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Statement
of
Thomas B. Cochran
and
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before the
Subcommittee on International
Economic Policy and Trade
and the
Subcommittee on International
Security and Scientific Affairs
of the
Committee on Foreign Affairs
House of Representatives

May 3, 1979

My name is Gregory A. Thomas. I am an attorney with the Natural Resources Defense Council (NRDC). This testimony on behalf of NRDC has been prepared by Thomas B. Cochran, a Staff Scientist at NRDC. Dr. Cochran regrets that he is unable to appear before the Subcommittees today.

NRDC is a national non-profit environmental organization. We and our membership have been actively working within the international legal and political system to reduce the threat posed by the proliferation of nuclear weapons through misuse of the civilian nuclear fuel cycle. We are also concerned that spent nuclear fuel and other nuclear wastes be safely managed from the standpoint of human health and the environment. Thus, we are very pleased to have this opportunity to appear before these subcommittees.

Our testimony will focus on the relationship between (1) away from reactor storage capacity, which is the subject of pending legislation, including H.R. 2586, and (2) U.S. plans and programs regarding international spent fuel management in furtherance of non-proliferation goals.

AWAY FROM REACTOR (AFR) STORAGE

Let me begin by stating that NRDC shares the Committees' interest in assuring U.S. capability to remove U.S.-origin fuel from sensitive areas of the world, when that would be effective to forestall commitments to reprocessing or otherwise provide a clear non-proliferation benefit. However, we

do not believe that a government AFR storage facility is required for this purpose. Moreover, we are concerned that the availability of an AFR may become yet another temporizing "solution" to the domestic nuclear waste problem, designed to make it easier to license nuclear power plants, or to avoid prudent planning. There are situations, at least in theory, in which the use of an AFR to store spent fuel from a domestic reactor may be necessary. But that limited need should not serve to legitimize a premature or open ended commitment to AFR's by this Administration. More to the point, the need to manage foreign spent fuel is not an additional justification for an AFR.

To prevent such abuses, NRDC, in testimony before the House Committee on Interior and Insular Affairs on January 26, 1979, has suggested criteria for domestic use of a government AFR and for foreign spent fuel storage. Rather than repeat that testimony today, copies are attached to this statement.

STORAGE OF FOREIGN SPENT FUEL

I wish to turn now to the issue of how best to provide on an expedited basis limited capacity for the storage of foreign spent fuel of U.S. origin. Before this can be addressed intelligently one needs answers to the following questions:

1) What is the spent fuel storage capacity at the Federal installations that can be made available immediately, or on short notice?

2) What capability exists to transport spent fuel from sensitive areas? How much can be moved, and how soon?

We have been told by DoE and the Department of State that no significant storage capacity is presently available at the National laboratories, and that the U.S. will not have the physical capability to move foreign spent fuel for several years. It would be helpful if the Committees could obtain firm data on these issues as Chairman Zablocki's April 10 letter to the Secretary of State, requesting testimony at this hearing, seeks to do.

Before offering our own proposals for obtaining foreign spent fuel storage capacity, it is useful to review DoE's thinking as we understand it.

DoE argues that there must be a Government AFR facility because the President has so decreed, and that the return of foreign spent fuel must be linked to the domestic AFR because Congress would take a dim view of the Administration providing a service for foreign utilities that it will not provide for domestic utilities. The domestic AFR must be licensed under existing law. DoE argues that the Armed Services Committee will not allow licensing of an AFR at the Hanford, Savannah, or Idaho reservations for fear that regulatory restraints might also be placed on weapons or military related activities. Hence, the Government AFR facility must be located elsewhere. In order to obtain immediate AFR capacity under the above constraints, DoE feels that it must buy one of the existing facilities, Barnwell, Morris, or West Valley. DoE prefers the Barnwell plant in South Carolina, even though storage of foreign spent fuel next to a reprocessing plant would generate counterproductive suspicions in countries that already question the U.S. commitment against reprocessing.

The Governor of South Carolina has in effect told DoE that he will not allow Barnwell to become the waste dump of the country; that DoE must get another state to take some of the waste. Thus, we now hear references to regional AFRs. In order to meet the demands of the Governor of South Carolina, DoE tried to strike a deal with the State of New York on West Valley. Even though West Valley is a bad site from a waste management standpoint, and there is very little excess spent fuel storage capacity, DoE is willing to purchase West Valley to get Barnwell. In summary, by tenaciously refusing to decouple the return of foreign spent fuel from the domestic AFR issue, DoE is being forced into a new series of waste management blunders.

