

## ***NRC Restricts Public Access to Nuclear Security Information***

On Aug. 4, the U.S. Nuclear Regulatory Commission (NRC) announced it would no longer be making publicly available the results of physical security assessments or enforcement actions associated with such tests. The agency expressed concern that releasing the results of security inspections, if vulnerabilities were found, would raise a red flag for terrorists and others seeking to infiltrate nuclear power plants. The results of the security inspections were previously published quarterly.

This indicates a serious failure of the nuclear power industry to adequately guard its vulnerable facilities, and a failure of the NRC to force more sufficient security measures commensurate with today's threat environment. "Certainly, some security information is best kept behind locked doors. But this blanket directive includes anything and everything, and will inevitably restrict the release of potentially embarrassing, but not necessarily dangerous, information," said Brendan Hoffman, nuclear energy organizer for Public Citizen. "Communities around nuclear plants have an inherent right to know what is going on next door."

## ***Government Guts Its Environmental Justice Policy***

Ignoring the expressed concerns of citizens' groups, including Public Citizen and the Nuclear Information and Resource Service (NIRS), the NRC published on Aug. 24 its final policy statement on the issue of "environmental justice" (EJ), the phenomenon of disproportionate adverse environmen-

### **DID YOU KNOW...?**

#### ***The Power of the Public Utility Holding Company Act***

Companies that own utilities and are incorporated in the same state in which the utility operates--and thus are subject to state law--probably chose this corporate form in order to avoid PUHCA regulation. Enron, for example, reincorporated in Oregon when it bought Portland General Electric in order to obtain a "single state" exemption from PUHCA.

This means that even if the owner of your local utility is currently not an interstate holding company, it may well become one if PUHCA is repealed, as the pending energy bill proposes. There will then no longer be a strong corporate incentive to limit the parent company's operations to a single state in order to avoid PUHCA financial and corporate regulation.

tal impacts of federal projects on minority and/or low-income populations. In bowing to industry pressure, NRC has inexorably weakened its ability to ensure that its licensing actions are fair, just and free of economic and racial discrimination.

The result of the new NRC policy statement is that the agency likely will refuse to consider legal challenges regarding issues of racial discrimination, fairness and economic equity in its licensing hearings. The new policy appears to be a nod to the Nuclear Energy Institute (NEI), the lobbying arm of the nuclear industry, which submitted a letter in December 2002 sharply criticizing the agency for its handling

of EJ issues in licensing hearings. The new statement appropriates many of the arguments and incorporates some of the recommendations articulated by the NEI in its letter.

## ***NRC Enfeebles Role of State in LES Case***

The NRC ruled on Aug. 18 that the state of New Mexico will not be allowed to raise questions regarding radioactive waste disposal in the licensing hearing for a nuclear fuel plant in Eunice, N.M., proposed by Louisiana Energy Services (LES).

New Mexico Gov. Bill Richardson responded with a scathing letter, saying that it "deprives the State...of an important opportunity to assure that critical environmental and national security issues...receive comprehensive analysis in the review process." The LES case is one of the first to be conducted under new exclusionary licensing rules established by the NRC in January. Despite the protest of over 1,400 people and groups who opposed the rule changes, the NRC established the new rules, purportedly in an effort to make licensing hearings more efficient.

The new rules require interveners to submit legal arguments simultaneously with their petitions. This gives petitioners a mere sixty days from the NRC's initial notice of hearing to pour through thousands of pages of a license application, identify issues of contention, hire legal counsel, contract expert witnesses, and craft meticulous arguments in appropriate legalese. New Mexico's alleged failure to submit a complete petition was due more to this rigged, expedited process—in which the state's thorough supplements were

**QUICK QUOTE:**

“Yucca Mountain to me is a symbol of the recklessness, and arrogance with which they are willing to proceed with respect to the safety issues and concerns of the American people.”

