



LEAGUE OF WOMEN VOTERS® OF WISCONSIN

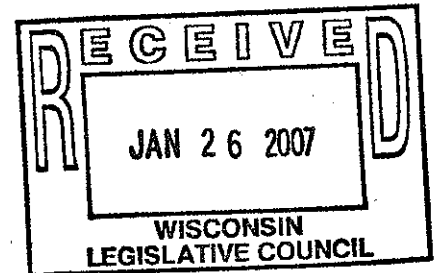
122 State Street, #405
Madison, WI 53703-2500

Phone: (608) 256-0827
Fax: (608) 256-1761

<http://www.lwwwi.org>
lwwwisconsin@lwwwi.org

January 25, 2007

David Lovell
Senior Analyst, Nuclear Power Committee
PO Box 2536
Madison, WI 53701



Dear David Lovell,

The League of Women Voters of Wisconsin is in the final phase of a two-year study of Wisconsin's electric energy policy. As part of our effort to be well informed, we have attended the meetings of the Legislative Council Special Committee on Nuclear Power, read the materials presented by the LC staff and your invited speakers, and listened to your comments and questions. The Committee work has enlightened all of us on nuclear power. With gratitude for these opportunities, this letter expresses some of our observations, concerns and recommendations for further action.

1. THE CHARGE TO THE NUCLEAR POWER COMMITTEE was to examine the future energy supply and the role of nuclear power in that supply as well as to consider how that portion of the supply will be met after retirement of existing nuclear power plants in the state (Source: Chair Montgomery Opening Remarks, Sept. 14, 2006 Minutes). While there was a stated intent to provide a broad perspective on the range of fuel alternatives, most of the presentations were on nuclear power with a few presentations on the electric power system, global warming, coal, efficiencies and renewables, and environmental impact comparisons.

The introduction and discussion of key operating principles (source: Dec. 21, 2006 LC staff memo) which the committee could use in reaching consensus are helpful. But as pointed out by Committee Member Katie Nekola, these principles are not new ideas for the Legislature and are not even as well stated as existing state law.

The broad charge to the committee moved the discussion away from repeal of the current moratorium law on construction of new nuclear power plant which was the sole focus of legislation introduced in both the 2003 and 2005 legislative sessions.

2. NUCLEAR POWER IN THE CONTEXT OF GLOBAL WARMING. Emissions of greenhouse gases and global warming have given nuclear power proponents a major incentive to open the question of nuclear power as a viable alternative to fossil fuels. Many of those who had opposed nuclear power now may see its serious disadvantages as less harmful than the catastrophic effects of global warming. They may be willing to accept the economic, environmental and health risks in trade-off for the low levels of greenhouse gas emissions from nuclear generation of electricity. But many of these converted proponents of nuclear power still realize that there have not been satisfactory solutions to the persistent problems of the transportation and storage of waste and that the economic impact on consumers is unclear.

Rep. Mike Huebsch (R-Onalaska) has stated he wants to make sure that nuclear power is considered a legitimate source of electric power. There is no argument about this.

Nuclear power is currently, and will continue for the operating life of current reactors, as the source of about 16% of electricity in WI and 20% in the US. (Source: Eric J. Callisto, PSC Executive Asst to the Chairperson, PSC, Sept. 12, 2006) However, John Rowe, CEO of Exelon Corp., commented to the Committee on the unlikely development of nuclear reactors in Wisconsin. He also pointed to the lack of technologies to safely reprocess and reuse spent nuclear fuel and that on-site waste storage presents a risk from terrorist attack. (Source: Sept. 14, 2006 Minutes) In addition, Wisconsin utilities have indicated they are not interested as individual utilities nor as a consortium in building more nuclear reactors. The only potential for such an increase lies with an outside utility, holding company or consortium.

If the growing demand for electricity has increased interest in the use of nuclear power, it has also increased the attention and concern to the issue of disposal of nuclear waste. The 1982 Nuclear Waste Policy Act established that the federal government is responsible for safe, permanent disposal of all high level radioactive waste, including from commercial power reactors. The scientific community generally agrees that the best long-term solution to isolating nuclear waste from the environment is permanent disposal in a geological repository.

3. LEAGUE POSITIONS ON NUCLEAR ENERGY. While the Committee has changed the framework for discussion of nuclear power, the League of Women Voters of Wisconsin has not changed its positions. The League has long recognized the importance of nuclear power as a valuable resource of electric energy. The League's approach to nuclear issues is one of problem solving. The League's aim is to work constructively for the maximum protection of public health and safety and the environment and for citizen participation in the decision making process at all levels of government. The League opposes increased reliance on nuclear fission but recognizes its place in the nation's energy mix.

More specifically, the LWVWI has for decades supported prohibition of further licensing and construction of nuclear fission reactors until scientific questions regarding their effects on public health and safety can be resolved. The League used this position to support the moratorium law before its passage in 1983. The League's concerns remain relevant and today.

4. IF THE MORATORIUM IS NOT REPEALED, there would be no construction of new power plants in Wisconsin unless they were economically advantageous to ratepayers compared to feasible alternatives, and not until a federal-licensed site responsible for high-level waste is operating with enough capacity to handle the waste from all nuclear power plants in Wisconsin. The moratorium would continue to protect major public concerns. Existing nuclear plants would not be affected by the moratorium and would continue to operate for several decades under regulation of the federal government and out-of-state ownership, with a reduced regulatory role for Wisconsin.

