

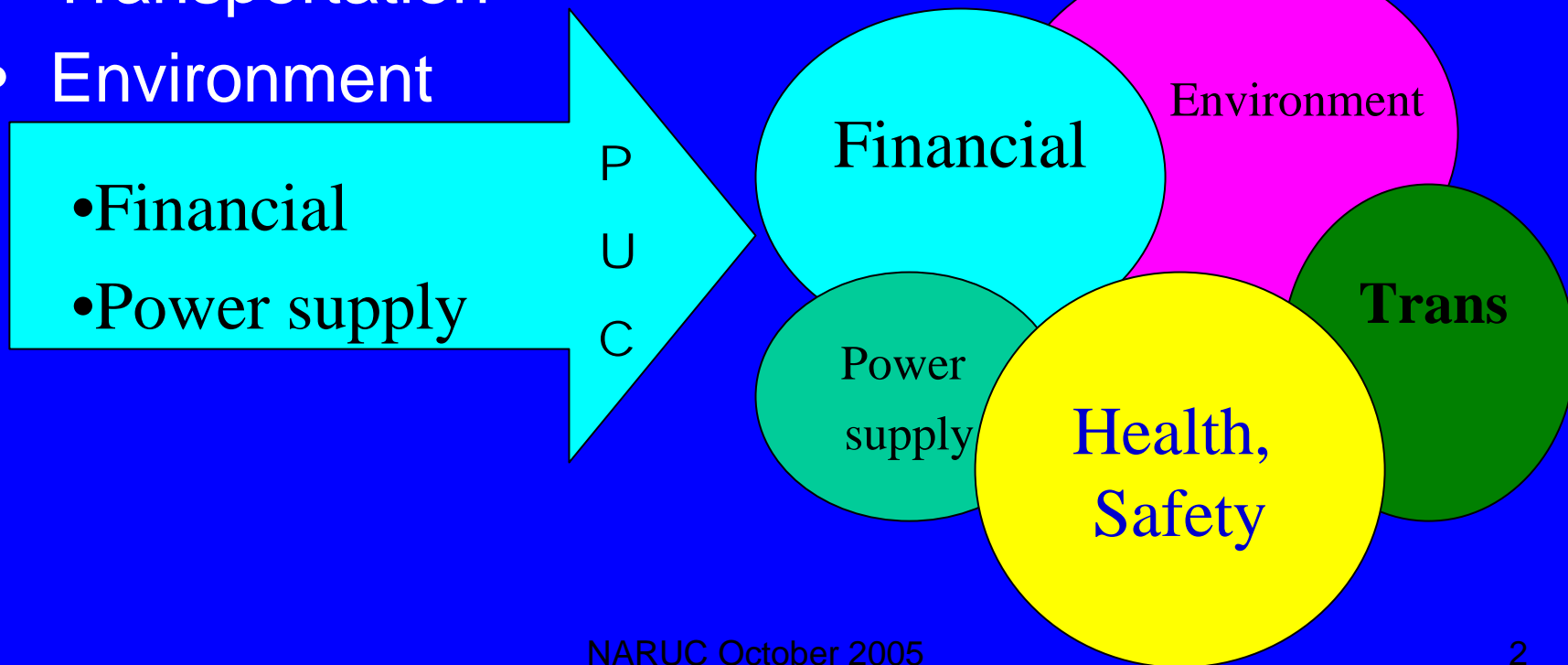
NARUC Views

U.S. Transport Council Yucca Mountain Summit III “Blueprint for Progress”

