

Opening Statement of the Honorable Fred Upton
Chairman, Subcommittee on Energy
“DOE Modernization: Advancing the Economic and National Security Benefits of
America’s Nuclear Infrastructure”
February 6, 2018

(As prepared for delivery)

Welcome to our second DOE modernization hearing, which will consider various issues that affect the economic and national security benefits associated with maintaining and advancing our nation’s nuclear infrastructure.

In 1954, Congress amended the Atomic Energy Act to provide for the peaceful, civilian use of nuclear energy, both domestic and abroad. Congress gave the Atomic Energy Commission – the predecessor agency of DOE and the Nuclear Regulatory Commission – the responsibility to oversee this nascent nuclear industry. The nuclear industry in time achieved great success for the United States and contributed to global safety and security.

Today, more than 60 years later, many Atomic Energy Act provisions remain unchanged. Yet the world nuclear outlook has changed dramatically, and certain policies governing domestic involvement and participation in global markets no longer reflect reality.

The United States is no longer the undisputed leader in civilian nuclear technology. 440 commercial nuclear power reactors operate in 31 countries, with additional countries pursuing peaceful nuclear power programs. And for many years, subsidized State-owned nuclear companies have been successfully competing against our companies for commercial opportunities.

Throughout this Congress, we have examined two key challenges confronting the nuclear industry: how electricity markets function, as part of our “*Powering America*” series, and how to get our nation’s nuclear waste management back on track.

Today’s hearing will look at a wide array of other challenges facing the U.S. nuclear industry, and what is needed at DOE and NRC to maintain U.S. nuclear capabilities and leadership, and the security benefits that flow from that.

Examples of challenges abound.

For instance, the United States lacks a vibrant domestic fuel cycle. Domestic uranium production has dropped to levels not seen since before nuclear reactors were commercialized. The sole domestic uranium conversion plant is on standby and there is no U.S.-owned enrichment capacity.

Last year brought news of Westinghouse, an historic leader in the nuclear fuel cycle, filing for bankruptcy protection; the abandonment in South Carolina of one of just two nuclear power plants under construction; and more operating nuclear power plants announcing premature shutdowns.

In my home district in Michigan, two nuclear sites provide hundreds of well-paying jobs, support local communities through tax revenue, and partner with charities throughout Southwest Michigan.

As we examine these issues, we should remember that nuclear technology is not just about generating electricity. It serves critical economic and national security functions, such as powering our space exploration missions, developing lifesaving medical treatments, protecting our nation's borders, and maintaining international nuclear safety and security leadership. These activities depend on the intellectual and technical capabilities provided by a robust nuclear infrastructure.

This morning, we will hear from two panels of witnesses, including three key DOE officials who lead nuclear offices, as well as the NRC's Executive Director of Operations. These witnesses will discuss the role of nuclear leadership.

Our distinguished second panel will provide additional perspective. I would like to welcome back Bill Ostendorff to the Committee. Mr. Ostendorff testified before our panel on many occasions during his tenure as an NRC Commissioner. Now, he is a Distinguished Visiting Professor at the U.S. Naval Academy, teaching a class about Congress and national security to future Naval officers.

We will also hear from two national thought leaders on future nuclear technology development including Dr. Mark Peters, the Director of Idaho National Laboratory, and Dr. Ashley Finan, the Nuclear Innovation Alliance's Policy Director. Drs. Peters and Finan will provide their perspective on exciting innovative nuclear opportunities and the Federal government's role in providing the necessary framework.

I also welcome Maria Korsnick, the President and CEO of the Nuclear Energy Institute. This is Ms. Korsnick's second appearance before this Committee and I appreciate her leadership during an uncertain time in the nuclear industry.

Thank you all for being here today and I yield back.