There may be a better answer. Assuming that there is no storage space presently available at Federal facilities, we offer the following proposals for your consideration:

a) The Committees should require the Secretary of Energy to consult with nuclear utilities to determine the price at which they would be willing to lease varying amounts of space at existing reactor spent fuel storage pools to the Federal Government for a limited period of time, that is, until the Federal Government builds an AFR at a Federal installation dedicated for foreign spent fuel. Parenthetically, those price quotations may provide a partial index of the appropriate one-time transfer fee which the Administration proposes to assess utilities for taking custody of fuel rods in a domestic AFR.

The Secretary should also study the feasibility of expanding storage capacity which is to be constructed at the Idaho National Engineering Laboratory for submarine fuel to take foreign fuel as well.

b) The Secretary should promptly report the results of these inquiries to Congress. If feasible as an alternative to building a new Government AFR storage facility, the Congress could authorize or require the Secretary to purchase available space at spent fuel storage pools at operating commercial reactors or government installations. Care should be taken to insure that the Secretary's authority to acquire storage capacity does not extend to all existing spent fuel pools, as this would include the existing pool at the AGNS reprocessing facility at Barnwell. As noted previously, storage of spent fuel at this facility would clearly send the wrong signal to countries that already question the U.S. commitment on non-proliferation objectives.

These proposals have several clear advantages over the Administration's AFR proposal:

1) Limited space could be provided immediately, by Act of Congress if necessary. Existing U.S. commercial storage pools can handle both PWR and BWR fuel assemblies. While DOE argues that any of 22 domestic reactors may need AFR storage relief prior to 1985 (a number which we dispute) the remaining 50 reactors have an adequate spent fuel storage capacity. The TVA reactors already have adequate storage capacity to meet their needs beyond 1990. The storage pools for Unit 2 at Three Mile Island also comes to mind.

2) The cost should be modest by comparison with DOE's current approach which could involve the acquisition of several sites and/or construction of new facilities.

3) Storing limited quantities of spent fuel of U.S. origin in domestic reactor pools makes more efficient use of investments in current nuclear power infrastructure rather than necessitating further investments in a technology which imposes such large social costs.

STATEMENT OF ANTHONY Z. ROISMAN AND S. JACOB SCHERR
ON BEHALF OF THE NATURAL RESOURCES DEFENSE COUNCIL
BEFORE THE HOUSE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS
CONCERNING
STORAGE OF DOMESTIC AND FOREIGN SPENT NUCLEAR FUELS

SUBMITTED JANUARY 26, 1979

I. Introduction

In October 1977, without the benefit of an environmental impact statement, and without compliance with any procedure for soliciting and considering public opinion, the Department of Energy announced two spent fuel storage policies. One policy was a scheme for the interim storage of spent fuel from domestic reactors, and the other policy provided for the selective return and interim storage of spent fuel from foreign reactors. These two policies have been linked by DOE although there is no rational justification for such linkage and serious disadvantages to it. Our testimony today treats the two policies separately.

II. Interim Storage of Domestic Spent Fuel

The DOE spent fuel policy for domestic reactors involves massive new subsidies by the Federal government for nuclear power, subsidies which will be paid by United States taxpayers. The DOE will build and operate temporary spent fuel storage facilities away from the reactor (AFRs); it will take possession of and title to all spent fuel shipped to these repositories and will enable the utility to pay an incredibly low, one-time

fixed fee for this government service and for all permanent waste disposal, thus shifting to the government the economic risk that waste handling and disposal will be substantially more expensive and shifting from the utility the need to consider the nuclear waste problem in deciding whether to build and operate nuclear reactors. The dangerous financial and policy implications of this program are enormous. It is our position that the Government should devote its full attention to finding a permanent solution to the nuclear waste problem, that it should neither build nor allow to be built any AFRs except under very strict guidelines and that it should begin now to collect from utilities the cost of disposing of nuclear wastes but should set the fee at the upper end of the cost estimates and should reserve the right to collect further fees if the costs attributable to the utility exceed the amounts previously collected.

It is significant that the use of AFRs to store spent fuel is the direct consequence of mismanagement of our nuclear waste program and the nuclear industry's apparently irresistible urge to conduct its business on the basis of unrealistically generous interpretations of the likelihood that its problems will be solved. A study completed by NRDC demonstrates that nuclear power plants now operating have ample space at the reactor site to accommodate the nuclear wastes generated by their lifetime operation (only 1/8 to 1/4 of an acre is required).

