



Q: *Will taxpayers subsidize large utilities for the disposal of high-level radioactive waste?*

A: The taxpayers are not subsidizing the utilities. The federal government's policy is that utilities' customers who receive the benefits of electricity generated by nuclear means should pay the costs of site characterization for the future disposal of commercial spent nuclear fuel, whether disposal occurs at Yucca Mountain or elsewhere. For wastes generated by the federal government, the federal budget pays the costs of site characterization and for the disposal of waste forms.

No. Users of electricity generated by nuclear power pay a fee for disposal of the wastes from power generation.

As required by the Nuclear Waste Policy Act, the consumers of electricity generated by commercial nuclear power plants pay a fee based on how much nuclear-generated power they use. This fee is 1.0 mil per kilowatt-hour of nuclear-generated electricity (i.e., one tenth of one cent per thousand watts supplied continuously for one hour). A kilowatt-hour is the amount of electricity required to run ten 100-watt light bulbs for one hour. The fees are then paid by the electric utilities into the Nuclear Waste Fund, held in account for the repository program by the U.S. Treasury. Each year Congress appropriates money from this fund for the repository program. If the program goes forward, the utilities' customers will continue to pay most of the costs of constructing, operating, and closing a repository. Costs associated with disposing of wastes generated by defense-related activities are covered by the federal budget.

The Nuclear Waste Policy Act required the DOE to have a repository or related facility sited, constructed, operational, and accepting commercial spent nuclear fuel by January 31, 1998. Because that deadline was not met, several electric utilities with nuclear power plants have sued the United States for breach of contract. The U.S. Court of Appeals for the District of Columbia Circuit has ruled that the DOE had an unconditional obligation, the reciprocal of the utilities' obligation to pay the prescribed fees, to begin spent fuel disposal by January 31, 1998.