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WEST VALLEY DEMONSTRATION PROJECT REAUTHORIZATION ACT

AUGUST 16, 2019.—Ordered to be printed

Filed, under authority of the order of the Senate of August 1, 2019

Ms. MURKOWSKI, from the Committee on Energy and Natural Resources, submitted the following

R E P O R T

[To accompany H.R. 1138]

[Including cost estimate of the Congressional Budget Office]

The Committee on Energy and Natural Resources, to which was referred the bill (H.R. 1138) to reauthorize the West Valley demonstration project, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE

The purpose of H.R. 1138 is to reauthorize the West Valley demonstration project.

BACKGROUND AND NEED

In the 1950s, the Atomic Energy Commission (AEC) encouraged private industry to participate in the reprocessing of used nuclear fuel. In 1959, the State of New York established the Office of Atomic Development and two years later purchased land near West Valley, New York, to establish the Western New York Nuclear Service Center. In 1962, the Davison Chemical Company created Nuclear Fuel Services, Inc., to construct and operate a reprocessing facility at that site. The Atomic Energy Commission issued a construction permit for the reprocessing facility in 1963 and an operating license for it in 1966. It began operation in 1966 and reprocessed about 640 metric tons of spent nuclear fuel.

In 1972, Nuclear Fuel Services shut down the reprocessing plant to expand its capabilities and make changes to reduce radioactive exposure risk to personnel employed at the site. The AEC determined the changes represented a significant alteration and required the project to undergo a complete license review. During the review process, the AEC stipulated that the facilities at West Valley must be able to withstand a once in ten million year high magnitude tornado and a once in a million year high magnitude earthquake.

In 1976, Nuclear Fuel Services decided to shutter the reprocessing operation due to the high costs associated with the pending modification to the facility, as well as the uncertain regulatory environment. By shutting down the facility, Nuclear Fuel Services was able to exercise its ability to shift responsibility for the waste to the State of New York.

In 1980, the West Valley Demonstration Project Act was enacted (Public Law 96–368).The Act directed the Department of Energy (DOE) to carry out a high-level radioactive waste management demonstration project at the Western New York Service Center in West Valley, New York, to demonstrate solidification techniques for liquid wastes. The law required DOE to enter into a partnership with New York and provided for a cost-share agreement where 90 percent of the cost was covered by the Federal Government.

LEGISLATIVE HISTORY

H.R. 1138 was introduced in the House of Representatives by Representatives Reed and Higgins on February 11, 2019, and referred to the Energy and Commerce Committee. The Energy and Commerce Committee reported H.R. 1138 favorably on March 5, 2019, and the measure passed the House of Representatives by voice vote on the same day. The Subcommittee on Energy held a legislative hearing on H.R. 1138 on July 9, 2019.

In the 115th Congress, Representatives Reed, Higgins, Nadler, and Slaughter introduced nearly identical legislation, H.R. 2389, in the House of Representative on May 4, 2017. H.R. 2389 was referred to the Energy and Commerce Committee, which reported the measure favorably on July 12, 2018 (H. Rept. 115–926). H.R. 2389 passed the House of Representatives by voice vote on September 25, 2018.

The Senate Committee on Energy and Natural Resources met in open business session on July 16, 2019, and ordered H.R. 1138 favorably reported.

COMMITTEE RECOMMENDATION

The Senate Committee on Energy and Natural Resources, in open business session on July 16, 2019, by a majority voice vote of a quorum present, recommends that the Senate pass H.R. 1138.

SECTION-BY-SECTION ANALYSIS

Section 1. West valley demonstration project

Section 1(a) reauthorizes the West Valley Demonstration Project Act at $75 million for each of the fiscal years 2020 through 2026.

Subsection (b) requires the Comptroller General to submit a report to Congress within 18 months of enactment regarding the West Valley Demonstration Project. This subsection further specifies the information to be contained in the report, including the identified options for disposal of each type of radioactive waste.

