

**Statement of Ranking Member Frank Pallone, Jr.
House Energy and Commerce Committee
Subcommittee on Energy and Power
Hearing on “H.R. 4979, the Advanced Nuclear Technology
Development Act of 2016 and H.R. _____, Nuclear Utilization of
Keynote Energy Policies Act”**

April 29, 2016

Thank you, Mr. Chairman. I appreciate the opportunity today to examine two pieces of legislation related to the licensing and review of nuclear power reactors here in the United States.

The first bill under consideration is H.R. 4979, the Advanced Nuclear Technology Development Act of 2016, introduced by Representatives Latta and McNerney. The bill seeks to enhance coordination between NRC and the Department of Energy through a memorandum of understanding on issues related to advanced nuclear reactor technology. This is a worthy goal and a commonsense way for the federal government to support the advanced nuclear power industry.

The bill also requires NRC to develop an advanced reactor regulatory framework to evaluate the options to expedite advanced reactor licensing and make it more predictable. NRC would have 270 days from the date of enactment to submit this plan to the Energy and Commerce Committee. The plan must also seek input from interested stakeholders, which is crucial. I support this approach, but want to hear more about whether 270 days is a realistic timeframe.

The second proposal before us, is a discussion draft put forth by Representative Kinzinger entitled the Nuclear Utilization of Keynote Energy Policies Act.

I believe nuclear power must play a continued role in our energy future. It is a clean source of power that has helped reduce our dependence on fossil fuels.

Today the industry faces the dual challenges of working to extend the life of our country's existing reactors – many of which are reaching the end of their 40 year licenses – while also pursuing innovative advanced

nuclear technologies that could be more cost-effective, efficient and produce less waste.

Members on both sides of the aisle believe that this is an important issue for our committee to consider, and I want to commend Mr. Kinzinger for putting forth this draft and beginning this critical discussion.

However, while we should explore opportunities to support and sustain nuclear power in the U.S., we cannot lose sight of the critical importance of maintaining robust nuclear safety and oversight to protect public health and the environment. We must strike the right balance. This week marks the 30th anniversary of the Chernobyl nuclear disaster, which provides us with a sober reminder of the dangers posed by nuclear technology if not properly regulated and controlled.

So, I am concerned that, in its current form, this proposal goes too far in one direction, minimizing public input into the licensing process,

eliminating critical hearings on the licensing process, unrealistically shortening the licensing review timeline, and drastically reducing the portion of NRC's budget that is covered by licensee fees.

Currently, NRC recovers 90 percent of its budget from licensee fees. Section 2 of the discussion draft would shift a number of commission activities out of the portion of the budget covered by fees. One of those areas would be "infrastructure and corporate support," which includes administrative services, acquisitions, training and travel. This section alone is funded at over \$300 million in the Fiscal Year 2017 Energy and Water Appropriations bill that has passed committee. So, this provision would shift over \$300 million to taxpayers instead of industry.

Further, this discussion draft eliminates the mandatory public hearing that is held before a combined license is approved, which allows construction of the facility to move forward. This hearing is a one-day proceeding that provides a holistic review of the license application, and

it is a valuable tool for the NRC commissioners to evaluate the staff's review of the license application. The mandatory hearing also provides an important opportunity for the public to become involved in the licensing process. In fact, just last month, a mandatory hearing was held on the early site permit application for a site adjacent to the Salem and Hope Creek nuclear power plants in New Jersey and that permit was issued yesterday. Past mandatory hearings have brought to light serious issues that may have otherwise gone unchecked.

I will say that it is unfortunate that the NRC was not invited to testify today. Both proposals would make significant changes to the way NRC addresses nuclear licensing, and I believe it is critical for us to hear from the Commission as we continue with this process.

That said, I would like to thank the Chairman for holding today's hearing. While I have raised some concerns today, I do look forward to working together with my colleagues on these issues.