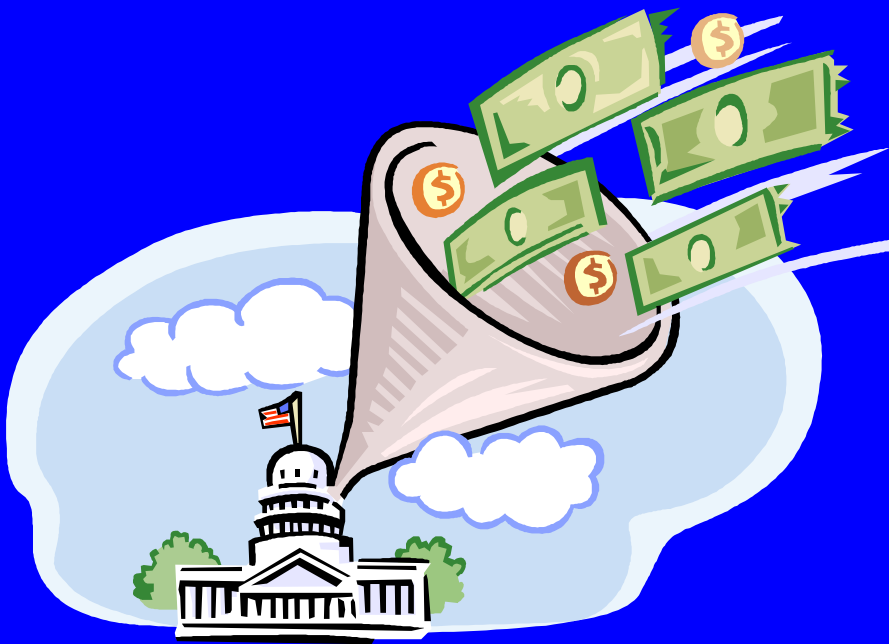
Brian O’Connell NARUC Dir. Nuclear Waste Program Office

State Interests in Nuclear Waste

- Health, safety
- Transportation
- Environment



Current State of the Nuclear Waste Program



- The Federal Government has our money
- We have their waste

Commissioner Mike Wilson,
FL PSC 1991

NARUC Nuclear Waste Principles

- I. America Needs a Permanent Solution to Nuclear Waste Disposal**
- II. The Nuclear Waste Fund Must Be Managed Responsibly and Used Only for Its Intended Purposes**
- III. Equitable Interim Measures are Needed Pending Permanent Solution**
- IV. NARUC Must Be an Active Stakeholder on Nuclear Waste Disposal**

Nov 2000

NWF Reform Resolution

- Past attempts to correct imbalance of revenue and appropriations have failed
- \$16 B in NWF “balance” is inaccessible
- National Commission on Energy Policy recommends immediate NWF reform

RESOLUTION

Urge DOE to again propose legislation to reclassify NWF fees as offsetting collections and Congress to enact NWF reform legislation

Why Interim Storage?

- Get SNF away from reactor storage
- Relieve the pressure on repository development schedule
- Provide repository loading flexibility
- Provide improved security and safety
- Get the cask procurement and transportation activities started

Why Not?

- Perceived loss of emphasis on permanent disposal
- Site opposition
 - Fear of becoming de facto repository
 - Fear of any nuclear facility NIMBY
- How will it be financed?
- Time to develop may be 5 yrs or more
- Undermine PFS venture?

Oh, By the Way...

- Even if Yucca Mountain is licensed and built its statutory capacity is 70,000 MT*
- Projected govt and commercial waste is in the 125,000 MT range (and may grow)
- So, either Congress would lift the cap at Yucca or begin a fresh search for a 2nd repository (for what, another 25 yrs?)

* 63,000 MT SNF and 7,000 MT of DOE HLW

WARNING

Most experts agree

Interim storage will likely be opposed for many reasons, foremost because of fear of becoming a **permanent** storage site...

THEREFORE

Continued and credible progress needs to be applied to development of the permanent repository

Interim storage is a **complement** not a substitute for permanent disposal

House Proposal

- DOE sites that already store SNF/HLW
- Sites, quantity and cost unknown
- Propose to move fuel in FY 2006
- \$10 M add from NWF w/ \$10M in budget
- Liability reduction recognized
- Recognizes legislation may be needed
- Seems to not recognize Alabama Power case on use of NWF

