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FINAL REPLY:

Sen. Bingaman
Senate Energy and Natural Resources Committee
Sen. Domenici
Senate Energy and Water Development
Appropriations Subcommittee

TO:

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DESC:

Post Hearing Q's from Senate Energy and Natural
Resources Committee and Senate Energy and Water
Development Appropriations Subcommittee 5/3/01
Hearings on Nuclear Energy

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DATE: 05/14/01

ASSIGNED TO: CONTACT:

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Collins
Funches

SPECIAL INSTRUCTIONS OR REMARKS:

Use Q&A format attached. Provide hard copy and
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May 14, 2001

Questions from May 3, 2001 Hearing
before the
Senate Energy and Natural Resources Committee
and the
Energy and Water Development Appropriations Subcommittee

Responses have to be provided to the Committees by Friday, May 31.

NRR
1. How many nuclear power plants are in some phase of construction or on a permanent order status anywhere, a combination of those in the world, Japan or elsewhere? Senator Domenici, page 57, lines 19-22

CFO/NRR
2. How much additional funding is the NRC going to need in order to carry out its new responsibilities? Senator Bingaman, Page 62, lines 8-22

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1 \$2 to \$3 billion that have been at risk in prior
2 constructions, and this is one of the fundamental benefits of
3 this design, that I do not think people fully comprehend yet,
4 is that the investment risk is much smaller than it was in
5 prior designs.

6 Chairman Murkowski: Well, that is very encouraging, and
7 we are certainly pleased to hear that, and I trust that as you
8 proceed, that if you are going to need anything other than the
9 normal reviews of the permits and so forth from the Federal
10 Government, that you advise us.

11 Mr. McNeill: I think in my written testimony we have
12 highlighted a few items that would be beneficial in terms of
13 providing funding to the NRC for development of expertise in
14 this technology, and some other things.

15 Chairman Murkowski: Thank you very much.

16 Senator Domenici.

17 Senator Domenici: Senator Bingaman, do you want to
18 proceed?

19 Does anyone know how many nuclear power plants are in
20 some phase of construction or on a permanent order status
21 anywhere, a combination of those in the world, Japan or
22 elsewhere? Anybody at the table know how many that is?

23 Mr. Meserve: Senator, we would be prepared to submit
24 more complete information for the record. I do know that the
25 Japanese have aggressive program for construction of reactors,

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1 the Koreans, similarly, who have 16 nuclear reactors now,
2 have aspirations of building about another 10 or so over the
3 next 15 years.

4 Senator Domenici: So Japan is planning on 15 for their
5 energy needs in the future? What about China?

6 Mr. Meserve: I do not know the precise number that the
7 Japanese are planning on, but they do have aspirations for
8 construction. There is a reactor that is under construction in
9 Taiwan right now. The Russians have interest in new reactors.
10 It is clear the Chinese have aggressive interest in nuclear
11 reactors. There recently, as I understand it, was an
12 application for new construction in Finland, so that there are
13 a variety of other countries in the world that do have
14 interest and plans for construction.

15 Senator Domenici: Anybody else?

16 Mr. Rhodes: The vice chairman of the Chinese Atomic
17 Energy Authority spoke at the conference I attended in Japan.
18 He said that eight units with total capacity of 6,600
19 megawatts will be completed and put into operation between
20 2003 and 2005.

21 Taiwan, of course, has one new plant, North Korea has two
22 plants under construction, with United States support, which
23 we may all be grateful, and then Finland is pursuing
24 developing one more plant. That was the information from the
25 conference.

1 Senator Domenici: Anybody else know of any more?

2 Mr. McNeill: Senator, let me clarify up one thing. I
3 have been informed that the 1,300 plant construction
4 requirement the DOE predicts is 300 megawatts each, so that is
5 a more accurate number than the one I gave you.

6 Senator Domenici: So the current DOE assessment of how
7 many new power plants we need online for electricity is 1,300.

8 Mr. McNeill: 1,300, and they would be of the 300-
9 megawatt size.

10 Senator Domenici: Which are much smaller than we have
11 been building.

12 Mr. McNeill: Yes, they would be.

13 Senator Domenici: Anybody else, do you know anything
14 about any other power plants being ordered?

15 Dr. Ahearne: Well, Russia, of course, is quite
16 interested in getting back to completing some of the plants
17 that they had halted, and if they can find money somewhere,
18 they would like to build some more, but money is being a real
19 problem for them.

20 Senator Domenici: Well, let me move ahead rather quickly
21 and just lay before the record, with reference to the
22 activities that are going on in the Department of Energy that
23 affect nuclear research and the like, and what is happening to
24 them.

25 The budget of the executive branch for the Department of

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1 This reflects, incidentally, that these are the low-cost
2 producers, and it is in the interests, then, of the generating
3 companies to keep them online if they can.

4 Senator Bingaman: So it is very possible that that 16
5 percent of the new generating capacity that we need in the
6 future will not, in fact, be retired?

7 Mr. Meserve: That is correct.

8 Senator Bingaman: Let me ask also, Chairman Meserve, you
9 cited a whole bunch of new responsibilities which were not
10 necessarily expected 6 months ago when the administration
11 started putting its budget together.

12 I mean, I know this is a long process each year when the
13 administration starts putting budgets together, but all of
14 these applications for renewal, all the applications for
15 expanding capability that you talked about, Mr. McNeill's
16 reference to perhaps this new technology that they are coming
17 on with, which will require additional -- I am just wondering
18 whether the Nuclear Regulatory Commission budget, the way it
19 has been presented to us, is going to reflect any of that, or
20 if you could give us an estimate as to how much additional
21 funding the NRC is going to need in order to carry out these
22 new responsibilities.

23 Mr. Meserve: Yes, Senator, you are quite correct that
24 the budget process does involve us starting to engage with OMB
25 around this time of the year, and a lot of the changed

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1 environment that we have been discussing today has been
2 something that has just emerged in the last few months.

3 We are in the process of evaluating the implications that
4 that will have for us for the fiscal year 2002 budget, which
5 is the one that is before you now, and we are in the process
6 of conducting that evaluation, and I would be very happy to
7 submit information for the record as to what increased demands
8 that places on us.

9 Senator Bingaman: I think that would be very useful for
10 us.

11 Mr. Asseltine -- is that the right pronunciation?

12 Mr. Asselstine: -stine.

13 Senator Bingaman: -stine, excuse me -- Asselstine, you
14 cited about five requirements you believe need to be met if
15 nuclear plants are to be built in the country, new plants. Do
16 you see legislation that is required in order to achieve any
17 of those requirements? I mean, did you identify in your
18 analysis things that we need to change in the law in order for
19 this to become a reality?

20 Mr. Asselstine: I am not sure that there are a lot of
21 legislative changes that are really necessary here. As a
22 result of the Congress' past action, we now do have a new
23 regulatory process, a streamlined process, as you pointed out,
24 for site approval, for standardized design approval. What we
25 really need to do, I think, now, is come in with a couple of