

SENATE BILL REPORT

SB 5115

As of February 25, 2015

Title: An act relating to studying the siting of small modular reactors in Washington.

Brief Description: Studying the siting of small modular reactors in Washington.

Sponsors: Senator Brown.

Brief History:

Committee Activity: Energy, Environment & Telecommunications: 2/12/15, 2/18/15 [DPS-WM, DNP, w/oRec].

Ways & Means: 2/24/15.

SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TELECOMMUNICATIONS

Majority Report: That Substitute Senate Bill No. 5115 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Ericksen, Chair; Sheldon, Vice Chair; Braun, Brown and Honeyford.

Minority Report: Do not pass.

Signed by Senators Cleveland, Habib and Ranker.

Minority Report: That it be referred without recommendation.

Signed by Senator McCoy, Ranking Minority Member.

Staff: William Bridges (786-7416)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Sherry McNamara (786-7402)

Background: Energy Facility Site Evaluation Council (EFSEC). Created in 1970, EFSEC is the permitting and certificating authority for the siting of major energy facilities in Washington. An EFSEC site certification authorizes an applicant to construct and operate an energy facility in lieu of any other permit or document required by any other state agency or subdivision.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

EFSEC Members. EFSEC is comprised of a chair appointed by the Governor, and representatives from five state agencies: the Departments of Commerce, Ecology, Fish and Wildlife, and Natural Resources, and the Utilities and Transportation Commission. Four other departments may each choose to participate in EFSEC for a particular project: Agriculture, Health, Transportation, and Military. Local governments must also appoint members to EFSEC for the review of proposed facilities located in their jurisdictions.

EFSEC Jurisdiction. EFSEC's siting jurisdiction includes nuclear power plants of any size and thermal electric power plants with a generating capacity of 350 megawatts (MW) or greater. Energy facilities of any size that exclusively use alternative energy resources, such as wind power, can also opt into the EFSEC review and certification process.

Small Modular Reactor (SMR). A traditional base-load nuclear power plant generates 1000 MW or more of electricity, while an SMR is a nuclear power plant designed to generate 300 MW or less. An SMR is also designed to be factory-fabricated and transportable by truck or rail to a nuclear power site. The U.S. Department of Energy has a program to advance the certification and licensing of domestic SMR designs.

SMR Study. The 2013-15 Capital Budget (ESSB 5035) appropriated \$500,000 for the development of an SMR proposal by the Tri-City Development Council. A final report was issued in September 2014, which concluded, among other things, that siting an SMR at Hanford would be technically feasible.

Joint Select Task Force on Nuclear Energy (Task Force). The 2014 Legislature created the Task Force to study, among other things, the generation of energy in the region through the use of nuclear power. As part of its activities, the Task Force visited an SMR development company in Corvallis, Oregon in November 2014.

Summary of Bill (Recommended Substitute): Requiring EFSEC to Study the Siting of SMRs in Washington. The EFSEC study must include the following:

- identify possible locations in the state where SMRs can be located;
- identify permits and studies that need to be conducted in order to facilitate the siting of SMRs;
- consult with the Military Department, the Department of Ecology, and the Department of Health; and
- recommend how the siting and permitting process can be streamlined for SMRs, including recommendations for establishing general or programmatic permits or processes developed in consultation with the identified departments.

EFSEC must report its findings and recommendation to the Legislature and Governor by December 1, 2015.

SMR means (1) a scalable nuclear power plant using reactors each with a gross power output no greater than 300 MW of electricity; (2) where each reactor is designed for factory manufacturing and ease of transport, such as by truck, rail, or barge.

EFFECT OF CHANGES MADE BY ENERGY, ENVIRONMENT & TELECOMMUNICATIONS COMMITTEE (Recommended Substitute): Requires

EFSEC to consult with the Military Department, the Department of Ecology, and the Department of Health and develop recommendations for general or programmatic permits for siting SMRs. Changes the definition of SMR.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill (Energy, Environment & Telecommunications): PRO: Idaho, Utah, and Montana are possible sites where SMRs might be sited. Washington should also be considered given the nuclear experience already here. Washington needs to be a leader and it is important to start now. All energy produces waste, including solar cell manufacturing. Nuclear waste is not a scientific problem but a political one. The state's congressional delegation supports nuclear power. NuScale employs 500 people and spends \$10 million per month and is looking for a manufacturing area that has expertise and a high acceptance of nuclear energy. A clear, efficient path for siting will lead to the possibility of having SMRs located here.

CON: Nuclear is not clean and has a propensity for accidents. There is no proof SMRs will work and even if they do, they will still produce dangerous waste. There are paper reactors and real reactors; assurances about paper reactors need to be taken with a grain of salt. Experts touted the salt caverns in Carlsbad, New Mexico as a safe place to store nuclear waste but even they had an accident recently. Hydroelectricity is the best baseload power for renewables, not nuclear power. Conservation is an underestimated resource that will make SMRs unnecessary.

Persons Testifying (Energy, Environment & Telecommunications): PRO: Senator Brown, prime sponsor; Dale Atkinson, NuScale Power, LLC; James Gaston, Energy NW; Michael Luzzo, Allan Ewrhart, Vic Parrish, citizens.

CON: Charles Johnson, Thomas Buchanan, Steven Gilbert, WA Physicians for Social Responsibility; Marcia Leister, citizen.

Staff Summary of Public Testimony (Ways & Means): PRO: There is a need for our state to take advantage of the clean energy and economic development potential nuclear power provides. There is bipartisan support, including our federal delegation. This bill provides for a study to identify locations where SMRs might be located.

OTHER: The state of Washington's EFSEC has the responsibility to evaluate the siting of energy facilities in the state. This study bill is consistent with that.

Persons Testifying (Ways & Means): PRO: Senator Brown, prime sponsor.

OTHER: Bill Lynch, EFSEC.