Sound prior planning and prudent management decisions would have dictated that for the small additional cost involved the utility provide on-site storage to accommodate the lifetime production of spent fuel to cover the contingency that facilities for permanent disposal of the nuclear wastes would not be available on schedule. Having already made a planning blunder with existing reactors, it would be reasonable to assume that the nuclear industry would be more prudent in the future. Regrettably this has not occurred. We are not aware of a single nuclear reactor now under construction or planned for which adequate spent fuel storage capacity is being built.

Even reactors now under operation can take steps to attempt to cope with their spent fuel storage problems without government subsidies, without AFRs. A recent DOE Report on the cost of spent fuel storage (DOE/ET-0055) concluded that (p. 3):

It is assumed that there would be economic and other advantages to the utilities of keeping their spent fuel at their own reactor sites rather than shipping it to interim AFR storage basins.

The most economic route may not be favored by utilities (who are allowed to pass all costs on to their customers) because the availability of an AFR would allow them to transfer a messy waste problem away from the reactor (afar from site, afar from mind) and to make it appear that further generation of nuclear power was unrelated to the nuclear

waste problem because title to and responsibility for nuclear wastes had been transferred to the federal government.¹

In reality, the economic and technical uncertainties which now surround nuclear waste management are legitimate uncertainties which flow directly from the anomaly created by beginning a nuclear power program without having any reasonable notion of how to solve the most serious and irreversible problem created by nuclear reactors -- nuclear waste. It is fair and essential that decisions on whether to build more nuclear plants and whether to continue to build and operate those to which commitments have already been made should be influenced by the real uncertainties created by this anomalous situation. For the government to step forward, as DOE proposes, and set a one-time fixed fee for waste disposal in order to artificially establish a fixed cost for waste disposal when no fixed cost can in fact be established, and to offer to take title to and store spent fuel in government-owned interim storage facilities in order to artificially establish for a utility a solution to the mounting volume of nuclear wastes for which in fact no disposal solution exists, is the worst kind of government subsidy. Nuclear power is rightly burdened by the waste problem and the absence of any solution to it. If its

^{1/} There is mounting evidence that even DOE and utility perceptions of the need for AFRs are disappearing. In a recent issue of "Inside D.O.E." (Jan. 1, 1979), DOE was reported to be substantially reducing its perception of the need for AFRs (p. 1):

DOE officials are leaning toward severely cutting back plans to store spent nuclear fuel in away-from-reactor (AFR) facilities, sources said last week, and are now considering only one or two AFR facilities where they had planned four as recently as six months ago.

benefits are not sufficient to offset that burden, then it deserves to be halted. The time has come to face up to that choice, not to avoid it as DOE proposes.

Another danger of the AFRs is the impact on permanent waste disposal that will occur as the result of decoupling nuclear reactor operation and nuclear wastes. Even without Congressional action formally linking the further use of nuclear power to progress on solving the nuclear waste problem, there is in fact such a linkage. Four states, California, Wisconsin, Iowa and Maine, have taken legal steps to limit or prevent further nuclear plant licensing without a solution to the nuclear waste problem. Both the President's Council on Environmental Quality and the General Accounting Office have called for a limitation on the use of nuclear power unless progress is made toward solving the nuclear waste problem. The public awareness of this problem is very much influenced by the buildup of nuclear wastes at reactor sites. Once those wastes leave the reactor sites, the public most concerned with the reactors may be less concerned with the wastes -- afar from site, afar from mind. On the other hand, efforts to expand spent fuel capacity at an existing reactor site or for new reactors forces those who benefit from the nuclear power to face up to the risk that further use of nuclear power at their reactor without any solution to the nuclear waste problem could make their reactor site a large de facto permanent waste disposal site. That places the choice and the considerations relevant to it precisely where they belong.

