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July 9, 2004

Re: Oppose increasing Yucca Mountain Project funding

Dear Energy and Water Development Subcommittee Member:

As state-based and national environmental and consumer organizations, *we urge you to oppose any increase in Yucca Mountain Project funding in the FY05 Energy & Water Appropriations bill, including proposals to increase Nuclear Waste Fund fees for nuclear power ratepayers or to offset any portion of Yucca Mountain Project funding.*

In order to bail out the Department of Energy, Sen. Domenici has proposed to increase by 60% in 2005 the fees that nuclear power ratepayers contribute to the Nuclear Waste Fund. The proposed rate hike would cost consumers an additional \$446 million next year. Although we support efforts to ensure that the costs of nuclear power reflect the true cost of nuclear energy production, we oppose increasing the Nuclear Waste Fund fees to prop up the flawed Yucca Mountain Project. Furthermore, offsetting any portion of the Nuclear Waste Fund is simply a budgeting gimmick that would increase the amount of ratepayer money that can be squandered on this troubled federal project. Offsetting any portion of the Fund would also set a bad precedent for other dedicated funds. This is an inappropriate way to fund federal projects, especially a project that is clearly mismanaged, facing pending legal challenges, and ignoring unresolved safety issues.

The problems with the Yucca Mountain Project are deeper than funding and cannot be solved by throwing more money at the DOE. The suitability of the site is highly questionable, given that it is located over a drinking water aquifer in an earthquake zone. Moreover, the DOE is struggling to meet its artificial, self-imposed deadline for submitting its license application to the Nuclear Regulatory Commission (NRC) by December 2004. Six months before DOE can legally submit its Yucca Mountain license application, all of its documents relating to the application must be made publicly available on the internet. Despite DOE's June 30 self-certification that this database is complete, these documents are not yet indexed or posted in useable format on the NRC's web site (www.lsnnet.gov). The NRC has received only a portion of the millions of documents that DOE has said it would provide to the public through the NRC Licensing Support Network web site. Of the documents submitted, DOE is demanding that NRC remove many from public access because, according to DOE, they inadvertently provided protected privacy information.

Nuclear power ratepayer fees that are paid into the Nuclear Waste Fund should be spent wisely. In light of the management problems of the Yucca Mountain Project, as well as the fundamental questions that remain regarding the suitability of the site to safely and permanently isolate high-level radioactive waste, it is vital that the ratepayer fees are allocated in a straightforward and accountable manner. State utility commissions require that utilities operate in a “prudent” manner and Congress should not do less in managing ratepayers’ money.

Again, we urge you to oppose any increase in Yucca Mountain Project funding in the FY05 Energy & Water Appropriations bill, including a ratepayer fee increase or offsetting the Nuclear Waste Fund.

Sincerely,

Susan Gordon
Director
Alliance for Nuclear Accountability

Janet Zeller
Executive Director
Blue Ridge Environmental Defense League

Peggy Maze Johnson
Executive Director
Citizen Alert

Sara Zdeb
Legislative Director
Friends of the Earth

Edward Heisel
Executive Director
Missouri Coalition for the Environment

Kevin Curtis
Vice President
National Environmental Trust

Judy Treichel
Executive Director
Nevada Nuclear Waste Task Force

David Kraft
Executive Director
Nuclear Energy Information Service

Michael Mariotte
Executive Director
Nuclear Information and Resource Service

Jaya Tiwari
Research Director
Physicians for Social Responsibility

Wenonah Hauter
Director, Energy Program
Public Citizen

Rochelle Becker
Project Coordinator Diablo Canyon Safety
Issues
San Luis Obispo Mothers for Peace

Dave Hamilton
Director, Global Warming and Energy Team
Sierra Club

Jeremy M. Maxand
Executive Director
Snake River Alliance

Stephen Smith, DVM
Executive Director
Southern Alliance for Clean Energy

Anna Aurilio
Legislative Director
U.S. Public Interest Research Group

Susan Shaer
Executive Director
Women's Action for New Directions