

**ALLIANCE FOR NUCLEAR ACCOUNTABILITY
FRIENDS OF THE EARTH
GREENPEACE
PUBLIC CITIZEN
SIERRA CLUB
U.S. PUBLIC INTEREST RESEARCH GROUP**

April 9, 2003

Re: Oppose nuclear title in energy bill

Dear Senate Energy and Natural Resources Committee Member:

As national environmental, consumer and public interest organizations, we strongly object to the nuclear provisions in Sen. Pete Domenici's energy legislation. There is no justification for continuing to subsidize the mature nuclear industry, and the extreme measures in this bill will harm consumers, taxpayers and the environment. **We urge you to vote against Title IV in Thursday's committee mark-up.**

Oppose Subtitle A - Permanent Reauthorization of the Price-Anderson Act

While existing reactors are already covered through a grandfather clause, reauthorizing the Price-Anderson Act would shield proposed new reactors from liability and offer special treatment for untested "modular" reactor designs – without addressing security vulnerabilities. If these new reactors are as safe and viable as the industry claims, operators should be able to purchase insurance on the open market. Instead, by allowing nuclear operators to insure commercial reactors at levels far below the calculated cost of serious accidents, the Price-Anderson Act leaves the public unprotected, power plant owners unaccountable and taxpayers on the hook for potentially billions of dollars in the event of an accident or attack.

Oppose Subtitle B - Taxpayer Financing for New Nuclear Reactors

This provision mandates the Department of Energy to subsidize up to half the development and construction costs for nuclear projects, including building new commercial reactors. The legislation outlines a series of unusual and unacceptable taxpayer subsidies for nuclear generators, including federal loan guarantees and government power-purchase agreements. New nuclear power plants would burden the public with expenses and potential liabilities while imposing additional safety and security threats and exacerbating the nuclear waste problem. Moreover, these subsidies to a mature industry would further distort electricity markets by granting nuclear power an unfair and undesirable advantage over safe, clean energy alternatives.

Oppose Subtitle C - \$1.1 Billion for Nuclear Generated Hydrogen

A costly travesty of clean energy goals, this provision establishes the Advanced Hydrogen Reactor Co-generation Project and authorizes spending \$635 million over the next five years on related research and development, plus \$500 million on reactor construction by 2010. Hydrogen fuel offers the potential for abundant, affordable, clean and safe energy, but its promise is

thwarted if tied to hazardous nuclear power. It is both fiscally and environmentally irresponsible to use the most expensive and potentially most lethal energy source to develop benign alternatives

Americans deserve safe, clean, affordable energy. The nuclear energy provisions in Sen. Domenici's energy legislation point in the wrong direction. Again, we strongly urge you to vote against Title IV in Thursday's mark-up.

Sincerely,

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