

EYE on YUCCA: EPA Holds Public Hearings on Proposed Yucca Radiation Rule

The Environmental Protection Agency (EPA) held public hearings on its draft radiation standards for the proposed high-level radiation dump at Yucca Mountain on Oct. 3-5 in Nevada and on Oct. 11 in Washington, D.C. A dozen national groups, including Public Citizen, testified against EPA's draft rule at the DC hearing.

"EPA's second attempt at drafting radiation standards is yet another example of setting regulations to guarantee that the site will get licensed, rather than setting health-based regulations that the site must meet to get licensed," said Michele Boyd, legislative director for Public Citizen's energy program, at the hearing.

Public Citizen's full testimony is available at <http://www.citizen.org/documents/EPAhearingstmt.pdf>. The deadline for submitting written comments is Nov. 21. Comments can be submitted through Public Citizen's website at http://action.citizen.org/campaign.jsp?campaign_KEY=1284.

Energy Department Criticized for Bechtel Bonus

Last month, the Inspector General of the U.S. Department of Energy (DOE) released a scathing report, detailing how DOE paid its contractor for the Yucca Mountain Project,



Yucca Mountain, Nevada

Bechtel SAIC, about \$4 million in incentives, even though Bechtel did not meet its contractual obligations. The IG report concluded that DOE paid these incentive fees, despite the fact that Bechtel required extra time to correct poor work, the scope of work was narrowed because of poor performance, and the work products were unacceptable.

After it became clear that Bechtel would not meet its deadline for preparing documents for the online Licensing Support Network, DOE removed Bechtel from project, but then redistributed the \$2 million fee to new incentives, even though Bechtel's contract explicitly stated that incentives would be lost if the work was not completed satisfactorily. DOE also paid Bechtel a "super stretch incentive fee" of \$300,000 for completing additional work ahead of schedule, when in fact Bechtel had not finished its primary contractual obligations.

Reprocessing: Another Bad Idea for Dealing with Nuclear Waste

Without any public hearing, language was inserted into the report of the House Energy & Water

Development Appropriations bill that would create a new Spent Fuel Recycling Initiative, requiring one or more DOE sites to begin receiving nuclear waste from commercial nuclear power plants in 2006 for "interim" storage and requiring DOE to prepare an integrated plan for reprocessing spent fuel for implementation beginning in fiscal year 2007. While the Senate version of the bill does not include this accelerated program, both the House and Senate bill provide funding for the Advanced Fuel Cycle Initiative, the DOE's research and development program for reprocessing technologies.

Reprocessing - the separation of plutonium and uranium from spent fuel from nuclear reactors - is expensive and polluting, and weakens the global non-proliferation regime. Moreover, reprocessing is not an alternative to a deep geologic repository, because it results in massive amounts of highly radioactive liquid waste that pose a hazard to people and the environment. The only private commercial reprocessing facility in the United States, West Valley in New York State, was an economic failure and environmental disaster.

Public Citizen, along with 15 other groups, sent a letter to the Energy & Water Bill conferees in October, urging them to oppose funding and language for the interim storage and reprocessing of commercial nuclear waste. The letter is available at <http://www.citizen.org/cmep/ener>

gy_enviro_nuclear/electricity/energybill/articles.cfm?ID=14506.

Offshore Oil Co. Based in DeLay's District Gets Taxpayer Grant

In mid-October, the Energy Department awarded an \$849,670 grant to a subsidiary of the oil drilling company Noble Corporation, whose incorporation in the Cayman Islands enables it to avoid paying some of its U.S. income taxes. Since 2000, Noble Corp. has enjoyed profits of more than \$1 billion. Because the company is incorporated in the Cayman Islands, its federal taxes are significantly less than if the company were incorporated in the United States.

Noble Corp.'s official headquarters is in Sugar Land, Texas - the home district of U.S. Rep. Tom DeLay.

QUICK QUOTE



“This is America and Republicans don’t believe in punishing success.”

~ U.S. Rep. Dennis Hastert (R-Texas) in response to a proposal to impose a windfall profits tax on oil companies as they post record profits while consumers pay record prices at the gas pump.

Public Citizen issued a Freedom of Information Act (FOIA) request on Oct. 17 to the DOE to determine whether DeLay or any other member of Congress interceded in the grant-making process on behalf of Noble Corp.

While giving grants to companies incorporated offshore is not illegal, it is bad policy for the DOE to reward a company with taxpayer money when that company is not a good corporate citizen. In particular, given the high gas prices being paid by consumers and the record-high profits earned by oil companies, it is poor judgment for the DOE to dole out cash to a wealthy energy company that is benefiting from today’s energy crisis while paying less income tax than if it were incorporated in the United States.

NRC Commissioners Force Licensing Board to Consider Environmental Impacts of Depleted Uranium Waste

In hearings last week, Public Citizen and Nuclear Information and Resource Service (NIRS) challenged Louisiana Energy Services (LES) over what should be done with the waste from its proposed uranium enrichment facility in New Mexico. The groups contended that LES does not have a realistic strategy for the disposition and disposal of the large quantities of depleted uranium (DU) - a long-lived radioactive and hazardous waste - that would be produced by the facility.

Specifically, the groups argued that the shallow burial of this waste is not protective of public health, and that LES should be required to dispose of the waste in a geologic repository.

According to experts at the Institute for Energy and Environmental Research (IEER), who testified at the hearings, the waste disposal options presented by LES are not reasonable strategies to handle depleted uranium. In response to an appeal by Public Citizen and NIRS,

NRC Commissioners ruled that the licensing board was wrong to exclude testimony at the hearings by Dr. Arjun Makhijani, president of IEER, on the environmental impacts of disposing of DU. IEER’s research has concluded that shallow land burial of DU waste would not comply with radiation protection rules, and that properly disposing of the DU waste in a deep geologic repository would cost LES at least \$2.5 billion.

Throughout the hearings, LES relied on the notion that the burial of the waste must only protect the public for 1,000 years. But the regulations specify no such arbitrary time frame, and actually imply that disposal should protect the public without time limit. Therefore, the public health and environmental impacts of LES’s plan for shallow burial are inconsistent with NRC radiation protection standards.

There is significant evidence that the protective cap covering the slightly buried waste will erode over thousands of years and expose the DU. The uncovered DU, which would remain radioactive for hundreds of thousands of years and be disposed of in such large amounts, would then give unacceptable radiation doses to people passing through the area. The fight to stop LES is expected to continue into the spring.

Corporate Corner
\$9.9 billion
What ExxonMobil earned in net income in the last quarter, the largest quarterly profit ever posted by a publicly-traded company.