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FISCAL IMPACT REPORT

ORIGINAL DATE 2/2/16

SPONSOR Cisneros LAST UPDATED _____ HB _____

SHORT TITLE Eddy-Lea Energy Alliance Storage Facility SM 34

ANALYST Armstrong

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	FY17		
	None		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HM40

SOURCES OF INFORMATION

LFC Files

Responses Received From

Environment Department (NMED)

Energy, Minerals and Natural Resources Department (EMNRD)

SUMMARY

Synopsis of Bill

Senate Memorial 34 endorses and supports the efforts of the Eddy-Lea Energy Alliance (Alliance) to establish a Consolidated Interim Storage Facility to temporarily store the spent nuclear fuel generated by America's nuclear power plants. The memorial requests that the copies of the memorial be transmitted to the New Mexico congressional delegation, the secretary of federal Department of Energy (DOE), and the assistant secretary for the DOE's Office of Nuclear Energy.

FISCAL IMPLICATIONS

No fiscal impact. Although the New Mexico Environment Department (NMED) would incur some nominal personnel and related expenditures if a consolidated interim storage facility applied for a permit to store mixed waste (radioactive and hazardous), there are currently no fiscal implications to NMED.

SIGNIFICANT ISSUES

Prior to facility construction and operation, the site and design must be licensed by the federal Nuclear Regulatory Commission. This, extensive and thorough licensing process, which may proceed over an estimated 3 year period will provide opportunity for review of the details and input from the public.

The facility will at minimum be licensed for up to 40 years with another 40 license renewal possible. The long license period assures a stable and long-term economic boost to the region. Added economic diversity to an area that is highly depended on the fossil fuel energy sector.

The memorial provides information on activities conducted by the Alliance to address safety concerns:

- Interim storage has been used for over 30 years without incident.
- Shipments of nuclear fuel and spent nuclear fuel (commercial and U.S. Department of Defense) has a long history without incident.
- The U.S. Department of Energy has developed an Ad Hoc working group comprised of state, tribal, and federal partners to determine the safest method of transporting spent nuclear fuel
- Interim storage is well tested and understood and therefore does not present the difficulties associated with permanent spent nuclear fuel storage.
- The proposed site is located 35 miles from any population center in an arid environment that is seismically stable and not close to lakes or rivers.
- The area has minimal overhead air traffic.
- The proposed Holtec design is a sub-surface system that has no interaction with the environment and is advertised to be the safest and most secure storage system in the world.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SM34 duplicates House Memorial 40.

OTHER SUBSTANTIVE ISSUES

According to NMED analysis, extensive scientific studies and evaluations of the potential site have already been conducted, giving it a significant advantage in terms of acceptability for an interim storage facility. Moving forward in the development of plans and specifications for a consolidated interim storage facility at the Eddy-Lea Energy Alliance site in southeastern New Mexico is in the best interest of the nation and its ability to safely store spent nuclear fuel.

JA/jo/jle