### AT: T – Production

#### We meet – we reduce restrictions on the operating of SMRs – evacuation, security and staffing requirements are all operational license restrictions

#### We meet – We eliminate NRC regulations to a level that makes SMR licensing cost effective

#### C/I – Reduce means to lower to an inferior condition, not eliminate

CJS, Corpus Juris Secundum - legal encyclopedia, 52

(Vol. 76, p. 178)

It has been said that in its ordinary signification “reduce” does not mean to cancel, destroy, or bring to naught, but to diminish, lower, or bring to an inferior state; and this is variously defined as meaning to bring to a former state; to bring to a certain condition; to bring to an inferior state with respect to rank, size, quality, value, or the like; to diminish; to lower; to degrade or impair; to replace; to restore.

#### Restriction means policy limitation – including regulation

PLD 12  
(People’s Law Dictionary – site last updated 2012, <http://dictionary.law.com/Default.aspx?selected=1835-http://dictionary.law.com/Default.aspx?selected=1835>)

restriction n. any limitation on activity, by statute, regulation or contract provision. In multi-unit real estate developments, condominium and cooperative housing projects managed by homeowners’ associations or similar organizations, such organizations are usually required by state law to impose restrictions on use. Thus, the restrictions are part of the "covenants, conditions and restrictions" intended to enhance the use of common facilities and property which are recorded and incorporated into the title of each owner.

#### Prefer our interpretation – their definitions conclude anything that limits production is topical which is what the plan changes

#### NRC Licensing process is the main barrier to SMR energy production

Hopf, Senior Nuclear Engineer, ’11

[Jim Hopf, Senior Nuclear Engineer, Member of the American Nuclear Society’s Public Information Committee, “[Roadblock in Congress for SMR Development,”](file:///C:/Users/Abhik/AppData/Roaming/Microsoft/Word/Roadblock%20in%20Congress%20for%20SMR%20Development,) October 25th 2011, http://ansnuclearcafe.org/2011/10/25/congress-smr/]

As many have observed, the main barrier to the deployment of SMRs may not be a lack of government financial or R&D support, but instead the enormous amount of time and money required to get new reactor designs licensed by the NRC. Reactor licensing processes have been taking many years and costing more than a $100 million dollars. Even approving an exact copy of an already-licensed reactor design (for a new site) is projected to take more than two years. Even SMRs that deploy conventional light-water technology (such as NuScale or mPower) can expect a long (~ 5 year) licensing process (starting in late 2012 or 2013). For non-conventional technologies like Hyperion, who knows how long it will take? The NRC has stated that non-conventional SMRs like Hyperion are not on its priority list right now, and that it will only consider such an application when a serious customer has been found (thus setting up a chicken-egg problem). Other issues that may hold back SMRs include security and emergency planning/evacuation requirements, and per-reactor NRC fees. If the NRC is not willing to consider the SMRs’ lower potential radioactivity release, as well as the lower probability of such release, in setting these requirements, as well as scaling fees with reactor capacity, it may destroy SMRs’ economic viability. Perhaps a more effective way for the government to support SMRs is for it to do something to reduce the licensing-related barriers discussed above, as opposed to outright financial support of SMR development. Possible options include making sure the NRC has sufficient resources to handle the entire volume of incoming license applications, somehow limiting the scope of review, or requiring the NRC to complete reviews within some fixed, reasonable time period.

#### NRC approval is a pre-requisite to building and operating plants – their T violation doesn’t make sense in the context of nuclear restrictions

NRC 5  
(Nuclear Regulatory Commission, "Backgrounder on Nuclear Power Plant Licensing Process," July 2005, <http://www.nrc.gov/reading-rm/doc-collections/fact-sheets/licensing-process-bg.html-http://www.nrc.gov/reading-rm/doc-collections/fact-sheets/licensing-process-bg.html>)

The Nuclear Regulatory Commission (NRC) is responsible for licensing and regulating the operation of commercial nuclear power plants in the United States. Currently operating nuclear power plants have been licensed under a two-step process described in Title 10 of the Code of Federal Regulations (10 CFR) under Part 50. This process requires both a construction permit and an operating license. In an effort to improve regulatory efficiency and add greater predictability to the process, in 1989 the NRC established alternative licensing processes in 10 CFR Part 52 that included a combined license. This process, although not used to date, combines a construction permit and an operating license with conditions for plant operation. Other licensing alternatives under Part 52 include Early Site Permits that allow an applicant to obtain approval for a reactor site without specifying the design of the reactor(s) that could be built there, and certified standard plant designs which can be used as pre-approved designs. In either process (10 CFR Part 50 or Part 52), before a nuclear power plant can be built and operated, approval must be obtained from the NRC. In both licensing processes the NRC maintains oversight of the construction and operation of a facility throughout its lifetime to assure compliance with the Commission's regulations for the protection of public health and safety, the common defense and security, and the environment.

#### They overlimit – no NRC licensing affs means the restrictions side of nuclear power is eliminated – Nuclear is the biggest aff on the topic – cutting out half of our solvency kills aff innovation

#### No ground loss – we defend an increase in nuclear power production from SMRs – they get all their DA’s and CP’s to doing that

#### Default to Reasonability – competing interpretations causes a race to the bottom – over-incentivizes going for T to arbitrarily limit out the aff

#### Nuclear energy production includes construction

Shoutblogger, ’11

[Shoutblogger, “4 Myths About Nuclear Energy,” March 23rd 2011, http://shoutbloger.blogspot.com/2011/03/4-myths-about-nuclear-energy.html]

Today, nuclear power is far more expensive than coal or gas fired electricity, especially because nuclear materials are very expensive to build. Estimated cost of these materials reached $ 5 billion. An MIT study in 2009 estimated that the cost of nuclear energy production (including construction, maintenance and fuel) is about 30 percent higher than coal or gas.

### **AT: OPEC**

#### Nuclear power doesn’t compete with oil

Toth, IAEA Energy Economist, ’06

[Ferenc Toth, Senior Energy Economist @ IAEA, and Hans-Holger Rogner, section head @ IAEA, 2006, “Oil and nuclear power: Past, present, and future”, Energy Economics 28, 2006, p. 22]

While the past expansion of nuclear energy occurred to the detriment of oil in the power sector, this is no longer the case today and highly unlikely to reoccur in the future. The respective market structures in which nuclear and oil operate now display little overlap and an expansion of nuclear power would not impinge on oil sales to power generation. Nuclear supplies base load to large grid-integrated markets where oil provides some peak supply, back-up capacity, small-scale and non-grid applications. Oil’s main markets are the low energy demand intensity rural and remote areas usually with little or no grid integration. In an environmentally unconstrained future, nuclear power competes primarily against coal and possibly natural gas, depending on how closely natural gas prices track oil market prices and whether or not gas infrastructures are in place. However, current trends towards electricity market liberalization relying more on private sector shareholder value maximization create economic barriers to the expansion of present-day nuclear plants because of their high up-front capital costs and long amortization periods. In the absence of public policy support and/or the emergence of innovative reactor designs that lower the costs and further improve operating safety, nuclear power’s market share might indeed follow a downward trajectory. Yet there is some evidence to the contrary. The order of the new Olkiluoto reactor in Finland is based on several studies, each confirming that nuclear generation is the best economic option to satisfy increasing demand for electricity (WNA, 2004).