COST AND BUDGETARY CONSIDERATIONS

The following estimate of the costs of this measure has been provided by the Congressional Budget Office:

H.R. 1138, an act to reauthorize the West Valley demonstration project, and for other purposes
As ordered reported by the Senate Committee on Energy and Natural Resources on July 16, 2019

By Fiscal Year, Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	0	319	525

Statutory pay-as-you-go procedures apply?	No	**Mandate Effects**	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

H.R. 1138 would authorize the appropriation of $75 million annually over the 2020–2026 period for the Department of Energy (DOE) to continue cleanup activities at the West Valley Demonstration Project, a nuclear waste remediation site in New York.

In 2019, DOE allocated $75 million for cleanup activities at the site. Assuming appropriation of the authorized amounts, and based on historical spending patterns for similar programs, CBO estimates that implementing H.R. 1138 would cost $319 million over the 2019–2024 period.

The act also would require the Government Accountability Office to report to the Congress on options for disposing of the site's nuclear waste. Based on the costs of similar tasks, CBO estimates that any costs to complete the report would be insignificant; such spending would be subject to the availability of appropriated funds.

The costs of the legislation (detailed in Table 1) fall within budget function 270 (energy).

TABLE 1.—ESTIMATED INCREASES IN SPENDING SUBJECT TO APPROPRIATION UNDER H.R. 1138

	By fiscal year, millions of dollars—												
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2019–2024	2019–2029
Authorization	0	75	75	75	75	75	75	75	0	0	0	375	525
Estimated Outlays	0	38	60	71	75	75	75	75	38	15	3	319	525

The CBO staff contact for this estimate is Sofia Guo. The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out H.R. 1138. The Act is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of H.R. 1138, as ordered reported.

CONGRESSIONALLY DIRECTED SPENDING

H.R. 1138, as ordered reported, does not contain any congressionally directed spending items, limited tax benefits, or limited tariff benefits as defined in rule XLIV of the Standing Rules of the Senate.

EXECUTIVE COMMUNICATIONS

The testimony provided by the Department of Energy at the July 9, 2019, hearing on H.R. 1138 follows:

TESTIMONY OF THE HONORABLE BRUCE J. WALKER, ASSISTANT SECRETARY, OFFICE OF ELECTRICITY, U.S. DEPARTMENT OF ENERGY

INTRODUCTION

Chairman Cassidy, Ranking Member Heinrich, and Members of the Subcommittee, it is an honor and a privilege to serve at the Department of Energy (DOE or the Department), as Assistant Secretary for the Office of Electricity. DOE is charged with, among other important responsibilities, providing our Nation with premier energy research and development (R&D) activities. The work being conducted by DOE is setting the course for various advancements in the energy field and beyond. Issues like energy storage, improving energy efficiency, creating breakthroughs in how we extract and utilize our Nation's fossil fuels, and Artificial Intelligence are just some of the important areas of DOE research. These are also the topics being covered at today's hearing.

WEST VALLEY DEMONSTRATION PROJECT REAUTHORIZATION

The West Valley Demonstration Project came into being through the West Valley Demonstration Project Act of 1980. The Act makes DOE responsible for solidifying the high-level waste, disposing of waste created by the solidification, and decommissioning the facilities used in the process.

H.R. 1138—West Valley Demonstration Project Reauthorization

This bill reauthorizes the West Valley Demonstration Project located in West Valley, New York, through FY 2026.

The FY 2020 Budget request $78 million for the site, which provides for completion of deactivation activities at the Main Plant Process Building to reduce risk. The proposed legislation would not impact DOE's legal obligations.

CONCLUSION

Thank you again for the opportunity to testify today on behalf of DOE. The Department appreciates the ongoing bipartisan efforts to address our nation's energy challenges, and looks forward to working with the Committee on the legislation on today's agenda and any future legislation

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the changes in existing law made by the original Act, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

WEST VALLEY DEMONSTRATION PROJECT ACT

Public Law 96–368, as Amended

* * * * * * *

SEC. 3. (a) There are authorized to be appropriated to the Secretary for the project not more than [$5,000,000 for the fiscal year ending September 30, 1981] *$75,000,000 for each of the fiscal years 2020 through 2026*.

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