

Subj: **Domenici Statement at Aug 3 Hearing on S25**
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Please see the following statements made by Senator Domenici regarding Yucca Mountain.

Text of Domenici Opening Statement at Aug 3 Legislative Hearing on S. 2589, the Nuclear Fuel Management and Disposal Act.
Senate Energy and Natural Resources Committee
August 3, 2006

The Committee shall come to order.

The purpose of this hearing is to receive testimony on S. 2589, the Nuclear Fuel Management and Disposal Act. The Administration proposed this legislation, which I introduced with Chairman Inhofe by request. This legislation provides a number of critical authorities needed to make Yucca Mountain operational:

- * Land withdrawal and transfer,
- * Waste Confidence,
- * Nuclear Waste Fund,
- * Environmental and Regulatory Requirements,
- * Raising the Cap from 70,000 metric tons and,
- * Taking the Nuclear Waste Fund off budget.

Two weeks ago, the Department of Energy DOE released a new time table for submitting a license application to the Nuclear Regulatory Commission (NRC) for the Yucca Mountain project by June 2008. The DOE anticipates opening Yucca Mountain in March 2017 to begin acceptance of spent nuclear fuel and high level defense waste.

With this, the Department establishes a schedule by which regulators, consumers and the Congress can monitor the progress for the transportation and storage of commercial spent nuclear fuel and defense related waste.

Yucca Mountain is the cornerstone of a comprehensive spent nuclear fuel management strategy for this country. Let me be clear: We need Yucca Mountain. I want to fix this program and make it work.

However, experience has shown that the schedule for Yucca is a slippery thing. My concern is that the new timetable does not include any margin for any further project delays by the DOE, its contractors, or legal action by the State of Nevada, all of which would cause DOE to miss these new deadlines. Nor does the schedule establish a total timeframe by which all commercial fuel will be moved to the repository.

Meanwhile, the government's liability is piling up. The nation's electric ratepayers are paying twice -- for Yucca and for storing waste on reactor sites. From my estimates, if Yucca Mountain were to open by the Department's goal of 2017 -- and I invite the department or anyone to show me differently -- ratepayers will be paying until late in this century to keep spent fuel onsite -- not because Yucca

will not be open -- but because under current plans, this is the fastest the waste can move. DOE plans to send 3,000 metric tons per year to Yucca Mountain. At that pace, it will be 2040 before DOE transports all of the spent nuclear fuel that exists today to Yucca Mountain. In the meantime, we will continue to generate additional spent fuel that is destined for Yucca.

May I repeat -- for those who don't think we need to address temporary storage: if everything goes perfectly, it will take over 30 years -- longer than I have been in the Senate -- to eliminate the existing backlog of spent fuel. In light of that, it only makes sense to look for additional ways for the government to meet its obligations.

To address this part of the puzzle, the Senate Appropriations Committee approved the FY 07 Energy and Water Appropriations bill which has a new approach to nuclear waste consolidation. The proposal offers utility ratepayers relief, and fulfills the federal

obligation to take spent fuel, while the government works off the enormous backlog.

Furthermore, I have done the math to understand whether Yucca Mountain can address all of our spent fuel needs. As proposed by the Administration's bill, we must lift the 70,000 metric ton cap on Yucca because by 2010:

* There will already be 63,000 metric tons of spent fuel at commercial sites;

* We will have in excess 2,500 tons of spent fuel from our national defense and research efforts;

* We will have in excess of 10,000 metric tons awaiting processing and disposal at Hanford, Savannah River and Idaho National Lab.

Unless we take action to raise the arbitrary statutory cap, Yucca Mountain is full 7 years before it is projected to open. We must raise the authorized limit as the DOE has proposed.

However, even with an increase in the limit to 120,000 metric tons, by the early 2050's DOE will have shipped enough fuel to Yucca Mountain to fill it up, leaving an additional 40,000 metric tons at reactor sites. This is without any increase in the size of the current nuclear fleet.

The Energy Information Administration estimates that in 2030 our nation will need an additional 347 gigawatts of electricity brought on line to just to keep up with demand. What are we going to build? Natural gas is expensive and stocks are hard to come by, though we are looking. The U.S. is the Saudi Arabia of coal, but until proven coal technologies come on-line that demonstrate the successful sequestration of carbon emissions, nuclear is the clean air solution. We must - and we shall - build new nuclear power plants.

I have reached a few conclusions:

- 1) Yucca Mountain must be opened;
- 2) Even if Yucca Mountain opens on time, significant quantities of spent fuel will remain at reactor sites for many decades, thus the need for a practical interim solution; and
- 3) That continuing to increase the authorized limit at Yucca Mountain, while a necessary step, is not a complete solution.

Here's where GNEP comes in. This year the Bush Administration took what I believe is the correct path and proposed to close the nuclear fuel cycle and recycle spent

nuclear fuel, leaving a reduced amount of material that must be disposed in Yucca. The fact is that unless we recycle, Yucca can't contain everything. We must use the time we have before Yucca Mountain opens to look seriously at these terrific new technologies that can reduce the volume and toxicity of spent fuel. It is no great shock that I support the Global Nuclear Energy Partnership (GNEP), and it should be included as part of our nuclear waste solution.

The three pieces of the puzzle that we have discussed today - Yucca Mountain, GNEP and interim storage -- will establish a comprehensive program that will provide confidence that our nation's nuclear waste will be managed safely both for current and future reactors.

We can solve this problem and I hope we can move together.

I would like to thank all of the witnesses for appearing today and look forward to hearing their input on this important legislation.

Testifying before the committee today are:

Panel 1:

The Honorable Harry Reid
Senator from the State of Nevada;

The Honorable John Ensign
Senator from the State of Nevada;

Panel 2:

The Honorable Edward Sproat, III, Director, Office of Civilian Radioactive Waste Management U.S. Department of Energy
Martin Virgilio, Deputy Executive Director for Materials, Research, State and Compliance Programs U.S. Nuclear Regulatory Commission

The Honorable David Wright, Commissioner, South Carolina Public Service Commission, Testifying on behalf of the National Association of Regulatory and Utility Commissioners

Mr. Barney Beasley, President and CEO of Southern Nuclear Company

Mr. Bob Loux, Executive Director, Agency of Nuclear Projects, Nuclear Waste Project Office within the Office of Governor of Nevada

Mr. Geoff Fettus, Esquire, Natural Resources Defense Council.