



## State of South Carolina Office of the Governor

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GOVERNOR

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February 19, 2010

Dear Governors,

In President Obama's FY 2011 Budget, he formally announced a decision to abandon the 23-year bipartisan project establishing Yucca Mountain as the nation's primary permanent nuclear waste storage site. This decision threatens to leave nuclear waste at both commercial and U.S. Department of Energy (DOE) facilities across the nation rather than a single, secure permanent repository. Also, this decision is spectacularly misguided and breaks a promise to our respective citizens made nearly three decades ago. Whether with Reagan, Bush, Clinton, or Bush, this bipartisan accord has stood through Republican and Democratic administrations alike.

Today, our states are storing tens of thousands of metric tons of nuclear waste in temporary sites – sites not suitable for long-term storage – and the Obama Administration's decision violates the letter of the law by extending the length of time our states are forced to store this nuclear waste. What's worse is that this decision was not made on new scientific discoveries, but rather, largely on political grounds. The Administration could not provide *any* reason for shutting down Yucca Mountain, other than saying Yucca is "no longer suitable."

This decision will have dangerous consequences for our states, and I am asking your respective state to join us in pushing back against this decision.

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 Congress reaffirmed its decision in 2002. Even though legal challenges have prevented the DOE from taking waste, Congress remains committed to using Yucca Mountain as the permanent site. In fact, last July, the House of Representatives voted 388-30 not to defund the Yucca Mountain project in the FY 2010 federal budget.

Since 1982, our states' taxpayers have paid roughly *\$30 billion* into the nuclear waste 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.

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Further, due to the DOE's failure to meet its obligations, our taxpayers are on the hook for \$1.5 billion in court judgments. 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.

But the Yucca Mountain decision is more than an affront to our states' taxpayers and the Congress – it is a severe safety and national security issue. Due to delays in opening Yucca Mountain (which was supposed to begin accepting waste in 1998), nuclear waste is stored at over 120 locations across the country, with 160 million Americans living within 75 miles of one of these sites. The presence of so many storage facilities throughout the United States 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.

Additionally, the Administration has recently expressed support for expanding loans to spur the construction of new nuclear reactors. This support for building new nuclear reactors should be applauded, but it is short-sighted if that support comes with ceasing construction of a long-term nuclear storage facility. The Administration has established a bipartisan Commission to study the issue and make recommendations *two years* from now. With all due respect, the Commission will be led by former members of Congress, not scientific experts. Not to mention, Washington is already littered with studies and recommendations put forth by Commissions that have gone no further than the printing press.

The Administration's decision to shutter the Yucca Mountain project will have long-term, negative effects on our states and the nation as a whole. Given the express commitment, over nearly three decades, by Congress to storing nuclear waste at Yucca Mountain, the best solution still lies in finishing the job there. We ask for your assistance in pushing the Obama Administration and Congress to complete the permanent repository that Congress taxed our citizens to build.

If the Obama Administration is not willing to step back from their overtly political decision on Yucca Mountain, or return funds drawn from the states for this project, then I think states will be forced to collectively explore other options – and I believe that given the history of 27 years of bipartisan accord this would be most unfortunate.

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

MS/jl