With an AFR program, the natural control on further generation of nuclear wastes will be gone and AFR capacity will

expand to the point where any solution to the nuclear waste problem will be virtually impossible. In an NRDC report entitled "Nuclear Waste: Too Much Too Soon," Drs. Thomas Cochran and Arthur Tamplin point out that the proposed DOE level of nuclear reactors by the year 2000 (380 GWe) would generate 17,400 spent fuel assemblies every year requiring 1,200 truck shipments and 1,200 rail shipments of nuclear wastes each year and would produce an accumulation of 177,000 spent fuel assemblies by the year 2000. Using assumptions for the capacity of a permanent waste repository developed by the California Energy Commission, this rate of producing nuclear wastes would require opening a new permanent waste repository every four to five years. After 35 years of nuclear power plant operation, the United States has yet to find even one acceptable site for waste disposal, much less the numbers required by the DOE planned use of nuclear power. The DOE AFR policy is admittedly an attempt by DOE to make it easier to obtain approval to build and operate nuclear power plants. Like any medicine that treats only symptoms (the spent fuel backlog) and not causes (the absence of a permanent waste disposal solution), it can seriously damage the patient in the long run. After so many disastrous waste management programs, it would be the height of folly to buy yet another interim solution to a real and permanent problem.

Nonetheless there are, at least in theory, situations in which the use of an AFR capacity for a domestic reactor may be

desirable. The difficulty is to be certain that the availability of AFR capacity to handle legitimate needs is not an invitation to others to take advantage of the situation and to avoid prudent planning. Two classic examples of the dangerous planning distortions which are already occurring as the result of the DOE policy to make AFRs available for domestic utilities are illustrated by recent actions of Commonwealth Edison Company, the nation's largest user of nuclear reactors, and Duke Power Company. Both utilities foresee a shortage of spent fuel storage at one or more of their existing operating reactors. Rather than add additional spent fuel storage pools at those reactor sites, they are proposing to ship the spent fuel to another reactor site where the limited spent fuel storage space has not yet been filled. This juggling of spent fuel (borrowing from Peter to pay Paul) with the attendant risks of transportation, handling and worker exposure, can only be justified, if at all, on the theory that before the reactors to which spent fuel is being shipped run out of spent fuel space the government will have built an AFR (there being no reasonable possibility that a permanent repository would be available in time). But for the anticipated AFR option, these two utilities would seek to solve their spent fuel problem where it should be solved -- at the reactor site.

To ensure availability of an AFR is not used as a crutch by utilities that do not need it, we propose that Congress enact legislation to require that any storage (government or

private) of spent fuel away from the site of the reactor where it was generated would be prohibited except if the following conditions are met:

1. Further compaction of nuclear fuel at the reactor site is technologically impossible or involves unacceptable risks to the public and/or worker health and safety during the period of planned reactor operation, and
2. Construction of an additional at-reactor storage facility is technologically impossible or involves unacceptable risks to the public and/or worker health and safety during the period of planned reactor operation.

In addition, to deal with the possible problem created by the failure of utilities to anticipate spent fuel storage problems, the following principles should be applied:

1. No spent fuel could be considered as a candidate for storage at an AFR unless the utility had implemented a concerted effort to resolve conditions 1 and 2 above.
2. No spent fuel could be shipped to an AFR except during the period required to determine the answer to conditions 1 and 2 above and, if both conditions are not met, for the further period required to obtain a final answer from all cognizant agencies to a proposal to expand at-reactor storage.
3. No spent fuel could be shipped to an AFR from any reactor which received its operating license on or after December 31, 1979.
4. No spent fuel could be shipped to an AFR from any reactor which has been denied permission to expand spent fuel storage capacity unless the basis for denial was explicitly stated to be one of the two conditions listed previously.

These standards for determining need assure that a genuine need for spent fuel storage exists and prevents utilities from using AFRs to bail out of the waste problem. It also assures that local and state governmental entities with the

authority to approve or disapprove spent fuel storage expansion do so with the knowledge that their denial, except on certain very explicit bases, will force shutdown of the reactor and with the assurance that if they make that decision the AFR will not be used as a device to evade the consequences of that decision. In this way the AFR concept remains neutral to the question of the desirability of continued use of nuclear power.²

^{2/} The Draft IRG Report supports this neutrality.

II. U.S. STORAGE OF FOREIGN SPENT FUELS

We would like now to turn to the question of the U.S. policy on the storage here of foreign spent fuels. For over two decades, the United States has been the world's major promoter and exporter of nuclear power. American-made or designed power and research reactors are now operating in some 27 other nations; and the U.S. remains the most important source of fresh fuel for them. As is true here, other nations have paid too little attention to the problem of radioactive waste disposal.

