

S.1797 - AN ACT ESTABLISHING A FEE ON THE STORAGE OF SPENT NUCLEAR FUEL IN POOLS

The purpose of the Act is simply to protect the economic interests of the Commonwealth. It does so by giving nuclear power plant owners a strong incentive to reduce the number of spent nuclear fuel assemblies in their spent fuel pool(s), and thus concomitantly reduce what the Massachusetts Attorney General estimated to be the consequences of a spent fuel pool fire at Pilgrim.

- The Massachusetts Attorney General estimated that a spent fuel pool fire at Pilgrim could cause up to \$488 billion dollars in damages.
- A spent pool fire at Pilgrim could make more than the entire area of Massachusetts uninhabitable for decades, and displace as many as 4 million people.
- The nuclear industry's liability insurance does not cover the costs of cleaning-up after a nuclear accident. Therefore the state and taxpayers will pay, and have every reason to reduce potential risks and costs of doing so.
- Waste disposal responsibility and costs after a nuclear reactor accident also are the responsibility of the state and local community.
- So long as nuclear fuel remains on-site at Pilgrim, the State and local communities will have on-going security and emergency planning costs.
- The spent nuclear fuel at Pilgrim, like any other hazardous waste facility, will continue to adversely affect the value of surrounding real estate, and tax revenues.
- The risk of a spent fuel accident, and the potential consequences, are far less if the spent fuel is moved from the spent fuel pool into dry storage casks.

S. 1798 - AN ACT ESTABLISHING FUNDING TO PROVIDE MONEYS FOR POSTCLOSURE ACTIVITIES AT NUCLEAR POWER STATIONS

The purpose of the Act is insure that, after Pilgrim shuts down, there will be money available for a complete and timely decommissioning of the Pilgrim site, or any commercial reactor in the Commonwealth, to protect the economic interests of the Commonwealth. The Act would require Pilgrim, and any other commercial nuclear reactor in the Commonwealth, to pay an annual \$25,000,000 post-closure funding fee. The fee will be placed in a trust fund in the office of the State Treasurer. After Pilgrim, or any other commercial nuclear reactor in the Commonwealth, has been completely decommissioned, any excess in the fund will be returned to the plant owner, with interest.

As of December 31, 2014, Pilgrim had \$896.42 million dollars in its Decommissioning Trust Fund (DTF). In 2014 Entergy told the NRC that the estimated cost to decommission Vermont Yankee, a smaller Entergy-owned nuclear power station, would be more than \$1.243 billion.

There is no rational reason that it will cost less to decommission Pilgrim. To the contrary, there is ample reason to expect that, in 2014 dollars, decommissioning Pilgrim will cost at least \$100 million more than Entergy's Vermont Yankee estimate, and there is reason to fear that the cost could be half a billion dollars more.

The bottom line is that Pilgrim's decommissioning fund now contains at least half a billion and perhaps more than a billion dollars less than will be needed to decommission the Pilgrim site.

The goal of the Act is to insure that Pilgrim will be properly decommissioned, and that money deposited by Entergy into the Commonwealth's trust fund and not Massachusetts tax-payers will pay for the decommissioning that the Act requires.

If there is not enough money, what will happen?

1. Citizens will be stuck paying the difference. Pilgrim's owner is a limited liability company. There are no other guaranteed assets to pay for cleanup costs if it runs out of money for decommissioning.
2. Entergy may "raid" whatever it has in its decommissioning fund to meet expenses that have nothing to do with cleaning-up Pilgrim and to do so will further diminish a fund that is already insufficient.
3. If Entergy runs out of money and Massachusetts is left holding the bag, there unavoidably will be a temptation to do less to decommission and cleanup to save taxpayer money.
4. Without enough money to decommission, Entergy will "mothball" the Pilgrim reactor in place.
5. Entergy refused to guarantee Vermont that Entergy would be financially responsible for decommissioning at Vermont Yankee. Massachusetts should expect that Entergy will similarly refuse to guarantee financial responsibility for cleaning-up Pilgrim.