

## Public Citizen Presents Case against Nuclear Fuel Plant

Public Citizen and the Nuclear Information and Resource Service (NIRS) last month presented their case before a federal licensing board convened in Hobbs, New Mexico against Louisiana Energy Services' (LES) designs for a nuclear fuel plant in this desert region.

Attorneys representing intervenors Public Citizen and NIRS, LES, and the staff of the U.S. Nuclear Regulatory Commission (NRC) appeared before a three-judge panel of the NRC's Atomic Safety and Licensing Board (ASLB) to present and cross-examine expert witnesses testifying on LES's application to construct, operate, and decommission a uranium enrichment plant near Eunice. The ASLB will determine whether to grant a license to the multinational LES to build its plant, dubbed the "National Enrichment Facility" (NEF), which would refine fuel for commercial nuclear power reactors.

Lindsay Lovejoy, an attorney for Public Citizen and NIRS, presented expert witnesses testifying to deficiencies in LES's license application in its consideration of water resources, groundwater contamination, radioactive waste processing, and need for the facility. The hearing brought to light serious questions about whether LES and the NRC had failed to perform comprehensive and independent analyses projecting various environmental impacts of the plant.

Meanwhile, disposal of the depleted uranium (DU)-a waste byproduct that would be produced by the NEF-has

### DID YOU KNOW...?

*The Power of the Public Utility Holding Company Act*

A large investor in electric power companies has requested the Securities and Exchange Commission to stop granting waivers from PUHCA to Allegheny Energy, Inc. Harbert Distressed Fund says the SEC's permissive regulation has allowed Allegheny to use utility revenues to support its highly leveraged (indebted) unregulated affiliate, Allegheny Energy Supply, without adequately protecting its utility companies. Harbert points to the bankruptcies of Enron and Northwestern Corp., two holding companies previously exempted from PUHCA, that wiped out billions in equity and debt securities, including retirement funds of utility employees, and asked the SEC to require Allegheny to comply with PUHCA.

become the most contentious issue in the LES licensing case, and new developments suggest that the likely final resting place for this radioactive waste will be a site operated by Waste Control Specialists (WCS), which lies less than a mile from the NEF across the border in Andrews County, Texas.

The Dallas-based WCS has applied for state licenses to expand the volume and scope of its hazardous waste dump. If granted, WCS would become the likely dumping ground for waste from not only the NEF, but also from the country's nuclear weapons complex and five Midwestern and Southern states.

LES has publicly announced that it is pursuing an agreement with a private company, AREVA, Inc., to construct and operate a "deconversion" facility that would process the depleted uranium from the LES plant into a more stable form for permanent disposal. LES

president Jim Ferland has said that his company wants the deconversion facility to be located near the LES plant so the waste could be disposed of by a Texas low-level waste repository. The only site under consideration for such a license in Texas is WCS's Andrews County operation.

Such a transfer would meet the conditions-just barely-of New Mexico Gov. Bill Richardson, who has said that his support for the plant is contingent on a commitment from LES to move its depleted uranium waste out of New Mexico.

## Community Speaks Out on New Reactors in Virginia

On Feb. 17, the NRC hosted a public meeting to discuss Dominion Resources' proposal to build two new reactors at their North Anna nuclear plant near the town of Mineral. Public Citizen teamed up with the People's Alliance for Clean Energy and other groups to generate large turnout in opposition to Dominion's plan.

More than a hundred activists gathered first in the school cafeteria for a rally

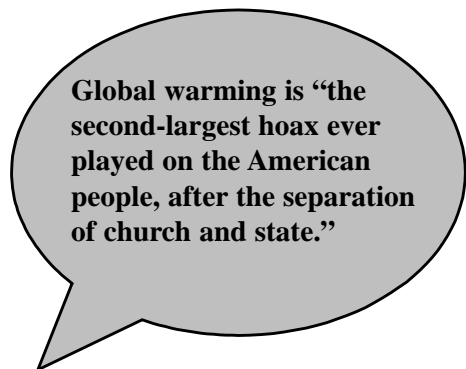


Jan Beranek is the President of the Green Party of the Czech Republic and a longtime activist on nuclear power issues. He led the international campaign to stop the completion of two Russian designed nuclear power plants at Temelin by Westinghouse.

