

**Statement for the Record
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**Subcommittee on Environment and the Economy
House Committee on Energy and Commerce
“Update on the Current Status of Nuclear Waste Management Policy”
May 15, 2015**

Good Morning Chairman Shimkus, Ranking Member Tonko, and Members of the Subcommittee. I am Einar Ronningen, the Manager of Rancho Seco Assets for the Sacramento Municipal Utility District (SMUD), and I am appearing today on behalf of the Decommissioning Plant Coalition (DPC).ⁱ The DPC, comprised of companies that own sites where all commercial nuclear generating activities have ceased, appreciates this opportunity to provide our perspective on the status of U.S. nuclear waste management policy.

By way of background, SMUD’s Rancho Seco Nuclear Generating Station ceased commercial operation in 1989, decommissioning planning began in 1991, commodity removal began in 1997 and in October 2009 the Nuclear Regulatory Commission (NRC) released the majority of the site for unrestricted public use, excluding approximately 11 acres of land that holds an Independent Spent Fuel Storage Installation (ISFSI) that contains 22 dual-purpose systems licensed for the dry storage and transportation of used nuclear fuel and Greater-Than-Class-C (GTCC) waste ultimately destined for disposal by the Department of Energy (DOE).

As is the case with other contract holdersⁱⁱ SMUD has litigated a partial breach of contract claim against DOE, seeking to recover the costs incurred in our

management of this material, which the Department was required to begin accepting in 1998. To date, SMUD has won judgments in the U.S. Court of Federal Claims totaling \$73 million, covering costs through 2009. These monies have been paid out of a permanent appropriations account in the Treasury called the Judgment Fund.

From the outset, one of the chief goals of the DPC has been to hasten the day when the federal government will meet its contractual obligations to remove the used fuel and GTCC material stranded on our various sites. As the Nuclear Waste Policy Act (NWPA), as amended in 1987, was already 14 years old when we formed, we supported the Yucca Mountain project and worked with Congress in urging DOE to prepare a sound license application, address the transportation infrastructure requirements necessary to support a phased-in shipping campaign, and otherwise take steps necessary to prepare for the movement of this material from our sites on a priority basis.

As I suspect is the case with other contract holders, we watched with concern the development of political opposition to the Yucca Mountain project in the State of Nevada and could not help but notice the commitment of virtually every Presidential candidate of both parties to re-examine the project during the 2008 campaign season. Our concerns were realized when the current Administration determined that the project was no longer workable and began to close down the licensing effort beginning in 2009.

The DPC appreciates the efforts the Chairman of this Subcommittee has made to reinvigorate the review of the Yucca Mountain license application filed by the DOE in 2008 and we were heartened by the finding of the NRC staff in their Safety Evaluation Report (SER) that the application demonstrates the ability of the site to meet all post-closure requirements of that agency, including the ability to isolate material stored at the site from the accessible environment for a million years. But we note that the staff also found that it could not yet recommend the issuance of a construction authorization due to several findings, including the lack of institutional control of the site and access to water rights necessary for the construction and operation of the facility, issues that will require the enactment of further legislation to cure.

The need for further legislation, the continued opposition of significant leaders in the State of Nevada to the project, the dismantlement of the Office of Civilian Radioactive Waste Management at the DOE, the technical licensing challenges filed by Nevada and other opponents of the project, the track record of the DOE in completing one-of-a-kind facilities on time and within budgets, and the level of financial resources that need to be appropriated by Congress to license, construct and operate the proposed repository lead us to the inescapable conclusion that the uncertainties of when a Yucca Mountain facility would be in the position to begin accepting material from our facilities are not likely to be accomplished in time frames that meet the equity interests of our host communities.

It is because of our commitments to our host communities to resolve the current

stalemate in U.S. nuclear waste policy as expeditiously as possible that we have urged the Blue Ribbon Commission on America's Nuclear Future (BRC) and Congress to support the establishment of a voluntary, incentive-based siting program that would lead to the licensing of a consolidated interim storage (CIS) facility and to initiate a pilot program to remove the material from our sites on a priority basis. This pilot would demonstrate the ability of the federal government to plan and execute their responsibilities for used fuel and GTCC waste acceptance and transportation under the Standard Contract, relieve the taxpayer of the obligation to continue paying Judgment Fund damages as increasingly required by decisions of the courts adjudicating used fuel cases and allow these sites to be freed for other useful purposes.

We are pleased that two potential consent-based CIS sites have been announced in the past four months – one in west Texas by Waste Control Specialists and another in southeast New Mexico by the Lea-Eddy Energy Alliance. As we understand it, both of these efforts are being led by the private sector and involve companies with the know-how and resources necessary for the successful licensing of a facility that could offer DOE the means to meet its contractual obligation.

Mr. Chairman and Members of the Subcommittee, as you examine possible legislative options to address our current policy failure, and there really is no other word to describe the current situation, the DPC urges you to include not only provisions that would support the continuation of Yucca Mountain licensing, but also provisions leading to the establishment of a CIS program, one that prioritizes

the removal of material from permanently shutdown sites, is responsive to private sector initiatives currently unfolding and can be accomplished with reasonable support from the Nuclear Waste Fund without any impact upon the repository program. As noted by the BRC in its final report, “[T]he magnitude of the cost savings that could be achieved by giving priority consideration to shutdown sites appears to be large enough (i.e., in the billions of dollars) to warrant DOE exercising its right under the Standard Contract to move this fuel first.”

We believe that the inclusion of such a Consolidated Interim Storage program as part of the Nation’s nuclear waste disposal program will restore the confidence of local communities in the federal government’s will to meet its statutory and contractual obligations.

We believe that establishing a Consolidated Interim Storage program will address the increasing regulatory costs at our sites, as the material would otherwise remain stranded for longer periods of time than anyone ever imagined.

We believe that a successful Consolidated Interim Storage program will enable our communities to repurpose the multiple sites that are currently restricted by safety and security requirements.

We applaud your steadfast interest in a vibrant repository program. And, we urge you to act on the recommendations from your colleagues to include legislation for a Consolidated Interim Storage program that takes advantage of new opportunities to remove used fuel and Greater-Than-Class-C waste from those facilities where

commercial reactor operations have permanently ceased.

Thank you for the opportunity to participate and I look forward to any questions you may have.

ⁱ The DPC was established in 2001 out of the recognition that the overwhelming attention of the regulator, the industry and policy makers would be focused on the operating fleet and provides a forum for the identification of federal policy and regulatory issues of unique or special concern to decommissioning civilian nuclear facilities. Since its inception, plants that have been represented in the work of the DPC include: Big Rock (MI), Connecticut Yankee (CY), Dairyland (WI), Humboldt Bay (CA), Maine Yankee (ME), Rancho Seco (CA), San Onofre (CA), Vermont Yankee (VT), Yankee Rowe (MA) and Zion (IL).

ⁱⁱ In the Nuclear Waste Policy Act of 1982 (NWPAct), the owners of civilian nuclear power reactors were required to enter into contracts with the DOE and pay a fee, based on the amount of electricity generated at those reactors. Those fees have been deposited into the Nuclear Waste Fund, invested in interest bearing accounts and are to be made available for the siting, construction and operation of facilities described in the Act. In return, the DOE was obligated to begin accepting used fuel at each reactor, based generally on the concept of the oldest fuel first, in 1998. The NWPAct and the Standard Contract developed pursuant to the Act (found at 10 CFR 961) allows the DOE to accord priority to any used fuel or GTCC waste “removed from a civilian nuclear power reactor that has reached the end of its useful life or has been shut down permanently for whatever reason.”