



State of South Carolina Office of the Governor

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February 11, 2010

The Honorable Lindsey O. Graham
United States Senate
SR-290 Russell Senate Office Building
Washington, D.C. 20510-4003

Dear Lindsey,

Last week the Obama Administration announced its decision to abandon the 23-year bipartisan project establishing Yucca Mountain as the nation's primary permanent nuclear waste storage site. My administration would submit that this decision is spectacularly misguided, and breaks a promise made to South Carolina and other states nearly three decades ago. By any account, it is a blatantly political move completely contrary to the soaring rhetoric of the Obama campaign, and it represents nothing more than what many would see as a Chicago-style political payoff. To detractors, this political capitulation comes as no surprise as the site of Obama's reversal is Nevada – home to Senate Majority Leader Harry Reid. To supporters who had hoped for a change from politics as usual out of Washington, it is a real disappointment. We believe the decision will have dangerous consequences in our state and we would ask you to pursue every avenue possible to keep us on the path of a permanent nuclear waste storage site.

When Congress passed the Nuclear Waste Policy Act in 1982, it set the stage for a safe and suitable *permanent* nuclear waste repository. In 1987, Congress designated Yucca Mountain as the only option for a long-term storage site and this was reaffirmed in 2002. Even though the Department of Energy was to begin taking waste as early as 1998, nothing has ever changed about Yucca Mountain being the permanent site. The Obama Administration's decision violates the letter of the law by extending the length of time South Carolina will be forced to store nuclear waste.

South Carolina currently stores roughly 4,000 metric tons of nuclear waste – ranking behind only Illinois and Pennsylvania. I believe, and the numbers support this fact, that South Carolina has done more than its part in storing nuclear waste for the country over years. With four additional nuclear reactors proposed in South Carolina, storage of spent nuclear fuel will likely increase considerably with no path out in sight given the Administration's decision.

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Since 1982, the nuclear power industry, through ratepayers living in this and other states, has paid roughly \$7 billion into this nuclear waste fund. South Carolinians alone have contributed more than \$1.2 billion into the fund. Meanwhile, the total spent for the preparation and construction of a permanent storage site at Yucca Mountain has been more than \$10 billion. The result of the Obama Administration's decision will be that taxpayers will get nothing – literally nothing – in return. Adding insult to injury, at this point the federal government refuses to return these payments to help utilities offset the mounting costs for their supposedly temporary storage of nuclear waste. If the Obama Administration is not willing to step back from their wantonly political decision on Yucca Mountain, or return funds drawn from states like ours for this project, then we may be forced to explore other options here in South Carolina.

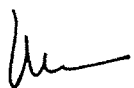
The Department of Energy already faces \$1.5 billion in court judgments and legal expenses resulting from failure to meet obligations. Allowing this dangerous decision to stand will only up the ante when it comes to taxpayers' cost because they are footing the bill on both ends of the equation, resulting in added costs of as much as \$500 million annually just to defend and settle ongoing lawsuits.

Nuclear waste is stored at over 120 locations across the country, with 160 million Americans living within 75 miles of one of these sites. Specifically, we are concerned with the long-term storage of large amounts of nuclear waste at the Savannah River Site given it lies in a geologically unstable fault zone, and with this comes the potential harm to the Savannah River watershed and millions of people. The presence of so many storage facilities throughout the United States also presents a potential national security threat because each storage site could be a target for terrorism. Yucca Mountain would help alleviate many of these concerns by consolidating nuclear waste storage in a single, secure location.

I believe the Administration's decision to shutter the Yucca Mountain project will have long-term, negative effects on our state and nation. At the very minimum, any alternative must meet the same timeline as the Yucca Mountain path was to follow. We believe the best solution still lies in finishing the job that has been underway for the past 23 years. We would ask for your efforts in pushing the Obama Administration and Congress to complete the permanent repository that Congress taxed our citizens to build.

We look forward to working with you on this issue. If you have any questions, please do not hesitate to contact me.

Sincerely,



Mark Sanford

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