### **AT: Worker Shortage**

#### Ux ev on nat gas says manufacturing high now

#### We solve worker shortages

Kammen 7 (Daniel, Professor in Public Policy Specializing in Energy and Resources – University of California, Berkeley, and Gregory F. Nemet, Professor of Public Policy – University of California, Berkeley, “Energy Myth Eleven – Energy R&D Investment Takes Decades To Reach The Market”, Energy and American Society – Thirteen Myths, Ed. Sovacool and Brown, p. 304-305)

We also examined the thesis that these large programs “crowd out” other research and using the data described in this study, found that the evidence for this contention is weak or nonexistent. In fact, large government R&D initiatives were associated with higher levels of both private sector R&D and R&D in other federal programs. The economy-wide effects of such major R&D programs could arguably be either negative or positive. The positive macro effects of R&D accrue from two types of “spillovers:” firms do not capture the full value of their innovations (Jones and Williams, 1998) and indirect benefits emerge, such as the 10:1 benefit ratio of the Apollo program (Apollo-Alliance, 2004) and the numerous unanticipated applications of energy R&D to product improvements in other fields (e.g., Brown and Wilson, 1998). Assuming that the value of the direct outcomes of an R&D program exceed investment, the main negative consequence of large R&D programs is that they may crowd out R&D in other sectors by limiting these other sectors’ access to funding and scientific personnel.9 The R&D data described above can be used to develop a simple model relating these six major federal R&D programs to R&D spending in other areas, both in the public and private sectors. We test two aspects of the crowding-out hypothesis: First, whether large federal programs are associated with reduced spending in other federal R&D, and second, whether these programs lead to lower spending in private sector R&D. In a model of spending on other federal R&D activities, we controlled for GDP and found that the coefficient for the targeted R&D effort is small, positive, and significant.10 We found a similar result in a model explaining private R&D.11 Our data on private R&D extend only to 1985, and therefore do not go back far enough to test for significant results. However, a glance at R&D trends in both energy and biotech show that private investment rose during periods of large government R&D increases. One interpretation of these results is that the signal of commitment that a large government initiative sends to private investors outweighs any crowding out effects associated with competition over funding or retention of scientists and engineers. Another is that in these long-term programs, the stock of scientists and engineers is not fixed. Just as the dearth of activity in the nuclear sector has led to decreased enrolment in graduate programs, a large long-term program with a signal of commitment from public leaders can increase the numbers of trained professionals within a few years. These results suggest that the crowding-out effect of previous programs was weak, if it existed at all. Indeed our results indicate the opposite of a crowding-out effect: large government R&D initiatives are associated with higher levels of both private sector R&D and R&D in other federal programs.12

#### US nuclear power increasing now

Silverstein 12

(Ken, Energy Central editor, contributor to Forbes, "Nuclear Energy Won’t Die," 5-7-12, <http://www.forbes.com/sites/kensilverstein/2012/05/07/nuclear-energy-wont-die/>)

Some thought that nuclear energy may get buried after the Japanese Fukushima deluge. But the rumblings in this country are suggesting that it won’t die.Several issues are creeping back into the American consciousness at once: The revival of Yucca Mountain, the safety measures enacted and the possibilities of surviving a nuclear accident here and finally, the licensing of two new nuclear sites after 33 years. The message that is radiating from those seemingly disparate events is that the nuclear resurgence is gathering more steam. “The United States is building new nuclear energy facilities under an improved licensing process that exhaustively addresses safety considerations,” says Marvin Fertel, chief executive officer of the Nuclear Energy Institute. “It also assures that the lessons learned from the industry’s licensing and construction experience are properly applied to future projects.” The U.S. Nuclear Regulatory Commission (NRC) granted two separate licenses to build nuclear reactors this year: One went to Southern Company and the other to Scana Corp. so that both companies could build two reactors on existing sites. Now, if those utilities can stay on time and on budget, the consensus among energy insiders here is that it would lead to more such construction. But according to Fertel, the nuclear revolution — to this point — has been a quiet one: U.S. electricity demand has risen more than 80 percent since the NRC last approved a construction permit in 1979. Unbeknownst to most people is that at least half of that demand has been met by nuclear facilities that have increased their rate of production by 40 percent during much of that time.

#### Natural gas price volatility crushes the chemical industry

ACC, American Chemistry Council, 05

(THE IMPACTS OF HIGH ENERGY COSTS TO THE AMERICAN CONSUMER, www.gpo.gov/fdsys/pkg/CHRG-109hhrg21446/html/CHRG-109hhrg21446.htm)

The unbalanced and volatile U.S. natural gas market has had a severe impact on the chemical industry. Today, U.S. natural gas prices are the highest in the world--over $7 per million BTUs, versus $5.25 in Europe, $4.50 in China and Japan and $1.25 or less in the Middle East and Russia. The chemical industry is the backbone of our nation's manufacturing sector. It is the largest industrial user of natural gas. The chemical industry uses natural gas for heat and power, but also as a raw material, a key ingredient, used to make thousands of products that consumers use every day.

#### The chemical industry is key to solve sustainability problems – prevents extinction

Baum, Editor-in-chief of the American Chemical Society's Chemical and Engineering News, 99

(C&E News, “Millennium Special Report,” http://pubs.acs.org/hotartcl/cenear/991206/7749spintro2.html)

The pace of change in today's world is truly incomprehensible. Science is advancing on all fronts, particularly chemistry and biology working together as they never have before to understand life in general and human beings in particular at a breathtaking pace. Technology ranging from computers and the Internet to medical devices to genetic engineering to nanotechnology is transforming our world and our existence in it. It is, in fact, a fool's mission to predict where science and technology will take us in the coming decade, let alone the coming century. We can say with finality only this: We don't know. We do know, however, that we face enormous challenges, we 6 billion humans who now inhabit Earth. In its 1998 revision of world population estimates and projections,the United Nations anticipates a world population in 2050 of 7.3 billion to 10.7 billion, with a "medium-fertility projection," considered the most likely, indicating a world population of 8.9 billion people in 2050. According to the UN, fertility now stands at 2.7 births per woman, down from 5 births per woman in the early 1950s. And fertility rates are declining in all regions of the world. That's good news. But people are living a lot longer. That is certainly good news for the individuals who are living longer, but it also poses challenges for health care and social services the world over. The 1998 UN report estimates for the first time the number of octogenarians, nonagenarians, and centenarians living today and projected for 2050. The numbers are startling. In 1998, 66 million people were aged 80 or older, about one of every 100 persons. That number is expected to increase sixfold by 2050 to reach 370 million people, or one in every 24 persons. By 2050, more than 2.2 million people will be 100 years old or older! Here is the fundamental challenge we face: The world's growing and aging population must be fed and clothed and housed and transported in ways that do not perpetuate the environmental devastation wrought by the first waves of industrialization of the 19th and 20th centuries. As we increase our output of goods and services, as we increase our consumption of energy, as we meet the imperative of raising the standard of living for the poorest among us, we must learn to carry out our economic activities sustainably. There are optimists out there, C&EN readers among them, who believe that the history of civilization is a long string of technological triumphs of humans over the limits of nature. In this view, the idea of a "carrying capacity" for Earth—a limit to the number of humans Earth's resources can support—is a fiction because technological advances will continuously obviate previously perceived limits. This view has historical merit. Dire predictions made in the 1960s about the exhaustion of resources ranging from petroleum to chromium to fresh water by the end of the 1980s or 1990s have proven utterly wrong. While I do not count myself as one of the technological pessimists who see technology as a mixed blessing at best and an unmitigated evil at worst, I do not count myself among the technological optimists either. There are environmental challenges of transcendent complexity that I fear may overcome us and our Earth before technological progress can come to our rescue. Global climate change, the accelerating destruction of terrestrial and oceanic habitats, the catastrophic loss of species across the plant and animal kingdoms—these are problems that are not obviously amenable to straightforward technological solutions. But I know this, too: Science and technology have brought us to where we are, and only science and technology, coupled with innovative social and economic thinking, can take us to where we need to be in the coming millennium. Chemists, chemistry, and the chemical industry—what we at C&EN call the chemical enterprise—will play central roles in addressing these challenges. The first section of this Special Report is a series called ["Millennial Musings"](https://mail.kinkaid.org/Redirect/pubs.acs.org/hotartcl/cenear/991206/7749muse1.html) in which a wide variety of representatives from the chemical enterprise share their thoughts about the future of our science and industry. The five essays that follow explore the contributions the chemical enterprise is making right now to ensure that we will successfully meet the challenges of the 21st century. The essays do not attempt to predict the future. Taken as a whole, they do not pretend to be a comprehensive examination of the efforts of our science and our industry to tackle the challenges I've outlined above. Rather, they paint, in broad brush strokes, a portrait of scientists, engineers, and business managers struggling to make a vital contribution to humanity's future. manipulation and corporate control over food. The first essay, by Senior Editor Marc S. Reisch, is a case study of the [chemical industry's ongoing transformation to sustainable production.](https://mail.kinkaid.org/Redirect/pubs.acs.org/hotartcl/cenear/991206/7749sustain.html) Although it is not well known to the general public, the chemical industry is at the forefront of corporate efforts to reduce waste from production streams to zero. Industry giants DuPont and Dow Chemical are taking major strides worldwide to manufacture chemicals while minimizing the environmental "footprint" of their facilities.  This is an ethic that starts at the top of corporate structure. Indeed, Reisch quotes Dow President and Chief Executive Officer William S. Stavropolous: "We must integrate elements that historically have been seen as at odds with one another: the triple bottom line of sustainability—economic and social and environmental needs." DuPont Chairman and CEO Charles (Chad) O. Holliday envisions a future in which "biological processes use renewable resources as feedstocks, use solar energy to drive growth, absorb carbon dioxide from the atmosphere, use low-temperature and low-pressure processes, and produce waste that is less toxic." But sustainability is more than just a philosophy at these two chemical companies. Reisch describes ongoing Dow and DuPont initiatives that are making sustainability a reality at Dow facilities in Michigan and Germany and at DuPont's massive plant site near Richmond, Va.  Another manifestation of the chemical industry's evolution is its embrace of life sciences. Genetic engineering is a revolutionary technology. In the 1970s, research advances fundamentally shifted our perception of DNA. While it had always been clear that deoxyribonucleic acid was a chemical, it was not a chemical that could be manipulated like other chemicals—clipped precisely, altered, stitched back together again into a functioning molecule. Recombinant DNA techniques began the transformation of DNA into just such a chemical, and the reverberations of that change are likely to be felt well into the next century. Genetic engineering has entered the fabric of modern science and technology. It is one of the basic tools chemists and biologists use to understand life at the molecular level. It provides new avenues to pharmaceuticals and new approaches to treat disease. It expands enormously agronomists' ability to introduce traits into crops, a capability seized on by numerous chemical companies. There is no doubt that this powerful new tool will play a major role in [feeding the world's population](https://mail.kinkaid.org/Redirect/pubs.acs.org/hotartcl/cenear/991206/7749food.html) in the coming century, but its adoption has hit some bumps in the road. In the second essay, Editor-at-Large Michael Heylin examines how the promise of agricultural biotechnology has gotten tangled up in real public fear of genetic manipulation and corporate control over food.

