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FISCAL IMPACT REPORT

ORIGINAL DATE 3/15/09

SPONSOR Heaton LAST UPDATED _____ HM 114

SHORT TITLE Address Nuclear Energy & Waste Issues SB _____

ANALYST Wilson

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

House Memorial 114 requests the New Mexico congressional delegation, congress, President Obama and the Secretary of the United States department of energy (DOE) to protect nuclear utility ratepayers by immediately reducing the fee that sustains and over funds the nuclear waste fund to a level that will cover only the costs incurred by DOE, the United States nuclear regulatory commission (NRC) and local Nevada government units that provide oversight of the permanent used fuel repository program.

HM114 further requests the New Mexico congressional delegation, congress and President Obama to immediately enact legislation expediting the establishment of two privately developed interim storage facilities licensed by the NRC for used commercial nuclear fuel, with community incentives funded by DOE to take possession of , safely transport and store used fuel at these facilities and to give priority on moving fuel from decommissioned plants first.

In addition, HM 114 requests the New Mexico congressional delegation, congress and President Obama to enact legislation creating an independent panel of esteemed public policy, scientific, environmental and engineering leaders that will be charged with conducting a long-term strategic assessment of the nation's used fuel and defense waste management practices and reporting back with specific recommendations on how to proceed in the future while interim storage facilities are developed.

FISCAL IMPLICATIONS

There is no fiscal impact

SIGNIFICANT ISSUES

The United States government has collected and deposited in the federal nuclear waste fund more than \$29,000,000,000 in fees and interest from nuclear utility ratepayers pursuant to the federal Nuclear Waste Policy Act of 1982 for the purpose of establishing a permanent repository for the storage of used nuclear fuel from commercial reactors and defense-related high-level radioactive waste.

The United States government failed to begin accepting commercial used fuel as required by the federal Nuclear Waste Policy Act of 1982 and only in 2008 did the DOPE submit an application to the NRC to construct a permanent used fuel repository.

Expected funding levels for permanent fuel disposal in FY 2009 and statements by the federal administration concerning federal budgets in FY 2010 point to continuing chronic delays for the Yucca Mountain repository, if not the outright termination of the public.

The federal government's failure to meet its 1998 statutory and legal obligations to accept used fuel has led to the government being found in partial breach of the contracts with nuclear utility owners of the fuel leading to federal taxpayer payments to the utilities of about \$1,000,000 thus far and growing.

In light of the federal government's failure to meet its responsibilities, the commercial nuclear utility industry has embraced an integrated nuclear fuel management program for incorporating the continued safe and secure storage of used fuel at commercial plant sites.

The commercial nuclear utility industry has also embraced the development of private or government- owned centralized interim storage facilities licensed by the NRC in communities that will host such facilities voluntarily.

There are continuing public and private efforts in the areas of research, development and deployment of technologies to recycle used fuel in a safe, environmentally responsible, proliferation-resistant and commercially viable way.

It is important to ensure the continued review of the permanent repository license application by NRC and continued engagement of policymakers to make sure of the safety and security of whatever facilities or sites ultimately are chosen for permanent disposal of the byproducts of the once-through or closed nuclear fuel program.

Prominent organizations, including the national conference of state legislators, the national association of regulatory utility commissioners and the American legislative exchange council have endorsed the immediate establishment of interim fuel storage facilities licensed by the NRC in voluntary host communities and continued research on recycling of fuel and other advanced fuel management technologies.