Some NARUC reactions

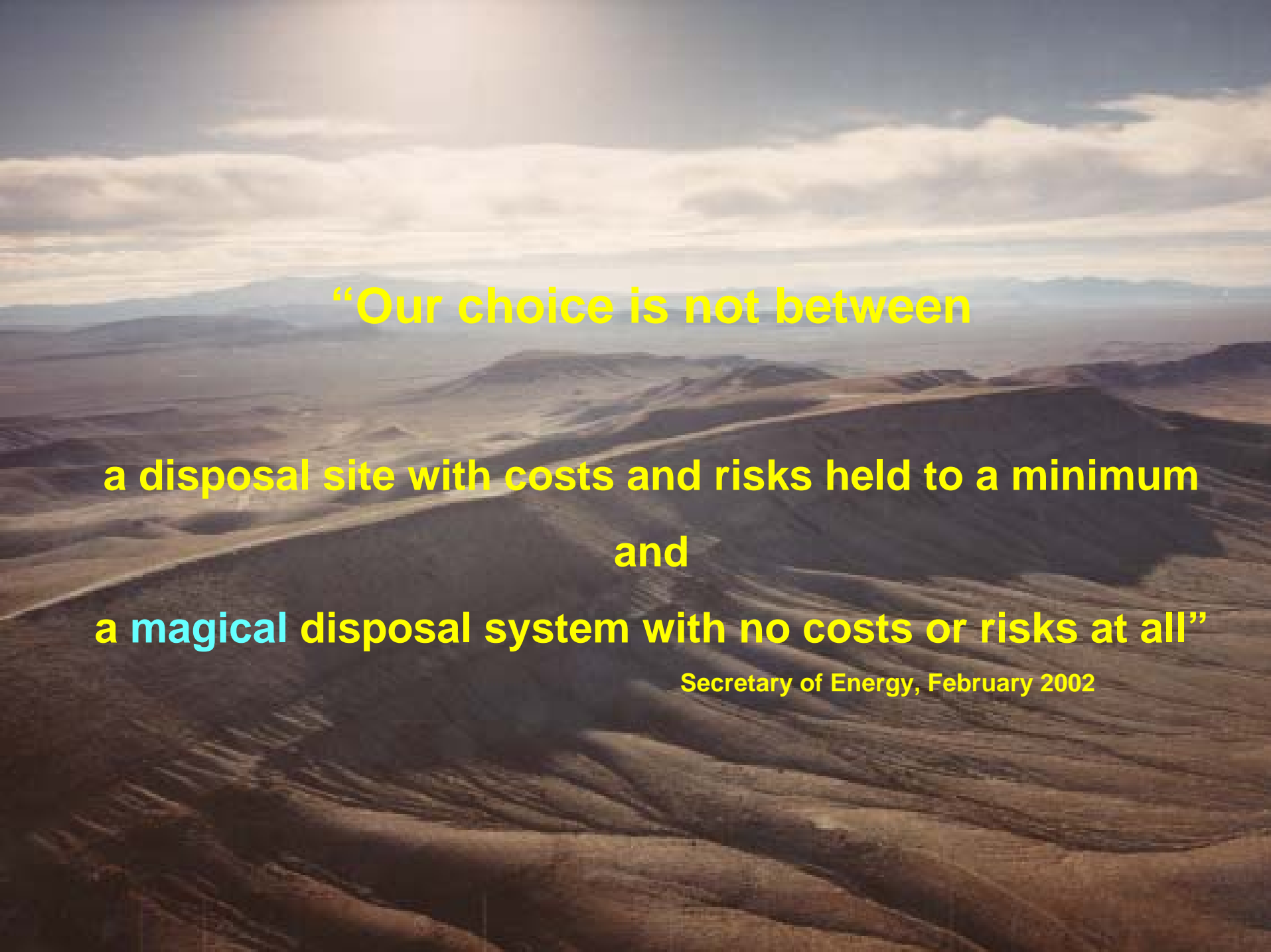
- Too many questions to prompt support
- Oppose use of NWF
 - Until NWF reformed, any \$ for interim storage is \$ not available to repository
 - Why should ratepayers pay for DOE failure?
- If NWF “balance” is tapped for this, we may be interested in costs/benefits
- Why not “just do it” for shutdown sites?

PFS Support

- Likely to be ready sooner than DOE sites
- Assuming UT efforts to stop PFS fail, all PFS needs now is customers
- Since DOE is likely to be found liable for “overdue” waste acceptance anyhow, why not have DOE reimburse utilities for their PFS shipment and storage costs? Keep it a private sector operation

Reprocessing

- We continue to support the concept
- Still need a repository
- We learn from experts that more R&D needed to get the waste reduction benefits
- Seems uneconomic vs fresh fuel now
- Subsidy or fuel penalty disadvantage?
- Years away
- Still expect siting and transport opposition



**“Our choice is not between
a disposal site with costs and risks held to a minimum
and
a magical disposal system with no costs or risks at all”**

Secretary of Energy, February 2002

Price Comparisons

Item	1983	2005
Gallon of gas	1.41	2.80
Tuition 4 yr Public college	1,650	14,640
6-pack beer	2.99	5.69
NWF fee/kwhr	.001	.001