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180+ ORGANIZATIONS URGE CONGRESSIONAL APPROPRIATORS TO END NUCLEAR POWER LOAN PROGRAM

PUBLIC POLICY RATIONALE FOR PROGRAM HAS VANISHED IN WAKE OF FUKUSHIMA

More than 180 organizations and small businesses today sent a hand-delivered letter to members of the House and Senate Appropriations Committees urging them to reject President Obama's request for \$36 Billion in additional authority for the Title 17 nuclear loan program, and instead to end the program entirely.

Some \$20 Billion currently in the program—including \$8.3 Billion conditionally offered to Southern Company for construction of two new reactors in Georgia—as well as funds earmarked for troubled new uranium enrichment plants, should be rescinded, the groups said.

The groups pointed out that, “The Fukushima nuclear disaster has undercut the entire public policy rationale for this program,” noting that the program, created in 2005 and funded in 2007, assumed that some initial government support for new reactor construction would lead to support from the private investment community.

But, as the letter states, “Fukushima has provided a stark reminder to the investment community that multi-billion dollar investments can turn into much larger liabilities overnight. 75 days ago, Tokyo Electric Power was one of the five 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 its money into new nuclear power plants, no matter how much support is provided with tax dollars. Title 17 cannot and will not lead to greater private investment in nuclear power and thus cannot and will not achieve its goals.”

The groups also noted that the American public is in solid opposition to the program, and to new nuclear reactor construction generally: “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.”

Instead of risking taxpayer money in a futile attempt to spur nuclear construction against the wishes of the American people, the groups pointed to Germany and Japan as emblematic of the path to take: “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 further behind in the race to implement the energy sources of the 21st century.”

The 183 organizations signing the letter represent millions of Americans from Portland, Maine to Anahola, Hawaii. They range from national groups like Greenpeace, Friends of the Earth, and Clean Water Action to regional and statewide environmental and peace organizations to family farms, food co-ops, and other small businesses.

Said Michael Mariotte, executive director of Nuclear Information and Resource Service, which coordinated the letter, “It would be bad policy and bad politics to continue this risky program that the American people do not want and that cannot meet its goal of spurring some quixotic dream of a nuclear revival. The future will belong to those nations that can most quickly move to implement safe, clean and affordable energy. Nuclear power is none of those things. In this era of budget deficits and concern about federal spending, we need to use our limited resources as wisely as possible—and that means focusing them on building the nuclear-free, carbon-free energy future our nation needs and deserves.”

The letter is available at: <http://www.nirs.org/neconomics/lgsignon52511.pdf>

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