- Presidential candidate John Kerry, referring to the Bush administration at a campaign rally in Las Vegas on Aug. 11.

ignored—not incompetence. These unfair rules are currently subject to a legal challenge.

***NRC Rules on Admission of Contentions to ESP Hearings***

On Aug. 6, an NRC judicial board ruled on the admission of arguments to a hearing on new nuclear plant siting permits in three states – Virginia, Illinois, and Mississippi. The contentions were originally filed in January with the Atomic Safety and Licensing Board (ASLB) by a coalition of groups, including Public Citizen.

In Virginia, the ASLB admitted parts of two contentions: one on the effect new reactors will have on the striped bass population in Lake Anna, and one on a failure of Dominion to fully analyze a “no action” alternative as required under the National Environmental Policy Act (NEPA). In Illinois, the ASLB allowed admission of one contention: that Exelon had failed to properly analyze a combination of renewable energy technologies as a reasonable alternative to construction of a new nuclear reactor. In Mississippi, no contentions were admitted, despite the coalition’s continuing belief that the environmental justice argument was particularly strong. The groups, which include the local NAACP chapter, appealed the ruling (see next story).

Rejected at all three sites were contentions dealing with site security, safety,

and nuclear waste issues.

***Public Citizen Appeals Licensing Board Denial in Mississippi Case***

A coalition of groups, including Public Citizen, filed an appeal on Aug. 27 to the NRC’s licensing board challenging a decision to deny a public hearing on environmental justice contentions in the application from Entergy for an “Early Site Permit” to build one or more new nuclear reactors at its Grand Gulf site in Mississippi.

The appeal stated that the licensing board ignored factual evidence that demonstrated a significant dispute on the adequacy of the application on the environmental impacts of a new nuclear reactor on the minority and low-income community living within a ten-mile radius of the Grand Gulf site and also failed to explain its basis for rejecting the environmental justice contentions. Claiborne County is 84% African American with more than 32% living at or below the poverty line. For more information on the early site permit for Grand Gulf, please go to [www.citizen.org/cmep/esp](http://www.citizen.org/cmep/esp).

***Eye on Yucca Mountain***

On July 31, the NRC’s Atomic Safety and Licensing Board unanimously ruled that the U.S. Department of Energy (DOE) failed to make publicly available on the Internet all documents related to the Yucca Mountain Project, as required by law. Posting all relevant Yucca Mountain documents online allows the public to review the materials and participate effectively in the Yucca Mountain licensing proceedings. This purpose cannot be achieved unless the Web site is fully functional and complete. The NRC cannot accept the DOE’s licensing application until six months after all the documents have been made available, meaning the project will be delayed indefinitely until the

documents are posted. Public Citizen, Nevada Nuclear Waste Task Force, and Nuclear Information and Resource Service filed a “Friend of the Court” brief in support of the State of Nevada’s motion to strike DOE’s certification.

***Reliant Update***

Last month we reported on our request to the Maryland Public Service Commission to revoke the license it awarded to a subsidiary of Reliant Energy in light of the criminal indictment of its affiliate for its role in the California energy crisis. A week after we sent our letter, Maryland officials directed Reliant “to answer Public Citizen’s letter within 10 days.” Reliant responded by claiming that it has taken “corrective actions” in response to its past misdeeds. Public Citizen blasted this claim by quoting from the April U.S. Department of Justice press release announcing the criminal indictment against Reliant: “Faced with evidence of widespread fraud within the company, Reliant chose to be uncooperative during the federal investigation. As a result, the grand jury and the Justice Department send an important message today to corporate America and consumers: Even a Top Five energy company can and will face criminal prosecution if it engages in far-reaching criminal conduct and fails to take immediate steps to disclose and clean up its act.” To read more about Reliant Energy, please go to [www.citizen.org/cmep/reliantenergy](http://www.citizen.org/cmep/reliantenergy).

**Corporate Corner**  
**\$13 billion:**  
 The total value of U.S. electric assets now owned by Wall Street investment banks.