



STATE OF MAINE
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August 10, 2010

The Honorable Lee Hamilton
The Honorable Brent Scowcroft
Co-Chairmen
Blue Ribbon Commission on America's Nuclear Future
c/o U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

The Honorable Richard A. Meserve
The Honorable Phil Sharp
Co-Chairmen
Transportation & Storage Subcommittee
Blue Ribbon Commission
1800 K Street, NW, Suite 1410
Washington, DC 20006

Dear Chairman Hamilton, Chairman Scowcroft, Commissioner Meserve, Commissioner Sharp and Members of the Commission:

The Governor's Office of Energy Independence and Security (OEIS) supports the development and use of energy resources in Maine that meets the goals of energy security, economic development and environmental quality. The OEIS was established to carry out responsibilities of the State relating to energy resources, planning and development and to coordinate state energy policy. The State of Maine Comprehensive Energy Plan identifies the primary goals of strengthening energy efficiency, conservation and weatherization; fostering renewable energy; improving transportation and fuel efficiencies; upgrading electricity and natural gas transmission services, systems and infrastructures; and ensuring energy emergency preparedness and response. While nuclear energy is not a primary component of Maine's Energy Plan, the safe storage, processing, transportation and disposal of nuclear fuel, waste and materials derived from nuclear activities is imperative to a sound energy security policy.

The Maine Yankee site, and its Independent Spent Fuel Storage Installation (ISFSI), is one of nine spent fuel storage sites which no longer have operating nuclear power plants affiliated with the ISFSIs. The State of Maine is a member of the Nuclear Waste Strategy Coalition (NWSC), a group whose goals include the "timely, safe, and cost-effective storage and disposal of spent nuclear fuel and high-level radioactive waste in a permanent repository" and "reform (of) the distribution of the Nuclear Waste Fund such that ratepayer contributions are used for their intended purpose." In its July 28, 2010 letter to the Blue Ribbon Commission on America's Nuclear Future (Commission), the NWSC advocates federal government responsibility in taking possession and responsibility for spent nuclear fuel and high-level radioactive waste at decommissioned reactor sites like Maine Yankee. We agree with the NWSC goals and position advanced in their July 2010 letter and urge the Commission to recommend the expedited removal of these nuclear materials from decommissioned sites.

We believe that good economic, national security and energy policy warrants removal of the waste from these "stand-alone" ISFSIs to a consolidation site which can be operated at a lower cost per unit of stored waste, be better protected from terrorist actions or other risks and relieve Maine ratepayers of a cost that could be better spent on renewable energy and energy efficiency measures.

From an economic policy perspective, prompt removal of spent nuclear fuel from decommissioned sites like Maine Yankee and consolidating the nuclear spent fuel will not only reduce the number of sites, it will likely result in cost efficiencies that flow through to ratepayers by relieving them of the cost burden of maintaining sites that no longer generate electricity. Billions of dollars have been spent examining interim and permanent storage options for nuclear spent fuel and waste. Despite decades of research and development activities associated with Yucca Mountain, that project has been terminated with no clear direction for an alternate repository. Meanwhile, Maine Yankee is responsible for storing spent nuclear fuel in accordance with Nuclear Regulatory Commission (NRC) regulations regarding security, emergency planning, radiological monitoring and oversight, quality assurance, inspections and reporting. It was permanently shut down in 1997 when it was no longer economically viable to operate and completed plant decommissioning in 2005. Removing the spent fuel could make sites available for other useful, productive purposes.

From a national security policy perspective, centralized interim storage facilities would provide a safe option for managing spent nuclear fuel and high-level radioactive waste from decommissioned power plants. We recognize that Maine Yankee is safely and securely storing the more than 550 metric tons of spent nuclear fuel at the ISFSI site and can likely continue to do so while private or government-owned candidate sites for consolidation of used nuclear fuel are identified. However, a comprehensive spent nuclear fuel management program with centralized facilities and rigorous transportation and storage requirements is necessary. It is likely safer to collect materials from these multiple sites and put them in a central location that is designed, managed and operated for that purpose.

From an energy policy perspective, Maine would rather invest in clean, reliable, indigenous, affordable, sustainable and renewable resources to help achieve the goals of energy independence and security. Ratepayers in Maine and others states continue to pay millions of dollars each year in storage fees, taxes, security and insurance to support the operation of spent fuel storage installations at shutdown reactor sites. Continued storage of spent nuclear fuel at decommissioned plants imposes additional costs on ratepayers and, as mentioned above, prevents economic reuse of the site. This type of system levies an opportunity cost on Maine and its communities.

It is imperative that the Commission make the removal of spent fuel from the shutdown reactor sites and consolidation at a single site pending a permanent solution a priority. This will reduce the number of sites storing spent nuclear fuel, relieve electric ratepayers of the burden of paying for the storage at sites no longer generating electricity and make these sites available for other useful purposes.

Thank you for choosing Maine Yankee as the location to explore these specific issues and problems. Governor Baldacci and the OEIS look forward to working with the Commission and providing the Transportation and Storage Subcommittee additional input as it continues its review of policies for managing the back end of the nuclear fuel cycle. While we must focus on cultivating indigenous, renewable resources such as on- and off-shore wind, solar, biomass and biofuels, geothermal and tidal energy, we must carefully examine the role of nuclear energy, including the safe and efficient storage and transportation of spent nuclear fuel, in Maine's immediate and future energy plans.

Respectfully submitted,

John Kerry

John M. Kerry
Director
Governor's Office of Energy Independence and Security