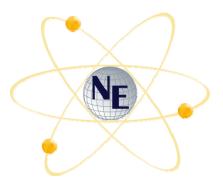


Dennis R. Spurgeon

Assistant Secretary for Nuclear Energy



February 5, 2007



Nuclear Energy: Investing In Our Energy Security

The U.S. Department of Energy's Office of Nuclear Energy

- Today, 103 nuclear reactors generate 20 percent of America's electricity.
- U.S. electricity demand will grow by 50 percent over the next 25 years.
- To maintain the 20 percent nuclear share requires building the equivalent of 45 to 50 one-thousand-megawatt nuclear reactors.
- Nuclear power is the only proven base load producer of electricity that does not emit greenhouse gases.
- Nuclear power is necessary to meet our needs for carbon-free, dependable and economic electric power.

The Global Nuclear Energy Partnership

The U.S. Department of Energy's Office of Nuclear Energy

- GNEP envisions a new, commercial partnership effort to recover, recycle and safely utilize spent nuclear fuel, without producing pure plutonium.
- SOURCE Prepresents a move towards green energy by recycling and reusing valuable energy resources to the fullest. The Department will leverage existing and new technologies to establish advanced recycling facilities.
- By recycling used nuclear fuel, the volume and radioactive toxicity of wastes would steadily decrease, significantly increasing the capacity of a geologic repository. GNEP neither replaces nor defers the need for the Yucca Mountain geologic repository.
- The Department has initiated these programs and projects through the Advanced Fuel Cycle Initiative; however, we envision that commercial recycling facilities would be built by the private sector.

The U.S. Department of Energy's Office of Nuclear Energy

Investing in Our Energy Security

The Department is working to:

- Enable Industry to Deploy a New Generation of Nuclear Power Plants.
- Develop Advanced Nuclear Reactor and Fuel Cycle Technologies.
- Maintain Critical National Nuclear Infrastructure.

Investing in Our Energy Security

The U.S. Department of Energy's Office of Nuclear Energy

Enable Industry to Deploy A New Generation of Nuclear Power Plants

The President's Budget supports:

- Completion of Early Site Permit demonstration projects making sites available for building new plants.
- New Nuclear Plant Licensing Demonstration projects that will exercise the untested licensing process to build and operate a new nuclear plant.
- Design activities in support of the submission of two combined Construction and Operating License applications to the Nuclear Regulatory Commission.
- Development of final designs for two standard nuclear plants.
- Development of tools, including standby support, to mitigate financial risks to industry associated with deploying new nuclear power plants.

Program Element (\$ in Millions)					
	FY 2007 Request	FY 2008 Request			
Nuclear Power 2010	\$54.0	\$114.0			

The U.S. Department of Energy's Office of Nuclear Energy

Investing in Our Energy Security

Develop Advanced Nuclear Reactor and Fuel Cycle Technologies

The President's Budget supports:

- The Global Nuclear Energy Partnership, which will provide reliable, emission-free energy with less of the waste burden of older technologies and without making available separated plutonium that could be used by rogue states or terrorists for nuclear weapons.
- Research and development to achieve desired goals of sustainability, economics, and proliferation resistance in support of the Next Generation IV gas-cooled, high temperature reactor.
- Research and development on enabling nuclear-based hydrogen production technologies.

Program Element (\$ in Millions)				
	FY 2007	FY 2008		
	Request	Request		
Advanced				
Fuel Cycle				
Initiative	\$243.0	\$395.0		
Generation IV	\$31.4	\$36.1		
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Nuclear				
Hydrogen Initiative	¢40.7	¢22.6		
initiative	\$18.7	\$22.6		

The U.S. Department of Energy's Office of Nuclear Energy

Investing in Our Energy Security —

Maintain Critical National Nuclear Infrastructure

The President's Budget will:

- Maintain the national nuclear infrastructure to provide isotopes for research and commercial applications, power systems for space exploration and national security mission, and fuel services for U.S. university research reactors.
- Maintain the INL site-wide infrastructure required to support research and development programs.
- Maintain and operate the systems, facilities, and protective forces needed to protect DOE personnel and assets at the Idaho site.

Program Element (\$ in Millions)

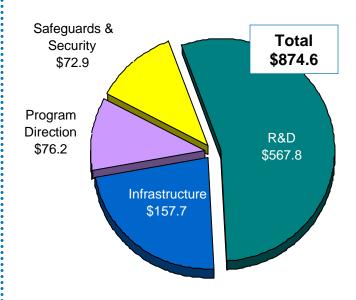
	FY 2007	FY 2008
	Request	Request
Radiological		
Facilities Management	\$49.7	\$53.0
Idaho Facilities		
Management	\$95.3	\$104.7
Idaho Site-Wide		
Safeguards & Security	\$72.9	\$72.9

FY 2008 Budget

Request — Nuclear Energy

The U.S. Department of Energy's Office of Nuclear Energy

<u>Program</u>	FY 2007 Request ^a	FY 2008 Request ^a
Research and Development: Nuclear Power 2010 Generation IV Nuclear Energy Systems Initiative Nuclear Hydrogen Initiative Advanced Fuel Cycle Initiative	54,031 31,436 18,665 243,000	114,000 36,145 22,600 395,000
Infrastructure: Radiological Facilities Management Idaho Facilities Management Idaho Site-Wide Safeguards and Security	49,722 95,290	53,021 104,713 ^b 75,949
Program Direction Less Security Charges for Reimbursable Work	67,608 -3,003	76,224 ^c -3,003
Total Nuclear Energy	632,698	874,649



^aAll values are dollars in thousands.

^b Includes \$2,450,000 of RESL funds transferred from EH.

^c Includes \$3,726,000 of RESL funds transferred from EH.