



526 S. Church Street
Charlotte, NC 28202

Mailing Address:
EC07H / P.O. Box 1006
Charlotte, NC 28202

704.382.5997

June 5, 2017

Ms. Elena Brennan
Legislative Clerk
Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, DC 20515

Subject: Responses to Questions for the Record on Testimony Provided to the House
Committee on Energy and Commerce on April 26, 2017

Reference 1: Letter, Shimkus, John (U.S. House of Representatives) to Nesbit, Steven P.
(Duke Energy Corporation), May 23, 2017

In accordance with the request by Chairman Shimkus (Reference 1), please see the attachment for my responses to questions arising from the April 26, 2017 hearing "H.R.____, the Nuclear Waste Policy Amendments Act of 2017."

If you have any questions on these responses, feel free to contact me at [REDACTED] or [REDACTED]

Sincerely,

[REDACTED]
Steven P. Nesbit
Director, Nuclear Policy and Support

Attachment

Attachment

Responses to Questions for the Record on Testimony Provided to the
House Committee on Energy and Commerce on April 26, 2017

Steven P. Nesbit
Chairman, U.S. Nuclear Infrastructure Council Back-end Working Group

The Honorable John Shimkus

- 1. If there were a monitored retrievable storage facility developed under this legislation, why do you propose to take shutdown plant fuel first? Would that require any special legislative language?**

Taking shutdown plant fuel first provides the biggest “bang for the buck.” The presence of used nuclear fuel onsite requires shutdown plants to provide ongoing security, radiation protection and emergency planning services in order to comply with Nuclear Reactor Commission (NRC) regulations. The associated expenses are on the order of \$10 million per site per year. Site operators typically recover those costs from the federal government through damage claims related to the Standard Contracts between the government and the operator for used fuel disposal. Once all used fuel is gone from the site, the site operator will no longer incur those ongoing fuel storage related costs, resulting in fewer damage claims and hence monetary savings for the federal government. In contrast, operating plants must have security, radiation protection and emergency planning to support power operations. The cost of providing those services for used fuel is incremental at operating plants and will not be significantly impacted by the removal of some of the used fuel being stored on site. Therefore, operating plants do not offer the same potential for federal government cost savings as shutdown plants.

Beyond monetary savings, there are other significant advantages to removing shutdown plant fuel first. The offsite shipments should go more smoothly because they will not interfere with ongoing plant operations. Moreover, removal of all used fuel from shutdown plant sites will enable termination of the NRC license and use of the site for other purposes once decommissioning is complete.

No special legislative language would be required to take shutdown plant fuel first. The Standard Contract¹ states “Notwithstanding the age of the SNF [spent nuclear fuel] and/or HLW [high-level radioactive waste], priority may be accorded any SNF and/or HLW 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.” Thus, the Department of Energy (DOE) has the discretion to pick up fuel from shutdown reactor sites before taking fuel based on acceptances earned by used nuclear fuel that has been discharged longer but resides at operating plant sites.

¹ Code of Federal Regulations, Section 10, Part 961, Standard Contract for Disposal of Spent Nuclear Fuel and/or High-Level Radioactive Waste.

2. Why should the Department of Energy re-establish the Office of Civilian Radioactive Waste Management?

First and foremost, DOE should re-establish the Office of Civilian Radioactive Waste Management (OCRWM) to conform to the law (the Nuclear Waste Policy Act of 1982, as amended). Recognizing the importance of having a dedicated office singularly responsible and accountable for used fuel and high-level radioactive waste management, in the NWPA Congress directed DOE to establish OCRWM with a director appointed by the president. Congress did not direct nor did it approve the abolishment of OCRWM in 2010.

Beyond that fundamental point, when OCRWM's functions moved to other parts of DOE, the ability to carry out the mission of managing and disposing of used fuel and high-level radioactive waste was significantly degraded. In order to function effectively within DOE and the federal government, the organization responsible for used fuel management should be exclusively focused on that mission.

Finally, the mere act of reconstituting OCRWM will send a clear message to stakeholders that the federal government is once again serious about discharging its responsibilities in the area of nuclear waste management and disposal.

3. Section 602 of the Discussion Draft provides for a fixed-term appointment for the Director of DOE's Office of Civilian Radioactive Waste Management. How would this provision affect DOE's program management? Do you think five years is an appropriate length of time to provide continuity of leadership?

A five-year term for the OCRWM director would benefit the program by improving continuity of leadership. If a director were to serve his or her full term, it would avoid many instances of the disruption in leadership that is inherent in the presidential election cycle. Five (or six) years would be an appropriate term of service, provided a good director can serve multiple terms. To further improve continuity, consideration should be given to allowing the director to remain in service past term expiration until his or her successor is confirmed and in place.

In the long term, the United States Nuclear Infrastructure Council supports "... the establishment of a separate, politically independent but accountable federal corporation-type organization which is mission-based and structured to execute all necessary steps and activities to develop, license, construct, operate and decommission nuclear used fuel and high-level waste storage facilities and permanent repositories." With such an organization in place, the chief executive would not necessarily have a fixed term, but could be chosen by the board of directors and serve as long as his or her job performance was satisfactory.