### AT: IAEA Tradeoff 2AC

#### The link is non-unique – nuclear renaissance proves it’s inevitable

#### **Inspections are useless**

Lyman, Senior Scientist at the Union of Concerned Scientists, 10

(Resolving a Safeguards Paradox, www.iaea.org/OurWork/SV/Safeguards/Symposium/2010/Documents/PapersRepository/3244938985649764720068.pdf)

In practice, however, the scope of safeguards implementation in NWS was greatly restricted from the start. It soon became clear that the cost of applying safeguards to all civil facilities in the U.S. and the U.K. would be prohibitive. The IAEA then adopted additional criteria to determine which eligible facilities it would select for safeguards, including those of advanced design and those sensitive to international competition.[2] The IAEA also said it would take into account the need to avoid discrimination among commercial firms within the United States, a principle which was subsequently incorporated in the text of the Safeguards Agreement (Article 2(c)). Moreover, the objectives of IAEA safeguards in nuclear weapon states are different than those in non-nuclear weapon states. In NWS, the IAEA need only verify that nuclear material is not withdrawn from safeguarded facilities (except as provided for in the agreement), while in NNWS, the IAEA must verify the absence of diversion. 1.2 Flaws in NWS safeguards As a consequence of the voluntary nature of the safeguards regime in NWS, and the less stringent safeguards goals for NWS defined in their safeguards agreements, safeguards in NWS today are far from comprehensive, and hence are of marginal practical or symbolic value. First, not all civil facilities in NWS are offered for IAEA safeguards, and even those that are can be withdrawn at any time. Second, the IAEA has maintained its policy of greatly restricting the selection of eligible facilities in NWS for safeguards because resource constraints continue to compel the Agency to focus on more critical missions in NNWS. Over the years the IAEA has refined the criteria it uses to judge whether to select facilities for safeguards under voluntary offer agreements. These include consideration of whether safeguards would (i) satisfy other legal obligations by States; (ii) provide useful experience; and (iii) would be more cost-effective to apply in exporting States than in importing States.

#### **Doesn’t take out solvency – SMR tech itself is the internal link to prolif**

#### **Non-unique – IAEA deals with resource constraints now**

Lyman, Senior Scientist at the Union of Concerned Scientists, 10

(Resolving a Safeguards Paradox, www.iaea.org/OurWork/SV/Safeguards/Symposium/2010/Documents/PapersRepository/3244938985649764720068.pdf)

The discriminatory treatment of nuclear-weapon states (NWS) and non-nuclear-weapon states (NNWS) under the NPT remains a source of tension. Unlike the NNWS, the five NWS are not required to accept IAEA safeguards, but all NWS provide for safeguards on a voluntary basis at selected facilities. For example, the United States and United Kingdom allow safeguards to be applied to any facility without national security significance. Accordingly, the NWS submit to the IAEA lists of facilities that they judge "eligible" for safeguards. Sensitive facilities in NWS that have not been deemed eligible for safeguards include most areas of the La Hague reprocessing plant in France, the laser isotopic enrichment plant under development in North Carolina, or the enrichment plant(s) that Russia intends to use to supply the International Uranium Enrichment Center (although the IUEC itself is eligible for safeguards). In addition, the IAEA typically only selects a tiny fraction of eligible facilities for verification, because of resource constraints and doubts about the practical purpose of applying safeguards in a state that already has nuclear weapons. However, this practice further exacerbates the imbalance between the de facto obligations of the NWS and NNWS. In recent years, as the safeguards responsibilities of the IAEA have multiplied without a proportionate increase in its budget, the IAEA has maintained strict limits on its verification activities in NWS. But at the same time, numerous sensitive fuel cycle facilities in NWS are under construction or planned, increasing the disparity in the scope of verification activities in NWS and NNWS. For example, the IAEA is not likely to apply safeguards to any of the several new enrichment plants under construction or planned in the United States, even for these facilities placed on the eligible list.

### **ME Prolif**

#### Middle East prolif isn’t inevitable even with Iranian weapons – policy decisions that strengthen leadership can avoid the impact

Fitzpatrick 2009 (January/February, Mark, “Drawing a Bright Redline: Forestalling Nuclear Proliferation in the Middle East” <http://www.armscontrol.org/act/2009_01-02/Fitzpatrick>)

