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STATEMENT OF
COMMISSIONER SUSAN F. CLARK
FLORIDA PUBLIC SERVICE COMMISSION
ON BEHALF OF
THE NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS
ON THE
DRAFT ENVIRONMENTAL IMPACT STATEMENT
FOR A GEOLOGIC REPOSITORY FOR THE DISPOSAL OF
SPENT NUCLEAR FUEL AND HIGH-LEVEL RADIOACTIVE WASTE
AT YUCCA MOUNTAIN, NYE COUNTY, NEVADA

Public Hearing
October 21, 1999
Atlanta, Georgia

My name is Susan Clark. I serve on the five-member Florida Public Service Commission. The Florida Public Service Commission is responsible for the economic regulation of Florida's investor-owned telecommunications, electric, natural gas distribution, and water and wastewater utilities. Specifically relevant to this hearing, the Commission regulates Florida Power and Light Company and Florida Power Corporation, which each own nuclear facilities in our state. Florida's five nuclear units include Turkey Point Units 3 and 4, St. Lucie Units 1 and 2, and Crystal River Unit 3.

Today, I appear on behalf of the utility ratepayers within Florida as well as on behalf of the National Association of Regulatory Utility Commissioners (NARUC). NARUC is an organization which represents utility regulatory commissions in the fifty states and the District of Columbia. I currently serve as Chair of the NARUC Electricity Committee and as a member of the NARUC Subcommittee on Nuclear Issues -- Waste Disposal.

NARUC is pleased that the Department of Energy (DOE) has completed the Draft Environmental Impact Statement (DEIS) and made it readily available for all stakeholders to review and provide comments. Not only will you hear from representatives of the state commissions of Florida, Georgia, South Carolina, and Alabama here today, NARUC will also provide testimony at the public hearing to be held next week in Washington, D.C.

I sincerely appreciate the opportunity to briefly share the state commission perspective on DOE's DEIS. I would also like to submit more detailed written comments for the record.

8... Millions of utility ratepayers, in Florida and many other states, have a stake in the development of a repository at Yucca Mountain, Nevada. Over 100 operating nuclear plants are located in over 30 states. Utilities in these states are currently storing spent nuclear fuel at their reactor sites. These sites were never intended to become permanent storage sites. In many locations, spent fuel pools have reached their capacity. As Commissioner McDonald from the Georgia Public

...8 Service Commission will explain, some utilities have been forced to construct costly dry storage facilities on site. In other locations, utilities that have managed to avoid constructing on-site dry storage thus far will likely have to in the near future, as DOE is not expected to begin moving spent nuclear fuel until 2010 at the earliest. So far, utilities in Florida have found ways to increase storage at their facilities on-site without having to construct costly dry cask storage facilities. However, one of our utilities will be forced to pursue this costly option before 2010 due to space constraints.

Disposal problems may also prevent many utilities from considering the renewal of their operating licenses and may even result in the early shutdown of some units due to space constraints. This, of course, will necessitate replacing the nuclear generation with some other source of generation at a potentially higher cost to ratepayers. Since nuclear power provides approximately 20% of the nation's power needs (as well as about 20% of Florida's power needs), replacement costs could be enormous. Also, reuse of the property where units have shut down is restricted until the waste can be moved off-site. Therefore, spent nuclear fuel must ultimately be removed from the plant site, whether the plant is operating or not. Ratepayers certainly should not have to pay for the consequences of the federal government's inaction or its delay.

In accordance with the Nuclear Waste Policy Act of 1982 (NWPA), utilities must make payments to reimburse the federal government for the costs of disposing of the spent nuclear fuel and high-level radioactive waste that the utilities generate. These costs are passed on to the utility's customers who receive the benefit of the electricity generated by the nuclear units. These ratepayers pay 1 mill per kilowatt hour into the Nuclear Waste Fund for the construction of the repository and absent regulatory changes, will continue to pay for the work remaining at the repository.

In return for the payments into the Nuclear Waste Fund, both the NWPA and waste disposal contracts required DOE to begin moving and disposing of spent nuclear fuel no later than January 1998. While ratepayers have steadily paid into the Nuclear Waste Fund, DOE has not fulfilled its part of the obligation. In fact, ratepayers in Florida have paid over $511 million into the Nuclear Waste Fund since 1983. Nationwide, ratepayers have paid in excess of $16 billion. Still, the repository is incomplete. Furthermore, Congress has appropriated a small percentage of the revenue in the Nuclear Waste Fund for DOE's repository program at Yucca Mountain. The balance has been diverted for deficit reduction, or, in effect, other federal government programs.

1 With that background, I am here today to urge you to move forward with the Yucca Mountain project. There is no significant evidence to suggest that a repository should not be built at Yucca Mountain, Nevada. Seventeen years ago, the federal government codified its long-standing national policy that a geologic repository was the best long-term means of isolating high-level nuclear waste from human contact. Twelve years ago, Congress decided that Yucca Mountain was the most suitable site to examine in close detail. Last December, DOE's Viability Assessment indicated that there were "no show stoppers" that would stand in the way of developing a repository at Yucca Mountain. Since then, DOE has continued to further refine the design of the permanent disposal facility with a broad and impressive team of renowned engineers, scientists, geologists, and other specialists. It has been said that Yucca Mountain is the "most studied piece of the earth."