American policy-makers had long assumed that foreign spent fuel would be reprocessed at facilities here or overseas. The recovered plutonium and unburned uranium were then to be recycled in light-water reactors or used in breeders. It was widely believed that plutonium produced in commercial power reactors was unsuitable for use in nuclear weapons. In 1976, arms control experts and environmentalists began to challenge this part of the myth of the "peaceful atom." It was disclosed a year later that in fact the U.S. Government had exploded an atomic bomb manufactured from reactor-grade plutonium.

Both President Ford and President Carter recognized that the start of commercial reprocessing and drift toward a global plutonium economy would accelerate the spread of nuclear weapons.

The widespread use of plutonium in the civilian nuclear cycle also would make nuclear-weapons-usable materials more readily available to terrorists. Separated plutonium can be converted into weapons in a matter of weeks or months. Existing safeguards and physical security systems would be severely undermined.

The spent fuel now accumulating at foreign reactors represents a threat to international peace and security. In some countries, the risk that spent fuel may be diverted to the manufacture of nuclear weapons is substantial. In others, the lack of a storage option is pushing countries to reprocessing commitments. Faced with rapidly-filling storage basins, foreign utilities are equally anxious to find a solution. At present, the only perceived alternative for many nations is to ship the spent fuel to third countries for reprocessing. This however, is only a temporary palliative. Reprocessing abroad will only postpone the date at which these countries will have to deal with the even more difficult problem of handling the high-level wastes. Yet these decisions to continue with plans for reprocessing undercut efforts to persuade other nations, such as Pakistan and Brazil, to forego the same route.

While AFR facilities are not needed to store spent fuels for domestic utilities, it is essential that the Department of Energy take immediate steps to develop the capability to retrieve and store here foreign spent fuels. Understandably, many Americans are not comfortable, at first glance, with the

notion of importing any amount of radioactive waste. Yet we believe there are specific situations in which U.S. storage of foreign spent fuel would be acceptable and indeed essential to prevent further proliferation.

NRDC has welcomed many of the initiatives taken by Congress and the Executive Branch to reduce proliferation risks, in particular the efforts to forestall commitments to reprocessing. However, the Administration has been exceedingly slow in developing a policy and capability regarding foreign spent fuel storage. There is an urgent need to fill this major gap in U.S. nonproliferation strategy by establishing appropriate criteria and arrangements for foreign spent fuel storage.

A. CRITERIA FOR FOREIGN SPENT FUEL STORAGE

The initial step is to define criteria for decisions to store foreign spent fuel here. The Administration still has not done so, although the Department of Energy's Draft Environmental Impact Statement on "Storage of Foreign Spent Power Reactor Fuel" (DOE/EIS-0040-D, December 1978) provides some guidance to the Administration's current thinking. Rather than critiquing the EIS at this point, we would prefer to set our views as to acceptable criteria for foreign spent fuel storage.

First, the U.S. should be in a position to store spent fuel from countries which engage in activities which should result in the termination of U.S. nuclear exports, as required

by Section 129 of the amended Atomic Energy Act. Such conduct mandating a halt in U.S. nuclear cooperation would include the detonation of a nuclear explosive, termination or abrogation of IAEA safeguards, material violations of IAEA safeguards, and activities involving nuclear materials and having significance for the acquisition of nuclear explosives. In such emergency cases, the U.S. would want to remove all spent fuel previously supplied to power and research reactors in the offending nation.

Second, the United States should accept spent fuel from countries in sensitive regions where the storage of spent fuel would pose proliferational risks. As defined by DOE, "sensitive regions" are areas of the world where international tensions are high and the potential for violent conflict is significant, including areas where a country's nuclear program represents an additional source of tension. This would involve primarily nations where national security pressures would significantly increase the risk that spent fuel might be diverted to nuclear weapons manufacture. Some examples are India, Pakistan, Taiwan, South Korea, and South Africa. The objective would be to minimize national inventories of spent fuel and to obviate any justification for reprocessing facilities.

The return of spent power and research reactor fuel from proliferation-prone nations would avoid situations such as the one the United States now faces in India at the Tarapur Atomic

Power Station. There is now over sixty tons of U.S.-supplied spent nuclear fuel at Tarapur, enough for several hundred plutonium bombs. Co-located with the two Tarapur power reactors is an operating reprocessing plant. It is our understanding that the Indian Government has threatened to reprocess the Tarapur spent fuel, if the United States declines to continue to supply them with fresh uranium fuel. This may be the case if India refuses to accept international safeguards on all its nuclear activities, as will be required within the next fourteen months by Section 128 of the amended Atomic Energy Act. Is it sound policy for the United States to permit other nations to hold our spent fuel as a hostage? We think not.

