



# SNAKE RIVER ALLIANCE

IDAHO'S NUCLEAR WATCHDOG & CLEAN ENERGY ADVOCATE

[www.snakeriveralliance.org](http://www.snakeriveralliance.org)

## End the Nuclear Bailout Program

President Obama wants to increase the Department of Energy's loan guarantee program for construction of new nuclear reactors by \$36 billion next year. The President made the same request for this year, but Congress did not approve.

Congress should continue to reject more loan guarantees and should in fact rescind the \$10.2 billion still remaining in the program, as well as the \$8.3 billion conditionally offered to Southern Company for the Vogtle nuclear project and the \$2 billion conditionally offered to Areva for the uranium enrichment plant in eastern Idaho.

The Fukushima nuclear disaster has undercut the entire public policy rationale for nuclear loan guarantees. When the program was enacted in 2005, Congress believed that modest funding to support construction of six to eight new nuclear reactors would encourage private capital. Even then, investors were reluctant to support nuclear power because of the financial risk of high construction costs and a historical record of delays. In 2007, Congress authorized \$18.5 billion to fund the reactor program and an additional \$2 billion for nuclear fuel cycle facilities like Areva's enrichment factory.

Since then, estimated construction costs have skyrocketed so that it would take more than \$50 billion to support construction of those same six to eight new reactors even before Fukushima. And Fukushima has provided a stark reminder to the investment community that multi-billion dollar investments can turn into much larger liabilities overnight. Two months ago, Tokyo Electric Power was one of the three largest electric utilities in the world. Today it is a shambles, facing tens—perhaps hundreds—of billions of dollars in liabilities.

The only reactors now being built in the world are being built entirely with government funds. The private investment community will not be putting money into new nuclear power plants and neither should US taxpayers. The nuclear loan guarantee program cannot and will not lead to greater private investment in nuclear power and thus cannot and will not achieve its goals.

This alone should be reason enough to end this program, before tax dollars are placed at risk. The American public agrees. According to a March 2011 poll conducted for the Civil Society Institute, 73% of the American people oppose federal loan guarantees for new nuclear reactors. An April 2011 ABC News/Washington Post poll found that 64% oppose new reactor construction entirely.

The world's third and fourth largest economies—Japan and Germany—are embarking on new energy policies focused on clean renewable energy and increased energy efficiency, and away from nuclear power. These countries understand that clean energy is indeed the future and that clean energy plants do not explode and release toxic radiation across the world. The United States should join Japan and Germany and become a leader in clean energy rather than falling farther behind in the race to implement the energy sources of the 21<sup>st</sup> century.

## **Take Action!**

The first step is to cancel all new government loan guarantees for new reactors. Please contact President Obama and members of Idaho's Congressional delegation to tell them that nuclear power is not worth the risks and you do not support government give-aways for the new nuclear reactors.

### **Presidential Contact**

**President Barack Obama:** (202) 456-1111

### **Congressional Delegation Contacts**

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