

MAINE STATE LEGISLATURE

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New Draft of H. P. 1454, L. D. 1694

ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1804

H. P. 1599

House of Representatives, May 25, 1977

Reported by a Minority from Committee on Public Utilities. Sent up for concurrence and ordered printed under Joint Rules No. 2.

EDWIN H. PERT, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

**AN ACT to Establish a Fund to Insure the Safe and Proper
Decommissioning of Nuclear Energy Generating Facilities.**

Be it enacted by the People of the State of Maine, as follows:

35 MRSA c. 267, sub-c. II is enacted to read:

SUBCHAPTER II

NUCLEAR ENERGY DECOMMISSIONING FUND

§ 3411. Purpose

The Legislature finds that the protection of the general health, safety and welfare of the public from the hazards of radioactive materials requires the costly decommissioning of nuclear energy generating facilities at the end of the useful life or licensing period of these facilities. Since there exists a continuous and ongoing fund administered by the State for the protection of the general welfare from the effects of oil pollution, the Legislature also finds it is in the public interest to establish a fund to ensure the proper and safe decommissioning of nuclear energy generating facilities.

§ 3412. Definitions

As used in this subchapter, unless the context otherwise indicates, the following words shall have the following meanings.

1. Committee. "Committee" means the Nuclear Energy Decommissioning Committee.

2. Decommissioning fund. "Decommissioning fund" shall mean the Nuclear Energy Decommissioning Fund.

3. Principal officers. "Principal officers" shall mean the president, vice-president and treasurer of the nuclear energy generating facility.

§ 3413. Nuclear Energy Decommissioning Committees

1. Appointment. Within 180 days of the effective date of this subchapter, there is hereby established nuclear energy decommissioning committee for each nuclear power generating facility in Maine to be composed of 9 members as follows: 2 persons selected by the municipal officers of the municipality in which the facility is located, one person representing the firm or corporation owning the largest share of the facility, one person appointed by the Chairman of the Public Utilities Commission to represent the Public Utilities Commission, one person appointed by the Commissioner of Human Services to represent the Department of Human Services, one person appointed by the Director of the State Planning Office to represent the State Planning Office, one person appointed by the Chairman of the Human Rights Commission to represent the Human Rights Commission, one person appointed by the regional planning commission of the region in which the facility is located, and one person appointed by the Governor to represent the general public. The committee shall appoint a chairman from one of their members who shall serve for 2 years.

A. Within 60 days following the completion of construction of any new nuclear energy generating facility in the State, a decommissioning committee shall be formed to monitor and oversee decommissioning as provided in this subchapter.

§ 3414. Nuclear Energy Decommissioning Committee duties

1. Decommissioning plans. Each decommissioning committee, within 60 days of its formation, shall direct the principal officers of nuclear energy generating facilities to prepare and submit, within 2-years' time a decommissioning plan to the United States Nuclear Regulatory Commission and other appropriate federal agencies, a plan to be used pursuant to the termination of operation of the facility. Upon acceptance of the plan by the federal authorities, the president of a nuclear energy generating facility shall submit the plan to the respective decommissioning committees for final approval.

A. Each committee may consult with the United States Nuclear Regulatory Commission, the Maine Department of Environmental Protection and any other state and federal agencies it deems necessary prior to final approval. Each committee may hold public hearings prior to final approval.

2. Disapproval. Upon disapproval of the decommissioning plan by the United States Nuclear Regulatory Commission or by the decommissioning committee, the principal officers of the nuclear energy generating facility shall submit a new plan within 180 days to the United States Nuclear Regulatory Commission and the decommissioning committee for approval by both organizations.

3. Establish cost of decommissioning. Each committee shall study and establish the cost of decommissioning the nuclear energy generating facility which shall include the rate of inflation, cost of committee hearings and meetings, surveillance of the site following decommissioning and any other costs the committees find desirable and necessary. Each committee shall forward this information to the Public Utilities Commission which shall use the information to determine the amount of the Nuclear Energy Decommissioning Fund for each facility as provided in this subchapter. The decommissioning committees may revise their cost estimates from time to time as they deem necessary. Revision shall be forwarded to the Public Utilities Commission.

4. Monitoring of decommissioning. Following the termination of operation of each facility, each committee shall monitor the progress of decommissioning and shall make a report to, and in a manner determined by, the Public Utilities Commission. Such reports shall be made available to the public.

5. Analysis of data. A detailed analysis of the methods and data used by the committee to establish a decommissioning plan and procedure and the cost of decommissioning shall be made available to the general public.

§ 3415. Nuclear Energy Decommissioning Fund

1. Role of the Public Utilities Commission. The Public Utilities Commission shall determine from the report of the committees the amount of the decommissioning fund for each facility which shall be deposited in separate accounts to be administered by the Treasurer of State. The Public Utilities Commission shall assess each nuclear energy generating facility for the operating life span of each facility to cover the total cost of decommissioning. The assessments herein provided shall be considered ordinary business expenses to be included in rates charged to users.

2. Role of the Treasurer of State. The Treasurer of State shall administer the Nuclear Energy Decommissioning Funds and shall review and supervise the expenditures from these funds. The Treasurer of State may refuse to expend moneys from these funds considered to be inappropriate by him in cooperation with the Public Utilities Commission.

The Treasurer of State may invest the moneys in the decommissioning fund in accordance with the laws of the State governing the investment of funds of savings banks, as enumerated in Title 9.

STATEMENT OF FACT

The purpose of this new draft is to prepare Maine citizens for the financial impact of costs relating to the decommissioning of nuclear energy generating facilities. These are costs that shall be incurred to protect the public health and safety. At the present, decommissioning of such facilities involves one of the following procedures:

1. The isolation, through security methods, of the facility from public intrusion;
2. The decontamination of the facility through the removal of irradiated material;
3. Entombment of the facility with appropriate fill; and
4. Any combination of the above.

At the present, the costs of decommissioning are not reflected in the price of the product consumed, i.e. electric rates. This new draft provides for a fund to amortize those costs over the useful life of the generating facility so that the true costs of electricity, apart from the variable fuel costs, shall be spread over the operating life of the generating facility. This is to insure that these costs shall be borne equitably by all consumers and not be passed on to succeeding generations. This new draft provides for that without imposing a burden on nuclear utilities. A separate decommissioning account administered by the Treasurer of State will be maintained for each facility to ensure that the funds are available at the time they are needed.

As each method of decommissioning varies in expense and degree of protection to the public, the established committee shall have the final approval of any such plan. Upon approval, the committee shall determine the costs of the approved plan under which the Public Utilities Commission assesses the nuclear power facilities. Decommissioning assessments shall be considered normal business expenditures by the PUC.