

## **5. PROPOSED POLICY POSITION IN SUPPORT OF NUCLEAR POWER AND REFORM AND FULL FUNDING OF THE YUCCA MOUNTAIN REPOSITORY PROGRAM**

### **BACKGROUND**

Nuclear power plants generate electricity to serve one in five homes and businesses in the United States. The Department of Energy forecasts that electricity demand in the United States will increase by 50 percent by 2025. New emission-free nuclear power plants are essential to help meet growing demand for electricity and to preserve the fuel and technology diversity that is the strength of the U.S. electric supply system. No other source of electricity can provide the combined benefits of nuclear energy: large amounts of reliable and low-cost electricity, long-term price stability and clean air benefits.

The Nuclear Waste Policy Act of 1982 requires the Department of Energy (DOE) to build and operate a specially designed disposal facility for used nuclear fuel and high-level radioactive waste from commercial and defense activities. The federal Nuclear Waste Fund (NWF) was established by Congress in 1982 and is funded by electricity customers to pay for the disposal of used nuclear fuel from commercial power plants. Since 1983, electricity consumers have committed more than \$24 billion in fees to the NWF. Congress's current budgetary process is taking consumer money from the NWF and using it for other, unrelated programs. The federal government defaulted on its obligation to begin moving used fuel from power plants in 1998. While the government remains in default, electricity consumers are paying millions of dollars for additional on-site storage in addition to the \$24 billion already committed to the repository program.

### **RECOMMENDATION**

The Southern Legislative Conference of The Council of State Governments (SLC) urges federal and state policymakers to espouse regulatory, legislative, and fiscal policies that support:

- Mitigation of regulatory risks associated with the deployment of new advanced reactors;
- Investment stimulus to support new nuclear plant construction;
- Funding for nuclear energy research and development, including engineering and design work for advanced reactor designs; and
- Reform of the Nuclear Waste Fund by restoring the fund to its original budgetary status; thus ensuring that fees paid by electricity customers are used solely to pay for the used fuel management program.