

Executive Committee Officers:

David Wright, Chairman
Commissioner, SC Public Service Commission
Renze Hoeksema, Vice Chairman
Director of Federal Affairs, DTE Energy
David Boyd, Membership
Chairman, MN Public Utilities Commission
Robert Capstick, Finance
Director of Government Affairs, Yankee Atomic/Connecticut Yankee



February 9, 2010

The Honorable Daniel Inouye
Chairman
Senate Appropriations Committee
United States Senate
Washington, D.C. 20510

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

Letter sent by facsimile

The Honorable Thad Cochran
Ranking Member
Senate Appropriations Committee
United States Senate
Washington, D.C. 20510

The Honorable Jerry Lewis
Ranking Member
House Appropriations Committee
United States House of Representatives
Washington, D.C. 20515

Dear Chairmen Inouye and Obey and Ranking Members Cochran and Lewis:

The Obama Administration's recent actions to zero out funding for the nuclear waste repository at Yucca Mountain, and withdraw the Department of Energy (DOE) license application, disregards Congress' mandate under the 1982 Nuclear Waste Policy Act, as amended, (NWPA); a policy overwhelmingly reaffirmed by Congress in 2002. Such action is imprudent and will cost the nation's electric ratepayers even more money given the Administration has no "Plan B," except to strand spent nuclear fuel and high level radioactive waste at 121 commercial and defense sites in 39 states for an indefinite period.

The nuclear waste disposal program (Program) is self-sustained through the Nuclear Waste Fund (NWF), funded by the rate payers from 41 states who pay more than \$760 million annually through their electric bills. We would urge that you take immediate action to restore funding in the DOE's FY 2011 budget, and compel the Secretary of Energy to immediately carry out its mission as mandated by the NWPA.

DOE has stated it have every intent to keep collecting these NWF fees, and has rejected requests by state utility regulators and local utility companies to voluntarily suspend the collection of fees. The nation's ratepayers have already invested \$10 billion in a national repository, and paid more than \$33 billion, including interest, into the NWF, with nothing in return. To add insult to injury, these same rate payers will now be funding additional on-site storage facilities.

In addition, DOE's failure to fulfill its statutory and contractual obligations to carry out the NWPA, is burdening U.S. tax payers with additional liabilities currently estimated as high as \$50 billion. Seventy-one breach-of-contract claims have been filed against the DOE since 1998, already resulting in more than \$1.2 billion in damages awards. This amount does not include the \$150 million in litigation expenses incurred by the Department of Justice to defend these cases.

Failing to allow the license application to proceed through a process at the Nuclear Regulatory Commission (NRC) that will determine the technical and environmental soundness of the Yucca Mountain facility ignores the statutory requirements set forth by Congress in the NWPA. It ensures that the DOE and the NRC will not learn any lessons from

licensing a nuclear waste storage facility that can be applied in the future, and casts serious doubt on this nation's ability to meet its energy and environmental goals.

The Administration's decision is also disrupting the DOE clean-up program in Hanford, Washington and the Savannah River Site in South Carolina, as well as agreements with states that currently store defense material. The continued delay of the removal of defense waste could adversely impact two legally-binding agreements – the Batt and Tri-Party Agreements.

We urge that you hold DOE accountable to explain how their recent action is consistent with the goals of the NWPA and previous commitments they've made to your Committees. The members of the NWSC strongly urge you to keep the Program funded to maintain the license application progress during the technical and scientific review by the NRC.

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,



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

- C: The President of the United States.
- The Secretary of Energy.
- Members of the House and Senate Appropriations Committees.
- Members of the House and Senate Armed Services Committees.
- Members of Congress that represents 41 states whose ratepayers pay into the NWF.
- Governors with stranded material in their state.
- Mr. David Zabransky, Acting Principal Director, DOE/OCRWM.