

**Chairman Lamar Alexander Opening Statement
Committee on Appropriations Subcommittee on Energy and Water Development**

**Hearing to Review the FY2019 Budget Request for the U.S. Nuclear Regulatory
Commission**

April 25, 2018

(As prepared for delivery)

First, I would like to thank our witnesses for being here today, and also Senator Feinstein, with whom I have the pleasure to work again this year to draft the Energy and Water Appropriations bill.

I am very pleased with the fiscal year 2018 Energy and Water Appropriations bill, which highlighted my priorities. That bill provided a record level of funding for the Office of Science and the Corps of Engineers, supported supercomputing, maintained the nation's nuclear weapons stockpile, and cut wasteful spending. I look forward to working with Senator Feinstein on another strong bill this year.

Our witnesses today include Kristine Svinicki, Chairman of the Nuclear Regulatory Commission; Commissioner Jeff Baran; and Commissioner Stephen Burns.

Commissioner Baran's term will be up on June 30, at which point the Commission will have only two members and will lose its quorum.

President Trump has re-nominated Commissioner Baran and has also nominated David Wright and Annie Caputo to serve in the 2 open positions on the Commission.

The Yucca Mountain controversy has been the most significant delay in confirming these nominees, but I hope they can all be confirmed so that the Commission does not lose a quorum. While Chairman Svinicki and Commissioner Burns are capable and reasonable leaders, the Commission functions best when it is at full strength.

We're here today to review the administration's fiscal year 2019 budget request for the U.S. Nuclear Regulatory Commission, the independent federal agency responsible for regulating the safety of our nation's commercial nuclear power plants and other civilian uses of nuclear material.

The Nuclear Regulatory Commission's job is very important. It oversees our 99 nuclear power reactors, which provide 20 percent of our nation's electricity and more than half of our carbon-free electricity.

Nuclear power is our best source of inexpensive, carbon-free, baseload power, and is important for our national security and competitiveness.

The Nuclear Regulatory Commission's budget request this fiscal year is \$971 million, which is about \$35 million more than Congress provided last year. The increased request includes \$47.7 million for the Yucca Mountain licensing process.

It is important to understand that \$815 million of the Commission's budget comes from fees paid by utilities and other facilities that are licensed to possess and use nuclear materials.

It has become increasingly difficult for the nuclear industry to compete with other sources of electricity, and one of the concerns was the amount of regulatory fees charged by the Commission.

So over the last four fiscal years, we have worked with the Commission to reduce its overall budget by about \$100 million, which represents about a 10-percent reduction, to more closely reflect its actual workload while maintaining its gold standard of safety.

These savings are important because they lower the fees utilities must pay the Commission, and these savings can be passed on to utilities' customers.

These reductions have not been arbitrary and represent the type of oversight that we are supposed to do. Our subcommittee has only reduced the Commission's budget in areas that the Commission has identified as unnecessary to its important safety mission.

To ensure nuclear power will continue to play a significant role in our nation's electricity generation, I'd like to focus my questions on four main areas: Licensing small modular and advanced reactors; safely extending licenses for existing reactors; licensing facilities for used nuclear fuel and solving the nuclear waste stalemate; and Accident Tolerant Fuel.

Senator Feinstein and I have been working on solving the nuclear waste stalemate for years, and I'd like to take the opportunity to compliment Senator Feinstein on her leadership and her insistence that we find a solution to this problem.

This year's budget request for the Nuclear Regulatory Commission includes \$47.7 million to restart the licensing process for the Yucca Mountain repository. This is the next step the Department of Energy must follow to determine whether it can begin construction of Yucca Mountain.

I strongly believe that Yucca Mountain can and should be part of the solution to the nuclear waste stalemate. Federal law designates Yucca Mountain as the nation's repository for used nuclear fuel, and the Commission's own scientists have told us that we can safely store nuclear waste there for up to one million years.

But even if we had Yucca Mountain open today, we would still need to look for another permanent repository. We have more than enough used fuel to fill Yucca Mountain to its legal capacity.

The quickest, and probably the least expensive, way for the federal government to start to meet its used nuclear fuel obligations is for the Department of Energy to contract with a private storage facility for used nuclear fuel.

I understand that two private companies have submitted applications to the NRC for consolidated storage facilities, one in Texas and one in New Mexico. I'll be asking some questions about that today.

I want to make sure that the Commission has all the resources it needs in fiscal year 2019 to review the applications for consolidated storage facilities because we have to start working together to solve the nuclear waste stalemate if we want a strong nuclear industry.

Senator Feinstein and I, along with the leaders of the Committee on Energy and Natural Resources, have a bill to implement the recommendations of the Blue Ribbon Commission on America's Nuclear Future, which include using temporary private storage facilities, and we're working to reintroduce the legislation this year.

Instead of building more windmills, which only produce 17% of our carbon-free electricity, or solar farms, which only produce 4% of our carbon-free electricity, the best way to make sure the United States has a reliable source of inexpensive, efficient, carbon-free electricity is to extend the licenses of our existing nuclear reactors – which produce 60% of our carbon-free electricity – if it is safe to do so.

Most of our 99 reactors have already extended their operating licenses from 40 to 60 years (although many have decided to close prematurely for economic reasons) and some utilities are beginning the process to extend their licenses from 60 to 80 years.

Recently, the Turkey Point nuclear plant in Florida was the first to apply to the Commission to extend its license for an additional 20 years – what you call “subsequent license renewal.”

The Commission has spent the past several years developing the framework to review these types of license renewal applications to make sure the reactors can continue to operate safely.

I want to make sure that the Commission has the resources it needs to review Turkey Point's application and any other applications it expects to receive in fiscal year 2019.

In addition to our existing reactors, the Commission also needs to be ready to review applications for new reactors, particularly small modular reactors and advanced reactors. These new technologies represent the future of nuclear power.

In fiscal year 2017, we provided enough funding to complete the Small Modular Reactor Licensing Technical Support program at the Department of Energy.

NuScale, which was one of the technologies selected in that program, filed an application for design certification of a small modular reactor with the Commission in December of 2016.

A utility group has been working with NuScale and Idaho National Laboratory to build and demonstrate a small modular reactor in Idaho.

TVA has also submitted an application to the Commission for a permit to build and demonstrate a small modular reactor at the Clinch River site in Tennessee.

The applications to build and demonstrate small modular reactors is an important step, and we need to make sure the Commission has the resources it needs to review the applications.

I also want to make sure the Commission is ready to review applications for advanced reactors.

The fiscal year 2018 Omnibus included \$10 million for the Commission to prepare to review advanced reactor designs, and I understand the current budget request includes \$10.3 million for fiscal year 2019.

I'd like to know what the Commission plans to do with the funding Congress provided for advanced reactors so that we can make sure the development of advanced reactors stays on track.

In 2012, after Fukushima, Congress authorized a program to improve safety in the event of accidents in reactors or spent fuel pools.

As a result, several companies have been developing accident tolerant fuels in collaboration with the National Laboratories. These fuels seem to represent a significant step forward in safety as well as cost savings for the industry.

The National Laboratories have modeling and simulation tools that can validate the use of these new fuels. For example, Oak Ridge National Laboratory has used its high performance computing capability to develop the Consortium for Advanced Simulation of Light Water Reactors (CASL).

I'd like to understand how the Commission is leveraging those tools in its licensing process, so I'll be asking questions about that today.

I look forward to working with the Commission as we begin putting together our Energy and Water Appropriations bill for fiscal year 2019, and also with Senator Feinstein, who I will now recognize for her opening statement.

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