"Nuclear Power in a Warming World: Solution or Illusion?"
Select Committee on Energy Independence and Global Warming
Statement of Chairman Edward J. Markey

Decades ago, Americans from Wall Street to Main Street rejected nuclear power. After years of construction delays, reactor shutdowns, and massive cost overruns, the private sector abandoned nuclear energy. Americans nervous about the health and safety of their families and communities had few objections to seeing the Nuclear Construction Age grind to a halt.

However, the growing threat of global warming has thrust nuclear power back into the debate. With the health of our planet on the line, some believe that all options—even those set aside long ago—merit our support. I called this hearing today to take a deeper look at whether continuing taxpayer support of nuclear power gets us closer to achieving our energy and climate goals, or whether it is holding us back.

All the available evidence suggests the prospective costs, risks and uncertainties facing the nuclear industry are higher today than they have ever been. The domestic manufacturing and human resource capacity of nuclear power has dwindled, nuclear construction worldwide has slowed to a crawl, and the nuclear projects currently under construction are plagued by the same delays and cost overruns that have always riddled the industry. In addition to these profound direct problems, the collateral damage issues—uranium mining impacts, long term waste storage, nuclear weapons proliferation, targets for terrorism—are even greater.

The last new U.S. nuclear plant opened in 1996 in Tennessee—after 22 years of construction and at a cost of $7 billion. Are delays like this acceptable in any other industry?

Florida Power & Light recently announced its plans for two new reactors at its Turkey Point facility, which it projects will cost from $12 billion to $24 billion. Could the most ambitious solar or wind generating station succeed if its cost projections included uncertainties of $12 billion?

Another electric utility, Progress Energy, announced yesterday that it plans to build two reactors at an estimated price of $17 billion, passing on an additional cost to customers of about $9 per month per household. Customers would begin paying this surcharge beginning in 2009, 7 years before the project would produce a single kilowatt of electricity. Can the wind industry ask for and expect to receive a 7 year cash advance from future customers?

At the Select Committee hearing last week, we witnessed the power of free markets rising to meet our energy and climate challenges. Private capital markets are moving billions of dollars into clean renewable energy technologies, in the process creating new jobs and driving economic growth. As proof that this green revolution is taking hold, the wind industry installed over 5,200 megawatts of new generating capacity in the United States last year, about 30% of the total new capacity installed.

Worldwide, the story is the same. The 20,000 megawatts of wind energy capacity built in 2007 was more than 10 times that of nuclear. Between now and 2016—the year in which we're likely to see the first new nuclear plant come online in the United States—the world is projected to add 361,000 megawatts of wind. That means in the next 10

years, as much wind generating capacity will be installed as the total amount of nuclear capacity built worldwide over the previous half century.

The job of Congress is not to fix problems by creating new ones, or in this case re-creating them. The innovative spirit of the American entrepreneur is forging a path forward. It is clean, it is scalable, it is distributed, it is safe, and its price is falling. These are claims that nuclear power cannot make.

Taxpayer support for the nuclear industry over the last fifty years has been massive. From 1950 through 2000, the nuclear energy industry received $145 billion in federal subsidies (in constant 1999 dollars), or over 96 percent of the total subsidies allocated to wind, solar, and nuclear energy.

The American public and financial investors are responsible for putting nuclear power on mothballs. Congress must think long and hard about the wisdom of reversing that decision. Let’s trust and encourage the ingenuity of the American people to solve the energy and climate challenge. The nuclear industry is not going to be the economic driver of the 21st century. But there is abundant evidence that renewable energy will.