to oppose the new reactors. Renowned environmental activist Lois Gibbs, of Love Canal fame, spoke articulately about the unnecessary dangers posed by nuclear power plants in an age where others seek to do catastrophic harm to the United States. Another distinguished guest, Jan Beranek, pres-

majority were there to speak against Dominion's nuclear ambitions. After short presentations by NRC staff members, the public seized the all-too-rare opportunity to give their thoughts, and the hearing carried on until 11:30pm. Perhaps the most impressive and articulate performances of the night came from 11-year-old Asa Vigodsky, of nearby Albemarle County, who raised the issues of nuclear waste and water usage. "Think of the massive drought of 2002. We couldn't even flush our own toilets; imagine how many toilets we could flush with 1.6 billion gallons of water [used by a new reactor every day]," he said. For more information on Dominion's efforts to construct new reactors in Virginia, visit [www.citizen.org/cmep/northanna](http://www.citizen.org/cmep/northanna).

**QUICK QUOTE:**



~ Senator James Inhofe (R-Okla.), in a telephone interview on Jan. 21, was adamant that carbon dioxide not be included as a pollutant in the so-called Clear Skies bill.

ident of the Green Party of the Czech Republic, related the bad experiences his country has had with nuclear power. Jennifer Connor and Shelly Stern of Charlottesville came dressed in beauty-pageant sashes representing "beauty queens for nuclear waste."

The official proceedings commenced at 7 p.m., with nearly 300 people packed into the auditorium of the Louisa County Middle School. A show of hands early on indicated that a

**PEPCO Update:**

The Office of the People's Counsel in Washington, D.C., recently endorsed Public Citizen's call for re-regulation of electricity rates, which includes a proposal for PEPCO to re-acquire the five power plants it sold to now-bankrupt Mirant in 2000.

**A Gloomy Forecast for Yucca:**

The location... is "literally a volcano that sits on an earthquake fault, above an aquifer, next to the Nevada Test Site, next to one of the nation's largest organic farms, next to the state's largest dairy, adjacent to . . . the United States' fastest-growing metropolitan area, next to one of the busiest Air Force bases in the country."

"If you could choose a worse place to store nuclear waste, I really challenge you to do so, My best analysis is that it's a matter of time before this project fails."

~ Nevada State Attorney General Brian Sandoval (R) told the state Senate Finance Committee on Feb. 22.

**Eye on Yucca Mountain**

According to a Freedom of Information Act filed by the State of Nevada, the Environmental Protection Agency (EPA) has been meeting with NRC and DOE regarding the revision of its Yucca Mountain standard since the appellate court decision last summer that threw out the old standard. No notes from these meetings were provided in the FOIA response. EPA has not issued an Advanced Notice of Proposed Rulemaking, so there is no public docket for the EPA's ongoing revision process. A revision process lacking transparency and significant public input threatens the credibility of the resulting compliance standard, and raises questions about whether the standard will truly be protective of public health and future generations.

**Merger Opposition Heats Up**

Public Citizen is joining with state-based consumer groups from Illinois, New Jersey and Pennsylvania to oppose the recently-announced merger between Chicago-based Exelon and New Jersey's Public Service Electric & Gas. The merger would not only create one of America's largest energy companies, but would also harm consumers and lead to much higher rates.

Public Citizen's protest of the merger is based on the fact that federal regulators in charge of approving the merger tainted their objectivity by conducting a series of secret meetings with the chief executive officers of the two merging companies; that New Jersey consumers will lose too many regulatory protections by having their current state-based utility swallowed up by a sprawling, out-of-state utility; that the merger will increase the ability of the new company to control too much of the U.S. power market, making it easier for the company to unilaterally raise prices Enron-style; and that Exelon is currently cited for poor reliability, and that allowing it to acquire yet another utility will only decrease reliability.

**Corporate Corner**  
\$ 3 billion  
What it will cost to build Private Fuel Storage in Utah, a so-called temporary back up site for Yucca Mountain.