If Iran goes nuclear, so too will more of its neighbors, or so says the established wisdom. It is a logical deduction given the extent to which Egypt, Saudi Arabia, and Turkey feel a need to maintain power and political parity with Iran and the security concerns that Persian Gulf countries already harbor about the would-be regional hegemon to their northeast. If any of them follow Iran or if Israel abandons its policy of nuclear opacity, the domino effect could spread further and include counties, such as Algeria, that have sparked proliferation concerns in the past. A proliferation cascade in the Middle East is not a foregone conclusion. Adroit policy choices and practices by the Obama administration can build a bulwark against a Middle East nuclear tipping phenomenon. Of course, the best is to dissuade Iran from going nuclear in the first place. Given that Iran is already producing enriched uranium, however, clarity is needed on what it means to "go nuclear." Operating gas centrifuge cascades does not equate to having the bomb. Treating Iran's enrichment capabilities as equivalent to nuclear weapons status empowers its hard-line leaders and exaggerates the perception of danger among Iran's neighbors, increasing their own security motivations for keeping open a nuclear weapons option. Iran's enrichment technology gives it a latent breakout capability, but size matters, as does warning time. The West has several policy tools to help keep Iran's enrichment program constrained. Deterrence is one of the most important tools. Not just deterring Iran's use of nuclear weapons but also deterring any production of them is a reasonable policy objective. Iran must be convinced that crossing the redline of weaponization would result in dire and certain consequences. The problem is that today the line between latent capability and weaponization is almost invisible. If Iran were to withdraw from the nuclear Nonproliferation Treaty (NPT), expel inspectors, and reconfigure its enrichment facilities at Natanz in an overt breakout, it would not be difficult to calculate the small number of weeks before one weapon's worth of highly enriched uranium (HEU) could be produced using declared facilities. In the more likely case of Iran continuing ostensibly to adhere to the NPT, it would not be possible to know if it were operating clandestine facilities. Some things would be clear indicators of a weapons decision, however, including the discovery of clandestine enrichment facilities, HEU production, new or ongoing weaponization work, a declaration by Iran that it indeed possessed nuclear weapons or the unveiling by intelligence of such a status, and a nuclear test explosion. Meanwhile, the line between a latent capability and weaponization can be made wider and more visible in various ways. Accepting the reality of Iran's enrichment progress does not mean that it or Iran's plutonium-production program based on the Arak heavy-water reactor should be granted legitimacy. The history of concealment and nature of these activities gave the International Atomic Energy Agency (IAEA) Board of Governors reason in September 2005 to conclude that Iran's actions could threaten international peace and security. There is no economic justification to these programs and ample evidence that their purpose is military. Operating the cascades in defiance of five UN Security Council resolutions is an ongoing violation of international law. If Iran is seen as "getting away with it," there will be inevitable repercussions elsewhere, including increasing the potential for a proliferation cascade. By contrast, sanctions that make Iran pay a price for defying the Security Council send an important signal to others who might wish to follow the same route. As long as Iran remains under increasing pressure to stop its sensitive nuclear activities and is penalized for failing to do so, its neighbors have a disincentive to seek enrichment or reprocessing capabilities of their own. Sanctions on Iran thus must remain in place and be strengthened significantly to complement the engagement that then-Democratic presidential candidate Barack Obama said he would pursue and the incentives already on the table, in order to try to persuade Iran and to deter others. The most defensible redline for triggering military action against the facilities, however, is compelling evidence of Iran crossing the line to weaponization. An admission of past weapons development work need not trigger punishment if the admission were part of a strategic change on Iran's part that also facilitated international inspection and dismantlement of associated work and facilities. Iran's coming clean on past activities should not be a sufficient condition in itself for legalizing uranium enrichment if there were still grounds for suspecting its intentions. The United States and its allies should continue to seek to restrict Iran's fissile material production capability through tight export controls, financial isolation, the Proliferation Security Initiative, and other means. Tough sanctions can help to keep the capability latent by denying Iran technology and investment in industries that contribute to the programs and by creating negotiating leverage for insisting on conditions that would contribute to keeping the programs limited and more transparent. The legal barrier between latent capability and weaponization could be strengthened if Iran were to ratify the Comprehensive Test Ban Treaty (CTBT), which will require the United States to exercise leadership in following through with its own ratification. It may be argued that the CTBT has little significance for Iran if it acquired a weapons design from the Abdul Qadeer Khan network that it would not need to test anyway, but CTBT ratification would add to the overall legal framework constraining Iran's options. Controlling Enrichment and Reprocessing The Obama administration should continue the Bush administration goal of controlling the spread of enrichment and spent fuel reprocessing technologies. One way is to offer access to state-of-the-art nuclear power technology with fuel cycle services provided externally. It is far better for states to decide of their own sovereign will not to pursue the sensitive nuclear technologies. Given the ready availability of enriched uranium fuel on the international market, enrichment does not make economic sense for states newly seeking nuclear power. In most cases, states that agree voluntarily to purchase enriched reactor fuel on the international market rather than develop indigenous facilities will find it easier to attract foreign support for nuclear power projects. Reprocessing is an expensive operation subject to large economies of scale and is unjustified on economic grounds. (Until fuel leasing arrangements can be worked out or an international repository for vitrified nuclear waste can be created, temporary spent fuel storage remains the fallback option for the back end of the fuel cycle.) Realizing this, Bahrain, Saudi Arabia, and the United Arab Emirates (UAE) in 2008 all affirmed an intention to forgo sensitive indigenous fuel-cycle technologies. The UAE did so most explicitly in a nuclear energy white paper published in April 2008. Bahrain and Saudi Arabia made the commitment in memoranda of understanding with the United States (one of the little-heralded nonproliferation achievements of the Bush administration). According to UAE officials, a nuclear cooperation agreement between the United States and the UAE that was signed on January 15 usefully locks in this commitment in the form of a provision specifying the right of return of technology and material if the commitment is abrogated. It would be inadvisable to hold up the proposed 123 agreement with the UAE on other grounds, such as the past history of Dubai as a hub for the Khan nuclear black market network. The UAE is implementing new export control laws put in place at Washington's recommendation. In order to crack down on Iranian front companies, the UAE in 2008 sharply reduced the number of business licenses and work visas to Iranian citizens. Nevertheless, UAE export controls still need to be tightened, particularly in the emirate of Dubai, in order to stem the flow of illicit transshipments to Iran in contravention of UN sanctions. One way to assist the UAE in this effort would be to give the UN Iran sanctions monitoring committee real responsibility and a hands-on role by stationing customs experts in Dubai. Delaying the 123 agreement with the UAE would weaken the strong political signal that is sent by offering nuclear cooperation to a country that has accepted all of the nonproliferation conditions asked of it and that can make a legitimate economic case for nuclear power. If a state that forswears any interest in weapons-usable technology and accepts full transparency is thereby able to hasten its prospects for nuclear energy development, this can be a powerful lesson for others and serve as an important regional precedent, in stark contrast with Iran. The Iranian people might well ask their leaders why they pursue policies that lead to increasing isolation and economic sanctions while their neighbors can benefit from peaceful nuclear cooperation with the world. If market mechanisms and guaranteed fuel-cycle services do not persuade recipient states to forgo enrichment and reprocessing, the responsibility for ensuring that nuclear energy in the Middle East does not become a proliferation risk will have to be borne by suppliers. Exporting states could make it clear they will not supply nuclear power plants unless the buyer makes a commitment to sign a version of the 1997 IAEA Model Additional Protocol, which grants inspectors greater rights, and forgo enrichment and reprocessing. Although there is no legal prohibition on these technologies, a consensus is emerging that they need somehow to be controlled. In the case of the Middle East, this will certainly be necessary if nuclear power is ever to flourish in a manner that does not spark proliferation concerns.

### AT: No SMR Investment

#### Companies will invest in SMR’s –

#### The reason SMR’s aren’t being invested in now is because of NRC regulations – removal creates a strong nuclear renaissance – makes any investment way too uneconomical for anyone to contemplate – Wheeler & Spencer & Loris

#### Want a hedge against future natural gas spikes to ensure they make a profit – Perry & Rosner & Goldberg

#### SMR’s are cheap, present less of a fiscal risk, produce less energy than large reactors and have scale-able energy supply – all attractive to investors which creates short-term investment – Cunningham

### AT: NRC PIC

#### Perm – do both

#### Perm – do the CP

#### **No solvency – all our evidence is in the context of safety and staffing regulations barring investment – that’s Marston, Spencer and Loris, Wheeler, and Cunningham**

#### **Need to get rid of staffing**

Grenci, Westinghouse Principal Engineer, ’10

[Tony Grenci, Principal Engineer at Westinghouse Electric Company, “OPERATIONS STAFFING ISSUES RELATING TO SMRs,” INTERIM REPORT OF THE ANS PRESIDENT’S SPECIAL COMMITTEE ON SMR GENERIC LICENSING ISSUES, July 2010]

NRC regulations and policies stipulate operator staffing requirements for licensed nuclear reactor facilities. These requirements are based on experience with the operation of the large, base‐loaded reactors currently in use in the United States. These staffing requirements may not be appropriate or necessary for the new SMR designs, especially considering the simpler and more automated operation of these advanced designs. Additionally, excessive manning requirements need to be addressed early in the design review to avoid placing an undue economic burden on the operation of these SMRs, impacting the perceived viability of SMR vendors’ business plans. For example, using the staffing requirements in 10 CFR 50.54(m)(2)(i), a single‐unit 10‐MW(electric) Toshiba 4S reactor plant would be required to maintain four LOs per shift on‐site. Four on‐shift LOs translate into a combined operating staff of 40 to 80 personnel under current requirements. Considering the size and simplicity of the plant, and the minimal operator intervention necessary for either normal operation or accident response, this level of staffing is excessive. Using 10 CFR 50.54(m)(2)(i) to determine the staffing requirements for a NuScale design plant with twelve modules, for example, is even more problematic, as the table (see Appendix A) does not consider a plant arrangement with greater than three units (reactors) or all the modules being operated from a single control room. Regardless, extrapolating the requirements of 10 CFR 50.54(m)(2)(i) to a twelvemodule SMR facility would result in staffing numbers far in excess of those believed necessary to safely operate the reactor facility.

#### Reducing security and emergency planning requirements key to SMR deployment

Hopf, Senior Nuclear Engineer, ’11

[Jim Hopf, Senior Nuclear Engineer, Member of the American Nuclear Society’s Public Information Committee, [“ Small Modular Reactors and Current Policy Initiatives—Part 2,”](http://ansnuclearcafe.org/2011/06/21/small-modular-reactors-and-current-policy-initiatives-part-2/) June 21st 2011, <http://ansnuclearcafe.org/2011/06/21/small-modular-reactors-and-current-policy-initiatives-part-2/>]

To really help SMRs, what the congress needs to do is reduce the regulatory red tape involved with bringing each SMR module (or any reactor) on line. As discussed yesterday, SMRs may not make economic sense if the financial burden associated with security and emergency planning is no smaller than it is for large reactors. The much smaller potential release from these reactors should be considered when determining such requirements. At a minimum, SMRs deployed at existing plant sites should be able to just make use of the existing emergency plans, and be able to mostly just make use of existing site security. If the NRC does not take the initiative here, legislation may have to be an option.

