

NATIONAL TAXPAYERS UNION * COUNCIL FOR CITIZENS AGAINST GOVERNMENT WASTE
TAXPAYERS FOR COMMON SENSE * U.S. PUBLIC INTEREST RESEARCH GROUP
UNION OF CONCERNED SCIENTISTS * SIERRA CLUB * PUBLIC CITIZEN
NUCLEAR INFORMATION & RESOURCE SERVICE * NATURAL RESOURCES DEFENSE COUNCIL
LEAGUE OF CONSERVATION VOTERS * GRACE PUBLIC FUND
FRIENDS OF THE EARTH * ALLIANCE FOR NUCLEAR ACCOUNTABILITY

**SUPPORT THE BINGAMAN AMENDMENT TO CANCEL
THE "ADVANCED HYDROGEN REACTOR CO-GENERATION PROJECT"**

June 5, 2003

Dear Senator:

As national public interest, environmental, and taxpayer organizations, we are writing in support of the Bingaman amendment to strike Title IV, Subtitle C from S. 14, the "Energy Policy Act of 2003." This subtitle provides open-ended funding to the Department of Energy (DOE) to construct a gas-cooled nuclear reactor that generates both hydrogen and electricity at the Idaho National Environment and Engineering Laboratory, in partnership with private industry.

An unjustifiable subsidy to the nuclear industry, this pork barrel project makes taxpayers liable for the construction and potential operation of a reactor. Taxpayers have already spent \$66 billion on nuclear research and development and should not be forced to further subsidize this mature industry. The subtitle also inadvisably waives normal DOE management procedures. If this type of exploratory project is viable, then the mature nuclear industry should be able to finance it without government handouts and regulatory waivers.

Indeed, the hydrogen reactor project has all the signs of a boondoggle in the making. Title IV, Subtitle C provides \$500 million on reactor construction, plus \$635 million for research, development, and design activities over the next five years and "such sums as are needed" beyond 2008. Yet there is no guarantee that this reactor will ever be operational.

If the proposed reactor ever becomes operational, the sale of electricity from this DOE-subsidized project would inappropriately distort commercial electricity markets. Moreover, significant safety and security concerns remain about the proposed gas-cooled reactor designs, which have never successfully been implemented in the U.S. The only commercially-operating gas-cooled reactor at Fort St. Vain, Colo. was a dismal and expensive failure and was eventually closed due to low efficiency in 1989.

We urge you to support the Bingaman amendment to cancel the Advanced Hydrogen Reactor Co-generation Project. The Senate wisely defeated a similar proposal in 1995 (Bumpers amendment 2055 to H.R. 1905 to cancel the Gas Turbine-Modular Helium Reactor

program) and should do so again.

Sincerely,

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