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HOUSE MEMORIAL 40

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

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A MEMORIAL

REQUESTING THE EDDY-LEA ENERGY ALLIANCE TO DEVELOP A
CONSOLIDATED INTERIM STORAGE FACILITY.

WHEREAS, the 2013 report from the blue ribbon commission on America's nuclear future strongly recommended that one or more consolidated interim storage facilities be established to temporarily store the spent nuclear fuel generated by America's nuclear fleet, which generates approximately twenty percent of the electricity in the United States; and

WHEREAS, nuclear power plants are an important carbon-free source of reliable electricity production in the United States, and without them, America would be emitting six hundred million metric tons, or twenty-five percent more, of carbon dioxide into the atmosphere annually; and

WHEREAS, there are thirteen decommissioned reactors in the

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1 United States that need a place for their used fuel to be
2 stored, and about twenty more will be decommissioned by 2035;
3 and

4 WHEREAS, many power generators have overly packed fuel
5 pools, and others have very limited on-site storage capability;
6 and

7 WHEREAS, the nuclear power utilities have standard
8 contracts with the United States government requiring that the
9 United States government take possession of the utilities'
10 spent fuel by 1998 and remove it from their sites to Yucca
11 mountain, which has not occurred because Yucca mountain has yet
12 to be certified as a spent-fuel repository; and

13 WHEREAS, most of the utilities have sued the United States
14 government for breach of contract and have won settlement
15 agreements that will pay the utilities from United States
16 government settlement funds for their storage and management
17 costs associated with their spent nuclear fuel beginning in
18 1998 until the United States government is able to take
19 possession of the fuel and remove it to a temporary
20 consolidated storage site or a permanent repository; and

21 WHEREAS, the blue ribbon commission on America's nuclear
22 future estimated that the United States treasury would pay out
23 more than twenty billion dollars (\$20,000,000,000) to the
24 utilities by 2020, and thereafter, the cost to the treasury
25 would be five hundred million dollars (\$500,000,000) per year;

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1 and

2 WHEREAS, the Eddy-Lea energy alliance, llc, was formed by
3 the cities of Carlsbad and Hobbs and the counties of Eddy and
4 Lea for economic development purposes; and

5 WHEREAS, the Eddy-Lea energy alliance purchased one
6 thousand acres of land between Carlsbad and Hobbs to respond to
7 a government project as a joint venture that ultimately did not
8 materialize; and

9 WHEREAS, the alliance was afforded a grant by the United
10 States government of more than one million dollars (\$1,000,000)
11 to characterize the site extensively for environmental,
12 archaeological, geologic, seismic and geographic criteria; and

13 WHEREAS, the alliance was dormant until the blue ribbon
14 commission on America's nuclear future began to focus on
15 consolidated interim storage as an interim step to reduce costs
16 through consolidation of the spent fuel and fulfill the
17 contractual obligations with the utilities; and

18 WHEREAS, the alliance site is ideal for a consolidated
19 interim storage facility because of the technical criteria of
20 the site, because it is thirty-five miles from any population,
21 because there is no overhead air traffic and because there is a
22 trained scientific nuclear workforce in the area; and

23 WHEREAS, the number one concern of the alliance when
24 developing any project on the site is the safety and security
25 of the residents of Eddy and Lea counties; and

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1 WHEREAS, the board of directors of the alliance
2 investigated the safety and security concerns extensively
3 through visitations to nuclear manufacturing facilities and
4 nuclear power plants and discussions with the nuclear
5 regulatory commission; and

6 WHEREAS, dry cask storage has been used for more than
7 thirty years in America without incident; and

8 WHEREAS, the alliance has received a favorable proposal
9 from Holtec international to acquire the alliance site and
10 develop it as a consolidated interim storage facility; and

11 WHEREAS, Holtec international's sub-surface system, known
12 as HI-STORM UMAX, is already certified by the nuclear
13 regulatory commission; and

14 WHEREAS, design, construction, safety, security, financial
15 assurance and technical control, as well as the complete
16 process for storage, must be overseen and approved by the
17 nuclear regulatory commission; and

18 WHEREAS, the nuclear regulatory commission approves and
19 certifies all shipping casks, rail cars, trucking or any other
20 method of transit; and

21 WHEREAS, hundreds of shipments of spent fuel have occurred
22 in America over the past thirty years without incident; and

23 WHEREAS, the Eddy-Lea energy alliance believes the Holtec
24 international consolidated interim storage facility will create
25 some one hundred fifty highly paid jobs and will provide a one-

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1 billion-two-hundred-million-dollar (\$1,200,000,000) capital
2 investment in southeastern New Mexico; and

3 WHEREAS, the alliance believes additional spinoffs in
4 research and repackaging could create an additional two hundred
5 jobs in the future; and

6 WHEREAS, the Eddy-Lea energy alliance expects that there
7 will be revenue-sharing income from the project that it expects
8 to share with the state of New Mexico and the region;

9 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
10 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the Eddy-Lea
11 energy alliance, llc, be requested to develop a consolidated
12 interim storage facility at its site in southeastern New
13 Mexico; and

14 BE IT FURTHER RESOLVED that copies of this memorial be
15 transmitted to the New Mexico congressional delegation, United
16 States Secretary of Energy Edward Moniz and Acting Assistant
17 Secretary for the Office of Nuclear Energy John Kotek.