#### Multiple conditional options bad – it’s a voter – rejecting the arg incentivizes abuse

#### First is skew – aff can’t read their best offense because the neg can just kick their argument and can cross-apply offense, kills fairness

#### Second is research – they can advocate contradictory positions, kills education and advocacy skills

#### One conditional advocacy solves their offense – we should get to advocate perms – only reciprocal option

#### SMRs are much safer then squo conventional plants

Loudermilk, Energy Research Associate @ NDU, ’11

[Micah J. Loudermilk, Research Associate for the Energy & Environmental Security Policy program with the Institute for National Strategic Studies at National Defense University, “Small Nuclear Reactors and US Energy Security: Concepts, Capabilities, and Costs,” Journal of Energy Security, May 2011, <http://www.ensec.org/index.php?option=com_content&view=article&id=314:small-nuclear-reactors-and-us-energy-security-concepts-capabilities-and-costs&catid=116:content0411&Itemid=375>]

Promoting safer nuclear power: The debate over nuclear energy over the years has consistently revolved around the central question “Is nuclear power safe?” Certainly, the events at Fukushima illustrate that nuclear power can be unsafe, however, no energy source is without its own se6t of some inherent risks on the safety front—as last year’s oil spill in the Gulf of Mexico or the long-term environmental consequences of fossil fuel use demonstrate—and nuclear power’s operating record remains significantly above that of other energy sources. Instead, accepting the role that nuclear energy plays in global electricity generation, especially in a clean-energy environment, a more pointed question to ask is “How can nuclear power be made safer?” Although large reactors possess a stellar safety record throughout their history of operation, SMRs are able to take safety several steps further, in large part due to their small size. Due to simpler designs as a result of advancing technology and a heavy reliance on passive safety features, many problems plaguing larger and earlier generations of reactors are completely averted. Simpler designs mean less moving parts, less potential points of failure or accident, and fewer systems for operators to monitor. Additionally, small reactor designs incorporate passive safety mechanisms which rely on the laws of nature—such as gravity and convection—as opposed to human-built systems requiring external power to safeguard the reactor in the event of an accident, making the reactor inherently safer. Furthermore, numerous small reactor concepts incorporate other elements—such as liquid sodium—as coolants instead of the pressurized water used in large reactors today. While sodium is a more efficient heat-transfer material, it is also able to cool the reactor core at normal atmospheric pressure, whereas water which must be pressurized at 100-150 times normal to prevent it boiling away. As an additional passive safety feature, sodium’s boiling point is 575-750 degrees higher than the reactor’s operating temperature, providing an immense natural heat sink in the event that the reactor overheats. Even should an accident occur, without a pressurized reactor no radiation would be released into the surrounding environment. Even on the most basic level, small reactors provide a greater degree of security by merit of providing lower energy output and using less nuclear fuel. To make up for the loss in individual reactor generating capacity, small reactors are generally designed as scalable units, enabling the siting of multiple units in one location to rival the output capacity of a large nuclear plant. However, with each reactor housed independently and powering its own steam turbine, an accident affecting one reactor would be limited to that individual reactor.

#### No impact – Fukushima proves

#### Domestic nuclear industry key to prevent global accidents

Wallace and Williams, Senior Adviser on U.S. Nuclear Energy Project at CSIS and Nuclear Policy Analyst at Partnership for Global Security, 12

(Nuclear Energy in America:Preventing its Early Demise, csis.org/files/publication/120417\_gf\_wallace\_williams.pdf)

Second, setting global norms and standards for safety, security, operations, and emergency response. As the world learned with past nuclear accidents and more recently with Fukushima, a major accident anywhere can have lasting repercussions everywhere. As with nonproliferation and security, America’s ability to exert leadership and influence in this area is directly linked to the strength of our domestic industry and our active involvement in the global nuclear enterprise. A strong domestic civilian industry and regulatory structure have immediate national security significance in that they help support the nuclear capabilities of the U.S. Navy, national laboratories, weapons complex, and research institutions. Third, in the past, the U.S. government could exert influence by striking export agreements with countries whose regulatory and legal frameworks reflected and were consistent with our own nonproliferation standards and commitments. At the same time, our nation set the global standard for effective, independent safety regulation (in the form of the Nuclear Regulatory Commission), led international efforts to reduce proliferation risks (through the 1970 NPT Treaty and other initiatives), and provided a model for industry self-regulation. The results were not perfect, but America’s institutional support for global nonproliferation goals and the regulatory behaviors it modeled clearly helped shape the way nuclear technology was adopted and used elsewhere around the world. This influence seems certain to wane if the United States is no longer a major supplier or user of nuclear technology. With existing nonproliferation and safety and security regimes looking increasingly inadequate in this rapidly changing global nuclear landscape, American leadership and leverage is more important and more central to our national security interests than ever. To maintain its leadership role in the development, design, and operation of a growing global nuclear energy infrastructure, the next administration, whether Democrat or Republican, must recognize the invaluable role played by the commercial U.S. nuclear industry and take action to prevent its early demise.

### AT: Only DOD Action CP (New)

#### 1) No solvency – Only removal of NRC regulations can create a competitive SMR market – no private spillover because investors will not do anything with SMR’s until they think regulations are less costly – That’s Spencer & Loris – both advantages are based on widespread domestic SMR procurement – means they can’t solve

#### 2) Failure to reduce NRC regulations pushes SMR’s back 7 years

Hopf, Senior Nuclear Engineer, ’11

[Jim Hopf, Senior Nuclear Engineer, Member of the American Nuclear Society’s Public Information Committee, “[Roadblock in Congress for SMR Development,”](file:///C:/Users/Abhik/AppData/Roaming/Microsoft/Word/Roadblock%20in%20Congress%20for%20SMR%20Development,) October 25th 2011, http://ansnuclearcafe.org/2011/10/25/congress-smr/]

As many have observed, the main barrier to the deployment of SMRs may not be a lack of government financial or R&D support, but instead the enormous amount of time and money required to get new reactor designs licensed by the NRC. Reactor licensing processes have been taking many years and costing more than a $100 million dollars. Even approving an exact copy of an already-licensed reactor design (for a new site) is projected to take more than two years. Even SMRs that deploy conventional light-water technology (such as NuScale or mPower) can expect a long (~ 5 year) licensing process (starting in late 2012 or 2013). For non-conventional technologies like Hyperion, who knows how long it will take? The NRC has stated that non-conventional SMRs like Hyperion are not on its priority list right now, and that it will only consider such an application when a serious customer has been found (thus setting up a chicken-egg problem). Other issues that may hold back SMRs include security and emergency planning/evacuation requirements, and per-reactor NRC fees. If the NRC is not willing to consider the SMRs’ lower potential radioactivity release, as well as the lower probability of such release, in setting these requirements, as well as scaling fees with reactor capacity, it may destroy SMRs’ economic viability. Perhaps a more effective way for the government to support SMRs is for it to do something to reduce the licensing-related barriers discussed above, as opposed to outright financial support of SMR development. Possible options include making sure the NRC has sufficient resources to handle the entire volume of incoming license applications, somehow limiting the scope of review, or requiring the NRC to complete reviews within some fixed, reasonable time period.