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9 My comments are preliminary as we are still reviewing the DEIS and plan to provide more comprehensive written comments by the February 2000 deadline. However, we believe that we can rely on the expertise of DOE to provide the details of the repository design, the Nuclear Waste Technical Review Board to provide impartial oversight of the program, and the Nuclear Regulatory Commission to protect the public health and safety. Thus, my comments focus on the policy decision to continue development of the repository at Yucca Mountain and the impact that this decision has on states which rely in part on nuclear generation to meet their significant demand for affordable and reliable electricity.

2 First and foremost, NARUC is supportive of the alternative that DOE has chosen to pursue -- the alternative to proceed with the development of the geologic repository at Yucca Mountain. This alternative is strongly supported by the evidence developed by DOE and documented in the DEIS. This alternative is also supported by DOE's 1998 Viability Assessment, in which DOE concluded that scientific and technical work should proceed at the Yucca Mountain site. As we indicated in
3 our resolution in response to the issuance of the Viability Assessment, NARUC urges DOE to immediately begin site preparation, licensing and transportation activities for a centralized interim storage facility that would allow DOE to meet its obligations as soon as possible. The ratepayers deserve to see their money used for the purpose of moving and disposing spent nuclear fuel in accordance with the law.

4... Although Chairman Bradley from the South Carolina Public Service Commission will address it in more detail, I'd like to briefly address the "No-Action" alternative, which includes analysis of two scenarios. Scenario 1 involves long-term storage of spent nuclear fuel and high-level radioactive waste at the current sites with effective institutional control for at least 10,000 years. Scenario 2 also involves long-term storage, but with no institutional controls after approximately 100 years. Under either scenario, the "No-Action" alternative is not supportable in light of the facts developed by DOE and is simply not acceptable for the following reasons:

- It leaves the waste in storage facilities at the reactor sites that were never intended to become permanent storage sites. Although on-site dry cask storage has been determined by the NRC to be safe for a limited amount of time, waste should not be stored on-site indefinitely.
- It is not consistent with the Nuclear Waste Policy Act of 1982, which requires DOE to dispose of high-level radioactive waste in a geologic repository.
- Consolidation of spent nuclear fuel at a central site is clearly more efficient and cost-effective than 77 storage sites (72 commercial sites and 5 DOE sites) scattered across the nation.
- The "No-Action" alternative is exorbitantly expensive under Scenario 1 and poses unacceptable public health risks under Scenario 2.
- DOE has provided no evidence to suggest that spent nuclear fuel cannot be moved to the Yucca Mountain site, whether for the purpose of centralized interim storage or permanent disposal.
- Given the fact that utility ratepayers have paid over $16 billion to date for the federal

...4 government to provide a permanent solution to the nuclear waste disposal problem the federal government should uphold its end of the bargain.

5 NARUC believes that Yucca Mountain is a favorable location for the development of a deep geologic repository for the following reasons:

- The dry climate is favorable.
- The geology and hydrologic conditions are right.
- The population in the immediate area is sparse.
- The site is already owned or under the control of the federal government.

6 Without Yucca Mountain, in states such as Florida, utility customers will incur significant and unnecessary costs. While DOE characterizes Yucca Mountain, utilities have either reached or are quickly approaching maximum storage capacity in their spent fuel pools. Many have already incurred the costs to provide on-site dry cask storage. Further delays in the development of the repository at Yucca Mountain will unquestionably result in the expenditure of hundreds of millions of dollars to construct and maintain additional on-site storage at reactor sites across the country. Dry cask storage costs were never to have been incurred by utilities, as DOE was to begin moving spent nuclear fuel from reactor sites no later than January 1998. Ratepayers should not be asked to pay the costs of the federal government's delay.

10... We recognize that the DEIS provides some of the transportation options available for getting high-level radioactive waste moved to Yucca Mountain safely and economically. DOE has provided useful information for all of the state transportation and public health and safety organizations to consider as DOE advances in the development of a more detailed transportation plan for safe movement of the waste. Gene Hanes from the Alabama Public Service Commission will more fully
...10 address the transportation aspects of the DEIS. I would like to reiterate that according to the Florida Department of Health's Bureau of Radiation Control, the risk of an accident during the transportation of spent nuclear fuel of high-level radioactive waste is low.

7 We concur with the Secretary of Energy that a geologic repository should be developed on the basis of "sound science." DOE's analysis in the DEIS demonstrates that the federal government is adequately studying the science and is sufficiently examining the impacts that a geologic repository at Yucca Mountain may have on the environment. The purpose of my testimony today was to demonstrate the impact DOE's decision will have on the nation's ratepayers. We need to get the spent fuel moving and avoid further unnecessary and duplicative costs to our ratepayers!

I appreciate the opportunity to address the Department of Energy on behalf of the ratepayers in Florida and on behalf of NARUC. That concludes my remarks.

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