5. IF THE MORATORIUM LAW IS REPEALED, the possibility of new construction of nuclear power plants would be a matter of market economics and political debate. The questions in the current moratorium law would still need to be answered. The very high costs related to capital construction, federal/state regulations governing mining site protection and cleanup, storage and transportation would ensure out-of-state ownership. This would further reduce the role of Wisconsin over our utilities. Wisconsin regulators would only be bystanders for such activity. Our experience is that the PSC is more likely than the Nuclear Regulatory Commission (NRC) to be receptive to comments of Wisconsin residents.

An equally significant problem is siting of a nuclear plant. Access to a large body of water is a necessity, and presumably that would be Lake Michigan. This is ironic in light of President Bush having declared it a national treasure in 2004. Subsequently, the Great Lakes-St. Lawrence River Basin Resources Compact was signed by five Governors and by premiers of two Canadian provinces for the responsible use and protection of Great Lakes waters. Aside from the commitment of these two formal declarations, there would be a significant outcry from environmental groups and private citizens.

Wisconsin does not gain anything by repealing the law. In fact, Wisconsin moves from being in charge to second-fiddle to the NRC in matters of siting, operation, maintenance, retirement, closure and post-closure security. In addition, repeal of the statute will send a signal that Wisconsin is open for an increased number of nuclear power reactor facilities, possibly including high level waste storage and disposal.

The repeal of this law is not relevant to the recent sale of the Keweenaw NPP and the proposed sale of the third plant site at the Point Beach NPP. But the criteria in the law are still very relevant and are valid concerns to the development of these sites as regards reactors, interim storage, consolidation and preparation facilities, federal reprocessing of spent fuel rods, etc.

6. REGARDLESS OF THE FINAL STATUS OF THE MORATORIUM LAW, the costs of electric energy will continue to rise, reflecting demand, the extensive and necessary infrastructure and transportation improvements of fossil fuel industries, and the investment in the development of renewable resources. Unknown are the federal decisions on subsidies and carbon tax and/or credits. Presumably, those strategies would favor the development of nuclear energy, cleaner coal and renewables.

When federal actions become clearer, cost comparisons among all fuel sources, including renewables and efficiencies, must reflect not only those decisions but also those costs which are usually omitted, i.e. the indirect social costs of protection of health and the environment. Such costs comparisons have not been available to the committee or the public.

In the meantime, the Special Committee raised issues that seem more pressing than repeal of the law.

These include:

1. maintaining Wisconsin's vigilance with regard to transportation and safety of nuclear fuels and waste;
2. funding state responsibilities regarding transportation safety, for example creating a state fee applied to all shippers and shipments to cover the range of state costs;
3. instructing relevant state agencies to report to the legislative standing committees on energy any substantive changes triggered by
 - a. federal policy on reprocessing of spent fuel rods,
 - b. federal policy on interim storage and
 - c. amount and length of time of storage of nuclear waste within the state (for instance, due to modifications in the projected annual allocation of waste acceptance).

In conclusion, the League feels that the Special Committee has made a contribution to the understanding of the nuclear power as part of the our energy mix and it has positioned the Legislature to continue the state's policy directions that were affirmed by 2005 Wisconsin Act 141. The League urges the Committee to identify creative opportunities to advance those policies that promise much more for our society and our environment than do the use of conventional fuels.

Sincerely,

Melanie G. Ramey

Melanie Ramey, President
League of Women Voters of Wisconsin

Marilyn Slautterback, Chair
LWVWI Electric Energy Study Committee

Caryl Terrell, Consultant to LWVWI Electric Energy Study

The following is background from speakers to support these recommendations:

Shipments: Shipments will occur in Wisconsin so the state must continue to be vigilant regarding transportation routes and safety of nuclear fuels and wastes. (Source: presentation by Lisa R. Janairo of The Council of State Governments, Midwestern Office on Dec. 14, 2006.)

Ms. Janairo recommended that Midwestern states should continue to expect DOE to allow them:

- (a) Input into decisions (mode, dedicated trains, cask selection, transportation plan and routing preferences);
- (b) Oversight (inspections, security, shipment tracking, emergency preparedness and outreach to the public and elected officials); and
- (c) Funding ("under Section 180(c), the Office of Civilian Radioactive Waste Management (OCRWM) must provide technical assistance and funds to states and tribes for training in safe, routine transportation and emergency response procedures" (appears grants may occur no sooner than 4 years before start of shipments-Jones slide #20); negotiate with DOE for other funds from the Nuclear Waste Fund to which Wisconsin has already paid \$594.3 million as of 3-31-06; and possible state fees applied to all shippers and shipments to cover the range of state costs.

Route selection process is underway. December 2007 is the projected as the date to "identify preliminary suite of routes" (Source: Jones slide #22)

Under the Nuclear Waste Policy Act of 1982, the Standard Contract assigns acceptance priority based on the principle of "oldest Fuel First." Wisconsin nuclear plants have projected annual allocations in the first five years of repository operations. OCRWM may grant priority to permanently shutdown reactors and for emergencies. (Source: slide # 11, Jay Jones, Office of Logistics Management, US DOE, OCRWM, Dec. 14, 2006)

Reprocessing spent nuclear fuel is a federal responsibility. Federal policy prohibits reprocessing in order to prevent the proliferation of plutonium or weapons-grade nuclear material.

Cc: All legislative and public members of the Legislative Council Special Committee on Nuclear Power, and Legislative Council Staff