#### 3) Perm - do both

#### 4) No private spillover – expanding the government’s role beyond financial incentives eliminates demonstration value – means they can’t solve prolif

Deutch and Ansolabehere, Professor of chemistry at MIT and Professor of Political Science at MIT, 03 (The Future of Nuclear Power, <http://web.mit.edu/nuclearpower/>)

The second type of “demonstration” project is a first nuclear project carried out by industry, whose success would demonstrate to other private generators that the risks associated with nuclear power are manageable and the cost of new nuclear power is acceptable. Evidently, this type of demonstration is credible only if the government is not involved in design and construction or involved in an indirect manner. Otherwise the project has no “demonstration” value to practical investors considering future investments. The purpose of this demonstration is not to demonstrate a new technology but rather to demonstrate the cost of practical realization of a technology selected by private investors. But a first project bears a risk that subsequent projects do not bear. Investors in subsequent projects have the knowledge that the first of a kind project has been successful (in which case they proceed with greater confidence) or that it has failed (in which case they do not proceed).3 Yet, if the plant successfully meets its cost targets, a large number of additional plants will be built by the industry, taking advantage of the resolution of risk accomplished by the first project were it to proceed. The initial project backers cannot capture the value of the information they provide to subsequent projects. Clearly there is a value to going second and a rational reason to share the risk of the first plant among an entire industry. Such sharing of risk is a matter of bargaining and difficult to achieve in practice. So it may well be in the government’s interest to step in to assure that the demonstration occurs and the uncertainty is resolved. Given the circumstances of nuclear power today, this government interest in the demonstration of actual cost is justified, even when the technology selected is known and plants have been built in the past (although at a cost that today would be considered unaffordable). There must, of course, be a credible basis for believing that technology and industry practices have changed so that a lower capital cost outcome is a reasonable possibility. If the demonstration project results are to be credible to the private sector, the government’s involvement must not be intrusive. We believe the government should step in and increase the likelihood of practical demonstration of nuclear power by providing financial incentive to first movers. We propose a production tax credit of up to $200 per kWe of the construction cost of up to ten “first mover” plants. This benefit might be paid out at 1.7 cents per kWe-hr, over a year and a half of full-power plant operation, since the annual value of this production credit for a 1000 MWe plant operating at 90% capacity factor is $134 million. The $200 per kWe government subsidy would provide $200 million for a 1000 MWe nuclear plant, about 10% of the historically-based total construction cost estimate; accordingly the total outlay for the program could be up to $2 billion paid out over several years.

#### 5) Perm - do the counterplan

#### 6) Republicans criticize military energy investments

Snider, 12 (Annie, E&E reporter, 2/23/2012, “DEFENSE: Military's alt energy programs draw Republicans' ire,” <http://www.eenews.net/public/Greenwire/2012/02/23/2> )

Suspicion is growing among Republican lawmakers that the Defense Department's efforts to move to renewable energy are more about politics than they are about saving lives and boosting security, as officials claim. The Pentagon's green push -- including outfitting Marines and soldiers with solar gear, testing aircraft and ships on biofuels and building renewable power plants at bases -- won supporters from both sides of the aisle over the past year as leaders drew a clear line between the technologies and military might. Stories about how solar equipment allowed units in Afghanistan to carry fewer batteries and more ammunition helped prompt eight Republicans and 15 Democrats -- many of whom hold vastly opposing views on national energy policy -- to last summer form the Defense Energy Security Caucus, which aims to educate Congress on military energy issues, including "the strategic value of utilizing sustainable energy" (E&E Daily, July 8, 2011). And at a subcommittee hearing with the Pentagon's top energy and environment officials last spring, lawmakers were more concerned about where the solar panels being installed at military installations were made than with the policy behind the projects in the first place (E&E Daily, April 14, 2011). But as election-year politics ramp up and Republicans target the Obama administration for its clean energy programs, especially its investment in failed solar panel manufacturer Solyndra, the military's attempts to move to alternative energy are coming under new scrutiny. "Obama is hiding new renewable energy bets at the Pentagon, charging our Defense Department with major investments in 'low-emissions economic development' while cutting their budget by $5.1 billion," Catrina Rorke, director of energy policy at the center-right American Action Forum, wrote in a blog post following the Obama administration's budget release last week. "New energy spending is new energy spending, no matter where it happens."The idea that the administration is using DOD as a more politically palatable vehicle for renewable energy investments is now reverberating across Capitol Hill, even as Pentagon officials flatly deny the allegations. At a budget hearing last week, Navy Secretary Ray Mabus, the department's most high-profile alternative energy advocate, took volley after volley from Republicans on the House Armed Services Committee. They said that his priorities were misplaced, argued that spending on clean energy was taking money out of more important missions and hinted at a link between the Pentagon's green efforts and the prominence of former Silicon Valley clean-tech investors within the Obama administration. "You're not the secretary of the energy, you're the secretary of the Navy," said Rep. Randy Forbes (R-Va.), who leads the subcommittee with jurisdiction over military energy and environment issues. Prime among the lawmakers' complaints was that the military is paying a higher price for some forms of alternative energy at a time when DOD proposes cutting weapons programs and reducing forces in order to meet budget mandates.

#### [ ]

#### 7) Expertise failure – the counterplan falls outside of DOD capabilities

King, Associate Director of Research and Associate Research Professor of International Affairs at George Washington, 11

(March, Feasibility of Nuclear Power on U.S. Military Installations, http://www.cna.org/research/2011/feasibility-nuclear-power-us-military)

A significant liability to DoD ownership and operation is having full responsibility for all risks associated with such an undertaking. The risks are made worse by the fact that such an undertaking would require expertise that is outside DoD core capabilities. All aspects of preparing for, building, and operating nuclear power plants are both complicated and technically challenging. DoD cannot expect to own and/or operate such a project with satisfactory results without devoting considerable time and resources to developing a competent team. Since the expertise of those involved in such a team would be outside core DoD capabilities, it would be difficult for DoD to maintain a satisfactory career path for those personnel. There could be some advantages to creating shore assignments for Navy personnel that would be similar to assignments managing and operating nuclear reactors on ships and submarines. The degree of similarity that would be possible would depend on the type of nuclear power plant built on a DoD installation.

#### 8) The counterplan will be massively delayed and DOD staff won’t be able to operate and maintain SMR’s

GAO 2012

(April, RENEWABLE ENERGY PROJECT FINANCING

Improved Guidance and Information Sharing Needed for DOD Project-Level Officials, Report to Congressional Committees)

Up-front appropriations versus long-term finance charges. Some officials mentioned the length of time it can take to navigate the programming and budgeting process and to obtain appropriations as a drawback to using the up-front appropriated funding approaches for renewable energy projects. Specifically, some officials stated that it can take three to five years from project submission within the service through beginning construction for projects funded through military construction appropriations—including the Energy Conservation Investment Program—because of the length of the budget and appropriations cycle. In contrast, when financing a renewable energy project with an alternative-financing approach, the installation can pay back the costs over time while obtaining the benefit of the project— such as renewable energy production—almost immediately after the project is constructed. However, several officials noted that paying for the project using an alternative-financing approach often leads to a costlier project in the long term when compared to the same project paid for using up-front appropriated funding because of the cost of private financing. We have previously reported that alternative- financing approaches may be more expensive over time than full, up-front appropriations since the federal government’s cost of capital is lower than that of the private sector Operation and maintenance of equipment. According to several officials, the operation and maintenance of equipment is a benefit of most alternatively financed projects and a drawback of projects funded with up-front appropriations. Projects financed with an alternative-financing approach generally involve the contractor operating and maintaining the equipment during the contract period, whereas the government typically is responsible for the operation and maintenance of equipment purchased with appropriated funds. Officials cited this as a significant benefit of alternatively financed projects—and a drawback of projects funded with up-front appropriations—because, according to the officials, installations often do not have personnel on-staff with the knowledge, skills, or expertise to operate and maintain the equipment needed to generate renewable energy. Officials noted, however, that for projects financed with Energy Savings Performance Contracts or Utility Energy Service Contracts, the contract period could be a relatively short period of time. According to these officials, after the contract period ends, the installation assumes ownership—and therefore the operation and maintenance—of the equipment, which can be a drawback of these two approaches.

### Fiscal Cliff 2AC

#### Won’t pass ---

#### a. ideology will swamp any moves to compromise or leverage by Obama

Cook, 11/8 (Nancy, 11/8/2012, “To Avert a Fiscal-Cliff Catastrophe, Someone Has to Blink; Can either party be convinced that there is a difference between a lame-duck surrender and a lame-duck compromise? Probably not.” <http://www.nationaljournal.com/magazine/to-avert-a-fiscal-cliff-catastrophe-someone-has-to-blink-20121108>)

Both parties pledge that they don’t want to plunge from the fiscal cliff—the more than $500 billion in automatic tax hikes and spending cuts scheduled to kick in with the new year. The tax changes alone would affect roughly 90 percent of Americans, according to the nonpartisan Tax Policy Center.

But to avert catastrophe, someone needs to blink.

