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U.S. Department of Energy Releases Revised Total System Life Cycle Cost Estimate and Fee Adequacy Report for Yucca Mountain Project

WASHINGTON, DC –The U.S. Department of Energy (DOE) today released a revised estimate of the total system life cycle cost for a repository at Yucca Mountain, Nevada. The 2007 total system life cycle cost estimate includes the cost to research, construct and operate Yucca Mountain during a period of 150 years, from the beginning of the program in 1983 through closure and decommissioning in 2133. The new cost estimate of \$79.3 billion, when updated to 2007 dollars comes to \$96.2 billion, a 38 percent increase from the last published estimate in 2001 of \$57.5 billion. This updated estimate takes into account a substantial increase in the amount of waste to be shipped and stored at the repository and more than \$16 billion for inflation. The Department is not proposing a change in the fee paid by nuclear utilities for the disposal of commercial spent nuclear fuel at this time.

“This increased cost estimate is reasonable given inflation and the expected increase in the amount of spent nuclear fuel from existing reactors with license renewals,” Director of the Office of Civilian Radioactive Waste Management Ward Sproat said. “We have marked significant project milestones this year and look forward to that progress continuing and nuclear waste currently sitting at 121 temporary locations around the country being safely stored at Yucca Mountain.”

The new cost estimate reflects a 30 percent increase in the amount of commercial spent nuclear fuel to be disposed of in the repository, from a 2000 estimate of 83,800 metric tons heavy metal to a 2007 estimate of 109,300 metric tons heavy metal. This increased amount would extend the transportation period by 16 years and the emplacement period by 25 years. The increased amount of spent nuclear fuel is a result of existing and anticipated license renewals at operating nuclear power plants throughout the United States. Other factors contributing to the 2007 cost estimate include increases in raw material costs and a refinement of the repository design.

The following is breakdown of the \$96.2 billion estimate:

- Approximately \$13.5 billion incurred from 1983 to the present
- \$54.8 billion estimated for the construction, operation, and decommissioning
- \$19.5 billion estimated for transportation
- \$8.4 billion estimated for the balance of program activities

The total cost of building and operating the repository is divided between utility ratepayers and taxpayers, with ratepayers estimated to pay a little more than 80 percent, or \$77.3 billion.

Regarding the fees paid by utility ratepayers to the Nuclear Waste Fund, DOE has determined that the one tenth of one cent for each kilowatt-hour fee paid by commercial nuclear utilities to the Government for the Nuclear Waste Fund remains adequate to cover the nuclear utility customers' portion of the total costs. The Nuclear

Waste Fund was set up by Congress to fund the project. To ensure that funding is adequate the Nuclear Waste Policy Act requires the Secretary of Energy to annually review the fee that utilities pay for their share of the disposal of commercial spent nuclear fuel. The fee may be adjusted if it is not “adequate” or “more than adequate” to meet projected obligations.

Although a change in fee is not proposed at this time, these assessments cannot be maintained unless there is consistent and sufficient annual funding for the construction and operation of the repository. The Administration has twice submitted legislation to Congress to ensure such funding and will continue to work with Congress on this important national issue. Yucca Mountain was approved by the Congress and President Bush as the site for the nation’s first permanent spent nuclear fuel and high-level radioactive waste geologic repository in 2002.

To read the reports and for more information on DOE’s Yucca Mountain Project visit:

<http://www.ocrwm.doe.gov>

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