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Safe Energy Rights Group (SEnRG)
Stop the Algonquin Pipeline Expansion (SAPE)
August 2, 2020

Via Email
Legislative Office Building
198 State Street
Albany, New York 12210

RE: Legislation to Create a Decommissioning Oversight Board for NY Nuclear Plants

Dear Senator,

As you know, legislation to create a Decommissioning Oversight Board (Board or DOB) for nuclear reactors in New York State is currently pending in both the Senate and the Assembly. It has made its way through the appropriate committees and we hope it will be voted on by both chambers in the near future. We are sending you this letter to give you an update on the current provisions and to answer some questions about the Board and its functions.

Why do we need a DOB?

Decommissioning a nuclear plant is a major deconstruction and demolition project that can have serious environmental, economic, and public health consequences. Like other complex energy projects, it needs appropriate regulation and oversight. The Nuclear Regulatory Commission (NRC) only oversees certain aspects of the process, and local communities often lack the resources or authority to hold the outside companies doing the work accountable.

The Village of Buchanan, for example, is facing a tax receipt loss of nearly 50 percent due to the closure of the Indian Point nuclear plant it hosts and the Town of Cortlandt is facing a 2 percent tax loss. Fortunately, the State of New York and its agencies can assume some of the burden and exercise specific State authority to monitor the project. The Department of Public Service will provide administrative support and the Board will include professionals in the relevant fields and has the ability to hire consultants to supply additional expertise.

Will the oversight apply to All reactors in the State?

Many nuclear plants across the country are closing due to high operating costs and aging systems that require expensive repairs. Indian Point is already in the process of closing and plants in upstate New York will undoubtedly follow suit in the years ahead. In order to protect the interests of the State and the host communities, the legislation will create an individual DOB for each plant at the time it announces its closure.

What is the History of the DOB Proposal?

When the Indian Point plant announced that it was closing, Cortlandt Town Supervisor Linda Puglisi established a "Community Unity" Task Force - but it is set to expire once the reactors close.

To continue their governmental involvement, a Community Advisory Panel (CAP) was created by the Village of Buchanan Mayor, Theresa Knickerbocker, who serves as its Chairperson, and

Cortlandt Town Supervisor Puglisi, who serves as Vice-Chairperson. The CAP is composed of elected officials and other community leaders. Its goal is “to work with other task forces and ensure that local concerns are prioritized.”

New York State implemented its own Task Force when the Indian Point closure was announced. It is headed by Tom Congdon of the NY Public Services Department, the department that would be the lead agency on the DOB. But that Task Force is also scheduled to disband when the last Indian Point reactor closes. At that point the State could lose its opportunity to monitor and oversee the project unless an ongoing State Oversight Board is created.

The proposal for an ongoing oversight board has been progressing for well over two years and input from all local and regional elected officials has been repeatedly sought. The initial proposal was modified to include greater involvement of State agencies after discussions and suggestions from State Senator Pete Harckham, Assemblymember Sandy Galef, and others. Along with the local CAP, the State DOB will parallel the complementary operations of the Cortlandt and State task forces.

Although the NRC has recently studied community boards’ participation in the decommissioning process, it hasn’t endorsed any particular type of organization and various formats have been used in other places where plants have closed or are closing. No single model has emerged as being the most effective for oversight, but we feel that the DOB legislation can serve as a good example for groups in other states.

How does the DOB define the ‘Local Community’?

While the host communities experience the greatest financial effects of plant closures, others are also subject to a variety of risks. For example, workers and businesses that support the Indian Point plant operations come from Peekskill, Ossining, Yorktown and other places. Some live within the 10-mile radius encompassing the most intense emergency planning zone. However, nuclear emergencies elsewhere have required the evacuation of a 50-mile radius. Potential tax increases would impact everyone in the State. The DOB will be able to seek input from and offer protection to this wider affected community.

Who will be Members of the DOB?

Seven DOB members will represent State agencies that have jurisdiction over the applicable regulatory areas, including the Chief Executive Officer of the Department of Public Service who will chair the Board. The elected State Comptroller and Attorney General will also serve on the Board and the Governor and members of both parties in the NY Senate and Assembly will appoint a total of 10 community members.

To provide representation for the range of people impacted at each individual plant, the appointed members are expected to be individuals that:

- have experience researching and advocating about issues related to the plant,
- represent labor unions whose members were employed at the plant,
- are from environmental organizations concerned with Environmental Justice,
- have scientific or technical background relevant to nuclear power plant decommissioning or engineering,
- serve in local or regional emergency planning, and
- are local or regional elected officials, including the chief executive officer of the host community or their delegate.

The Board will have the ability to hire independent experts when needed and meetings will be open to public and will seek public comment.

What are the Functions and Authority of the DOB?

The DOB will monitor and oversee decommissioning decisions and will provide a channel for public input into how the private companies conduct the decommissioning work. One particular area of concern is the adequacy of the Decommissioning Trust Fund (DTF) that NY electricity customers paid into for many decades.

Holtec, the company seeking to acquire Indian Point, has a history of lies, bribes, and risk-taking, and it lacks capitalization of its own. The subsidiaries Holtec plans to use to take over the plant are structured as LLCs. They will have no financial resources except for the DTF and can go bankrupt without damaging the parent company. We need to ensure that they won't use up the DTF and walk away - leaving NY State liable for the remaining cleanup costs.

The NRC has disavowed oversight of the DTF, so that aspect of decommissioning is clearly not preempted. If the companies responsible for decommissioning are left to do as they please, State taxpayers will be left holding the bag. Not a happy thought.

Will the DOB be able to achieve Significant Results?

According to an announcement from Holtec, the company has come to an agreement with the State of Massachusetts on key issues related to their decommissioning of the Pilgrim Nuclear Station. The agreement follows pressure by Massachusetts State officials and provided: decommissioning trust fund protection, more stringent radiological clean-up limits, and additional site monitoring and management. We expect even more from DOB oversight by the State of New York. And a DOB passed by the Legislature and signed into law by the Governor would have a greater likelihood of being granted standing in court should the need to intervene arise.

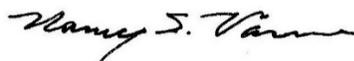
Why Now?

We must be proactive in making sure decommissioning is done properly; that means strong oversight of the process.

The Legislature has already passed three Bills that will help the local communities and their residents, which are now waiting for the Governor's signature. They would help retain existing nuclear plant workers during decommissioning, extend payment in lieu of taxes (PILOT) agreements for closed electrical facilities, and enable taxation of the spent fuel rods and casks that will remain onsite. To provide ongoing engagement and continue protections for all our State residents, the DOB legislation needs to come to a vote in this legislative session.

Thanks so much for your interest in this important project and please feel free to contact us (646-831-5811 mobile & text) with any additional questions you might have.

Best Regards,



Nancy S. Vann
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