Since Tuesday, the two parties have been acting conciliatory (even if Obama’s victory gives him a great deal of leverage over Republicans who really don’t want the tax cuts to expire). House Speaker John Boehner and Senate Majority Leader Harry Reid talked on Wednesday about the need to cut a deal. “It’s better to dance than to fight,” as Reid put it. But besides the happy talk, it’s not clear what, if anything, the election has changed. “We have the same cast of characters. We have the same problems. Are we going to get a different result?” asks Douglas Holtz-Eakin, the former director of the Congressional Budget Office and now president of the conservative American Action Forum.

A different result means a large-scale compromise, and that’s one possibility for the lame duck. It is exceedingly remote. Observers think a smaller-scale compromise, however, might be within reach. The administration and Congress could come up with the framework for a deal—with specific targets—that temporarily avoids the sequester, extends the majority of the Bush-era tax cuts, and promises to tackle a grand bargain, as well as tax reform, in 2013. “The key resides in both parties understanding the difference between surrender and principled compromise,” Holtz-Eakin says.

So far, the parties have not acquired that understanding. That’s why another scenario may be more likely: a swan dive off the fiscal cliff after weeks of negotiations and tense wrangling. This would rattle the financial markets and vex a business community already horrified by political brinkmanship. But it would also give the two parties a new starting point for negotiations. Democrats could agree to some Medicare changes in return for additional revenue and higher rates on either individual or investment income; Republicans could negotiate upward the definition of “upper earner” and realize a historic entitlement reduction. That way, they could each say they had gotten what they wanted.

Until then, say experts, neither party may be able to declare victory. Obama has been on the record for four years insisting on a “balanced” solution, and Republicans have tax cuts written into their party’s DNA. How could the players see a difference between surrender and principled compromise when there may be none?

THE FRAMEWORK

Agreeing on the elusive “grand bargain”—or at least the contours of one—is the best-case scenario. It would allow Congress and the administration to reassure financial markets and the business community that they can work together. It would give lawmakers more time to delve into the details of tax policy, spending, and health care in a more meaningful way. Most significantly, it would not plunge the U.S. economy back into a recession. CBO estimates that going over the cliff would slow economic growth to 0.5 percent, while extending the tax cuts and deferring sequestration would lead to 4.4 percent growth.

The framework would have to be specific and enforceable to make it stick. This would include targets for revenue, an agreement on the top income-tax rate for individuals, and an understanding by both parties about how progressive the tax code should be. A framework must also include a penalty—something like sequestration—for failing to follow through. (Otherwise, Washington could keep punting for years.)

Under this scenario, lame-duck negotiators could quickly nail down some cheaper pieces of business: a patch that prevents the alternative minimum tax from hitting the middle class, the annual Medicare “doc fix,” and corporate tax-break extensions to appease the business community. Behind the scenes, some congressional staffers in both parties have also been working on a plan to temporarily undo the sequester’s most immediate $109 billion in cuts by offering up a down payment of $55 billion in savings.

Then the hard work of constructing a grand bargain would begin. In an interview with the Des Moines Register, Obama declared an opening position during his campaign: He wants $1 in revenue for every $2.50 in spending cuts. The term “revenue” is key. “The administration has been clear that they’re open in getting additional revenue from people at the top by ways other than raising the top rate,” Kamin says. “But if you agree to a top rate that is too low, it will be extraordinarily difficult to enact legislation that achieves your revenue goals by broadening the base, simply because cutting some of those tax expenditures may prove to be politically impossible.”

Republicans so far profess an open mind on “revenue,” which could allow a larger and more lasting deficit-reduction pathway: tax reform. Congressional Republicans and administration officials have all said in the last year that they want it. “By working together and creating a fairer, simpler, cleaner tax code, we can give our country a stronger, healthier economy,” Boehner said at a press conference on Wednesday. “A stronger economy means more revenue, which is what the president seeks. Because the American people expect us to find common ground, we are willing to accept some additional revenues via tax reform.”

Politically, this scenario behooves everyone, since it casts Congress and the White House as partners willing to engage in a major budget overhaul in 2013. It is still, however, the less likely outcome.

THE PLUNGE

The far more likely scenario for both parties is a swan dive over the fiscal cliff. The election gave Obama some leverage, especially since the Democrats retained control of the Senate. But House Republicans also kept their majority. Both parties view the status quo as an affirmation of their power. “The president feels like his mandate from a slim margin of victory is to raise taxes,” says a Republican Senate aide privy to GOP discussions. “A razor-thin margin will not change the principles of the Republicans.”

A plunge would follow weeks of behind-the-scenes negotiations, public political posturing, and pressure from outside groups—both political and business ones. And it would surely shake the nation’s confidence. But it might not be all bad.

True, from an economic standpoint, it would turn deficit reduction into a de facto program of austerity, just as the unemployment rate is sinking and the economy is recovering. But from a purely political standpoint, the cliff dive would allow lawmakers to negotiate with a clean slate. Neither party likes a recession per se, but they may both dislike one less than they dislike surrendering their entrenched tax positions.

The fresh start would allow Republicans and Democrats to cut a deal appealing to both parties. As soon as the Republicans reinstated a majority of the 2001 and 2003 tax cuts, they could sell it to their base as a huge windfall: They succeeded in cutting taxes! They could also nudge the Democrats to tweak entitlement programs such as Medicare and potentially Social Security—another selling point with the GOP base. (Democrats may agree to some changes there, but they will be most reluctant to cut programs for the poor, such as Medicaid and food stamps.)

Similarly, the Democrats could use the fiscal-cliff jump as a way to enact Obama’s campaign promises to tax top earners. The Republicans would have to agree to an increase in revenues—not just from future economic growth—and this, in turn, would allow Democrats to say they had fulfilled their campaign pledge and helped to level the playing field.

It’s even possible that, if both parties concoct a deal quickly, they can mitigate the economic effects. But a prolonged battle (during which the spending cuts and tax hikes stay in place) would enervate the economy and sap the confidence of consumers, businesses, creditors, and other countries.

It’s hard to see the route to a quick deal—especially one before the New Year’s deadline—because the players remain the same and the party lines are as extreme as ever. The president did call all four congressional leaders after the election to talk about the fiscal cliff; Obama, Boehner, and Reid spoke this week in a much friendlier tone than they have in the past about the need to compromise. But the substance has not shifted at all since the failed super committee and the epic battle in 2011 over the debt ceiling.

Pabulum about open-mindedness and summits at Camp David will not unify the parties over the next six weeks. Which may mean one thing: a jump over the cliff into the great unknown that hopefully sometime produces a compromise.

#### b. Tea Party will sink deal --- empirical

AFP, 11/9 (Michael Mathes, 11/9/2012, “Tea Party still a force, despite some losses,” <http://www.google.com/hostednews/afp/article/ALeqM5ghHKvO-nUR1ZzCDsfpdTFVr4I2FQ?docId=CNG.f123008f7575a156fb9c945fe5b10c48.6f1>)

WASHINGTON — Despite a handful of high-profile losses by Tea Party-backed candidates, the anti-tax, small-government movement solidified its imprint in the US Congress, with the bulk of its lawmakers re-elected.

Some Democrats took Tuesday's election -- in which President Barack Obama defeated Republican Mitt Romney, increased his Senate majority and clawed back some seats in the House -- as a sign of diminished Tea Party stature two years after many candidates backed by the movement romped to victory in Congress.

House Speaker John Boehner waved off potentially disruptive influences of the fiscally conservative movement in the House of Representatives as he braces for clutch negotiations with Democrats over looming challenges known as the "fiscal cliff."

And he defended the group's goals as broadly consistent with those of Republicans of all stripes within the 435-member House.

"All of us who were elected 2010 were supported by the Tea Party," he told ABC News on Thursday.

"These are ordinary Americans who have taken a more active role in our government, they want solutions," Boehner declared, saying the Republican Party's leadership and members affiliated with the movement "all understand each other a lot better."

But some experts and Tea Party leaders see a fresh clash brewing, even as the movement could be alienating voters in battlegrounds like Florida and red states like Missouri.

"There will be something like a civil war within the Republican Party, with the extreme right of Tea Partyers and the Christian right on one side, and those who were formerly the GOP's mainstream on the other," Brigitte Nacos, a politics professor at Columbia University who tracks the movement, told AFP.

"What is mostly at stake here is the future of the GOP" and its ability to win presidential elections and congressional majorities, she added.

At least 51 of the 55 Tea Party members who ran for re-election on November 6 will return for the 113th Congress that begins in January, although there were some key defeats.

Among them was Allen West, the outspoken former US Army officer and Tea Party hero for his fiery small-government stance, who recently caught criticism when he branded 80 Democrats as "members of the Communist Party."

