive waste (HLRW) in accordance with the 1982 Nuclear Waste Policy Act, as amended (NWPAct); however, the Administration's budget would allocate a mere \$98.4 million from the NWF and a mere \$98.4 million for defense nuclear waste disposal.

Further, the Administration's budget contains two disturbing statements. First, the Administration claims "that the Nation needs a better solution than the proposed Yucca Mountain repository ..." Although Energy Secretary Steven Chu and some in Congress are proposing blue ribbon panels to review the current federal nuclear waste policy and evaluate alternative approaches, no option completely eliminates the necessity for a deep geologic repository. Second, the Administration posits that "such solution must be based on sound science ..." This statement fails to recognize that the Yucca Mountain site is the most scientifically studied piece of real estate in the history of mankind. The license application submitted by the Department of Energy (DOE) to the Nuclear Regulatory Commission contains results of more than 25 years of scientific and technical evaluations based on studies of the geologic, hydrologic, and geochemical environment and evaluations of how conditions might evolve over time. In fact, some of the scientific studies were carried out by the well-respected Lawrence Berkeley National Laboratory that was previously headed by Energy Secretary Chu. Therefore, while the Administration proceeds forward with a blue ribbon panel review of the nation's nuclear waste management policy, the Yucca Mountain licensing application review process should be fully funded and continued forward under the requirements of the NWPAct in order to determine whether Yucca Mountain can be a suitable site for the national repository.

As the President acknowledged in the budget, "...nuclear power is – and likely will remain – an important source of electricity for many years to come ..." Therefore, it is prudent that DOE continue plans for removal and permanent disposal of SNF and HLRW in a deep geologic repository as directed by Congress. Ratepayers across the country have paid to make that happen, and \$20 billion is available in the NWF to implement this important federal policy. However, the continued substantial reduction in annual appropriations is delaying critical work necessary to fulfill federal law and avoid stranding SNF and HLRW at the nation's commercial, decommissioned and federal facilities in 39 states. DOE has been forced to suspend vital national program activities and substantially reduce its workforce at the Yucca Mountain site and other facilities. This is delaying repository site engineering and infrastructure, rail construction, and related acquisitions; deferring necessary national transportation related programs; and disrupting the DOE defense clean-up program in the states of Washington, Idaho, South Carolina and other federal sites.

In addition, these delays are burdening the nation's taxpayers, who foot the bill as judgments against DOE mount for its failure to fulfill its statutory and contractual obligations to remove SNF and HLRW from commercial and

decommissioned plant sites. Judgments are already approaching \$1 billion, and future liabilities are currently estimated at a whopping additional \$11 billion.

The NWSC calls on the Administration and Congress to avoid these dire consequences. The NWSC believes that an effective disposal program should consist of a permanent repository; an integrated transportation plan; and centralized interim facilities that advance and complement the permanent repository while addressing near-term needs.

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The NWSC is an ad hoc group of state utility regulators, state attorneys general, electric utilities and associate members representing 47 member/affiliate organizations in 31 states, committed to reforming and adequately funding the U.S. civilian high-level nuclear waste transportation, storage, and disposal program.