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Money Down a Hole: Yucca Mountain Appropriations

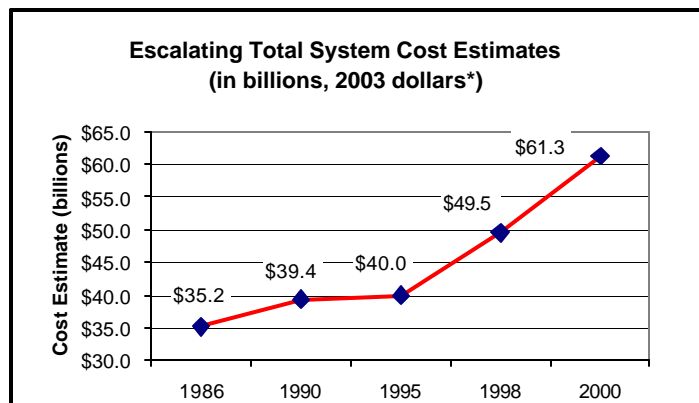
The Yucca Mountain Project faces an uncertain future. A recent decision by the DC Circuit Court of Appeals will effectively force a significant redesign of Yucca Mountain that may take years – perhaps even permanently derail the project. Meanwhile, the Department of Energy is scrambling to resolve numerous technical issues and get problems with its paperwork straightened out in order to apply to the Nuclear Regulatory Commission for a license by December 2004 to construct and operate the proposed nuclear waste repository.

Fiscal Year 2005 Budget Request

In 2004, Congress approved a whopping \$580 million for the Yucca Mountain Project. The Bush administration is seeking **\$880 million for 2005 - a 50% increase over last year** and the largest annual funding increase for the project. DOE Secretary Spencer Abraham said that the funding boost was needed to help DOE finish its license application.¹ However, **the majority (89%) of the additional funding is allocated to developing and operating the transportation system** for shipments to Yucca Mountain in 2010, including the purchase of truck and rail casks and other equipment for shipments. The Administration is also proposing to change the funding structure for the project so that fees from the Nuclear Waste Fund (\$749 million in FY05) are exempted from the congressional appropriations process, thereby cutting Congress out of decisions regarding how the fees are used.² DOE has taken a gamble and formally requested “only” \$131 million through the budgeting process, even though the off-budget approach has little support in the Senate.

\$\$\$piraling Out of Control

The DOE has spent more than \$9 billion (2003 dollars) on the repository program since its inception in 1982. The total cost of the Yucca Mountain Project is currently projected to reach \$61 billion (2003 dollars), up 24% from the previous estimate.³ Actual costs will almost certainly exceed this projection. **Congress should restrict funding to this program and oppose the Bush Administration’s 2005 budget request in order to rein in this radioactive boondoggle.**



¹ Statement by DOE Secretary Spencer Abraham at press conference, February 2, 2004.

² Since 1982, nuclear power utility consumers have paid fees to the Nuclear Waste Fund to pay for the establishment of a national repository for high-level nuclear waste.

³ *Nuclear Waste Fund Fee Adequacy: An Assessment*. May 2001. Washington, D.C.: Department of Energy.

* Adjusted using CPI “inflation calculator;” www.bls.gov/cpi/home.htm. Values for 1986, 1990, 1995 based on adjusted (for changes in inventory and dollar value through 1996) DOE estimates cited by Nevada in *Independent Cost Assessment of the Nation’s High-level Nuclear Waste Program*, February 1998. Values for 1998 and 2000 adjusted (for inflation only) from DOE TSLCC reports.