Third, the U.S. should offer to accept for storage spent fuel from other countries experiencing a temporary shortage of local storage capacity and where U.S. storage of a limited amount of spent fuel would provide a nonproliferation benefit. The primary objective here would be avoid commitments to reprocessing. A number of countries are under intense pressure to undertake reprocessing or to contract for overseas reprocessing services as at least a temporary solution to their spent fuel problems. While the U.S. does retain a right to veto the reprocessing of U.S.-supplied spent fuels under most of our Agreements for Cooperation, there has been a reluctance to exercise that right due to the lack of a viable option. Thus, the Administration felt compelled last Fall to relent to Japanese demands that it be

permitted to ship spent fuel to the United Kingdom for reprocessing. Unfortunately, that episode may have signaled other nations that the U.S. stance against commercial reprocessing was softening.

Spent fuel storage in the United States should be provided to other countries in return for agreements to abandon plans for reprocessing to suspend existing reprocessing activities, or agreements to withdraw from reprocessing contracts with third countries or not to enter into such contracts. It might be appropriate as well to extend this offer as an inducement to ratify the Nuclear Non-Proliferation Treaty or the Tlateloco Treaty or to accept IAEA safeguards on all their nuclear activities.

The U.S. offer to accept spent fuel from nations in the third category would be limited in scope and time. Spent fuel would be accepted only from reactors which are operating or intend to begin operation within the next year. The period for shipments of spent fuel would not extend beyond five years. This limited offer would give foreign nations ample time within which to expand local spent fuel storage capacity. It would provide some breathing space to other countries now being pushed towards reprocessing. With well-defined limitations, the U.S. spent fuel storage offer would not relieve, to a significant degree, the responsibility of other nations for the disposal of the wastes generated in their own nuclear programs.

The United States should complement the offer by making technical assistance available to such countries to expand their local storage capabilities, as well as to assure adequate on-site capacity for fuel from reactors still under construction and not eligible for U.S. storage. Also the Administration should undertake diplomatic initiatives to encourage the establishment of effective international control over spent fuel.

B. ARRANGEMENTS FOR FOREIGN SPENT FUEL STORAGE

The question of a U.S. capability to retrieve and store foreign spent fuel is not a new one. At public hearings before the Nuclear Regulatory Commission in June 1976, the Executive Branch agreed to explore the possibility of returning U.S.-supplied spent fuel from India for storage here. Two-and-one-half years later, the Administration still lacks the physical means to ship and store spent fuel from India or from other foreign nations, even in the event of a dire emergency.

The Administration has sought instead to link development of a foreign spent fuel storage capability to its proposal to build AFR storage for domestic utilities. We believe that this approach is fundamentally flawed. It fails to take into account the substantial differences in the need and objectives for each. Recognizing that foreign spent fuel storage capability is essential for U.S. nonproliferation efforts and national security, the Department of Energy should be moving ahead quickly to obtain

the necessary casks, ships, and storage facilities here. This much be accomplished irrespective of decisions on domestic AFR's.

Under the current proposal, DOE projects that shipments of foreign and domestic spent fuel to AFR storage could begin in 1983. The United States cannot afford to wait that long with respect to the foreign fuel. First, situations may arise at any time within the next few years requiring the immediate withdrawal of U.S.-supplied fuels from a foreign nation. Second, without a viable storage option available now or in the very near future, other countries will be forced to make commitments to reprocessing, which will be difficult, if not impossible, to break later on.

The Department of Energy should identify existing facilities where foreign spent fuel could be held until a licensed installation is constructed. Perhaps storage at Hanford or other federal installations could be made available. Or DOE could lease excess on-site storage space from domestic utilities.

DOE has said that the same fees would apply to storage of both foreign and domestic spent fuels. This proposal is simply absurd. It would guarantee that little or no foreign spent fuel will ever be stored here. There may be cases where, as a matter of national security, the United States would want to provide storage at no cost or even to buy back spent fuel. A more flexible or negotiable fee schedule could serve as added encouragement to other nations to abandon present plans for reprocessing.

We ask the Committee to urge the Department of Energy to decouple completely its foreign spent fuel storage proposal from its domestic one. Further, DOE should be directed to begin immediately the development of a U.S. capability to retrieve and store foreign fuel. What is needed is a constructive response to the growing risks of nuclear weapons proliferation and not what is primarily an unwarranted federal subsidy to domestic utilities.