West is seeking a recount in his Florida district and has not conceded.

Representative Joe Walsh also went down. And in two crucial US Senate races, Tea Party-backed candidates Todd Akin and Richard Mourdock both slumped to defeat, after each recently made comments about abortion that made them appear unsympathetic to rape victims.

Some veteran conservative ideologues were re-elected to the House after tough races, notably Michele Bachmann, a founder of the Tea Party Caucus, who reportedly spent 12 times as much money as her Democratic rival but won her seat by just 3,000 votes.

Jenny Beth Martin, founder of Tea Party Patriots, one of the first such groups in the nation, said that with the "catastrophic loss" of Republican establishment candidate Romney, the Tea Party is the "last best hope" for the country to adhere to its founding principles.

"Our work begins again today," she said in a statement.

"We will turn our attention back to Congress, to fight the battles that lie ahead including balancing the budget, repealing Obamacare, cutting the debt, holding the line on the debt ceiling, and the many other issues that will arise to threaten America."

But Senator Charles Schumer, the number three Democrat in the Senate, described the Tea Party as on the "decline," with several of their candidates having to moderate their positions to win re-election after riding 2010's Tea Party wave.

"Those Tea Party candidates who won, many of them ran away from the Tea Party platform," Schumer said at a Christian Science Monitor breakfast on Thursday.

"They are a little bit chastened, the ones who've come back," he said, adding that their demands to repeal Obama's landmark health care law or not raise the debt ceiling will "play much less prominent" a role.

Tea Party lawmakers are in no way backing off, said Jacqueline Bodnar of FreedomWorks, a grassroots group promoting fiscal conservatism.

"If you look qualitatively, you're seeing much stronger fiscal conservatives who are fundamentally changing the composition of the House," Bodnar said, pointing to their focus on the very issues that make up the fiscal cliff challenges that lawmakers hope to settle in the coming months.

"The debt ceiling increase was once standard protocol, and now it's a battle every single time."

#### Gridlock will continue --- even bipartisan legislation doesn’t get passed

Grant, 11/8 (David, 11/8/2012, Christian Science Monitor, “Election 2012: why status quo result could mean more Washington gridlock,” Factiva)

After the longest and most expensive campaign in American political history, every center of power in Washington President Obama, House Speaker John Boehner (R) and Senate Majority Leader Harry Reid (D) have reason to interpret the 2012 election as justification for digging in their heels.

The problem? The fiscal cliff awaiting lawmakers in the lame duck session, a pile of stalled legislation, and the ever-growing national debt cant take much more congressional gridlock.

Take Speaker Boehner. The Ohio Republican saw his colleagues turn back a host of challenges and emerge with the House majority largely unscathed. And that means something simple: The American voters affirmed the House GOP, so why should they change?

While others chose inaction in the face of this threat, we offered solutions. The American people want solutions and tonight, they've responded by renewing our majority, Boehner told Republican loyalists assembled in Washington. "With this vote, the American people have also made clear that there is no mandate for raising tax rates.

Then theres the Senate, where many Republicans expected 2012 would be Senator Reid's last as majority leader. Senate Democrats not only retained their majority, they added a seat to their side to boot though at press time two Senate races were still undecided.

On Tuesday night, however, Reid and Senate minority leader Mitch McConnell played a familiar, sad tune. Reid, the man who routinely excoriated Republican filibusters of legislation while himself choking off the federal budget process for three consecutive years offered up the same get with the program message to Republicans he delivered with no success time and again in the halls of the Senate.

"Now that the election is over, it's time to put politics aside, and work together to find solutions. The strategy of obstruction, gridlock, and delay was soundly rejected by the American people. Now, they are looking to us for solutions, said Reid in an e-mailed statement. We have big challenges facing us in the months ahead. Democrats and Republicans must come together, and show that we are up to the challenge.

At the same time, Senator McConnell continued to rip the president.

"The voters have not endorsed the failures or excesses of the presidents first term, they have simply given him more time to finish the job they asked him to do together with a Congress that restored balance to Washington after two years of one-party control," the minority leader said in a statement. "Now its time for the president to propose solutions that actually have a chance of passing the Republican-controlled House of Representatives and a closely-divided Senate, step up to the plate on the challenges of the moment, and deliver in a way that he did not in his first four years in office."

And then, of course, there is Mr. Obama, who won a narrow majority of the popular vote but a resounding triumph in the Electoral College to earn him a second term. Obama has repeatedly vowed to veto any legislation extending tax cuts for households with income over $250,000 and has no reason to back down from that stance now.

In an analysis just before the election that laid out roughly this same situation, former Democratic budget staffer Stan Collender wrote, in other words, obstruction and unwillingness to compromise will continue to be the orders of the day.

Partisan gridlock is so fierce in Washington that bipartisan bills including the Violence Against Women Act, the farm bill, and cybersecurity legislation cant make it to the presidents desk.

More pressing, however is that the nation faces expiring fiscal policy on Jan. 1 that would hit the US economy with more than $600 billion in spending cuts and increased taxes. That blow will send the economy into a recession in at least the first half of 2013, economists predict.

Those are the financial issue in six weeks. The issue over the coming 10 years, outside analysts agree, is reforming the American tax code, spending priorities, and entitlement programs to keep the US from reaching critical levels of debt relative to economic output.

And lets not forget the debt ceiling. Political warfare over the limit on government borrowing during the summer of 2011 caused one credit rating agency to downgrade Americas debt for fear the US could not come to political compromises on even rudimentary matters.

Having the House and Senate, Democrats and Republicans, and the White House and Congress come together during the lame-duck session on the precise list of issues that has separated them the most assumes theyll be able to do in four weeks what they havent been able to do over the past four years, Mr. Collender wrote in a subsequent commentary.

No big budget deal during the lame duck means that the disconcerting 2011 budget debate most likely will be replicated and then some in 2013. The real difference is that with the 2011 experience still fresh, we know how bad this could really be.

Serious business awaits the nation's lawmakers, the 'fiscal cliff' foremost. But the results of Election 2012 could give Washington's main players cause to dig in their heels.

#### Winners-win --- boosts Obama credibility with both sides

Baker, 11/7 (Peter, “Question for the Victor: How Far Do You Push?” <http://www.nytimes.com/2012/11/07/us/politics/obama-second-term-has-immediate-challenges.html?pagewanted=2&_r=2&hp&&pagewanted=print>)

Mr. Obama is acutely aware that time for progress is limited in any second term, as he increasingly becomes a lame duck. “The first 14 months are productive, the last 14 months are productive, and you sag in the middle,” said Mayor Rahm Emanuel of Chicago, Mr. Obama’s first White House chief of staff.

Given that dynamic, Democrats said Mr. Obama must move quickly to establish command of the political process. “If you don’t put anything on the board, you die faster,” said Patrick Griffin, who was President Bill Clinton’s liaison to Congress and is now associate director of the Center for Congressional and Presidential Studies at American University. “If you have no credibility, if you can’t establish some sort of victory here, you will be marginalized by your own party and the other side very quickly.”

#### No congressional political capital doesn’t influence the passage of legislation – [issue are compartmentalized and presidential influence is exaggerated by the media]

**Dickinson, 09** – professor of political science at Middlebury College and taught previously at Harvard University where he worked under the supervision of presidential scholar Richard Neustadt (5/26/09, Matthew, Presidential Power: A NonPartisan Analysis of Presidential Politics, “Sotomayor, Obama and Presidential Power,” http://blogs.middlebury.edu/presidentialpower/2009/05/26/sotamayor-obama-and-presidential-power/, JMP)

As for Sotomayor, from here the path toward almost certain confirmation goes as follows: the Senate Judiciary Committee is slated to hold hearings sometime this summer (this involves both written depositions and of course open hearings), which should lead to formal Senate approval before Congress adjourns for its summer recess in early August. So Sotomayor will likely take her seat in time for the start of the new Court session on October 5. (I talk briefly about the likely politics of the nomination process below).

What is of more interest to me, however, is what her selection reveals about the basis of presidential power. Political scientists, like baseball writers evaluating hitters, have devised numerous means of measuring a president’s influence in Congress. I will devote a separate post to discussing these, but in brief, they often center on the creation of legislative “box scores” designed to measure how many times a president’s preferred piece of legislation, or nominee to the executive branch or the courts, is approved by Congress. That is, how many pieces of legislation that the president supports actually pass Congress? How often do members of Congress vote with the president’s preferences? How often is a president’s policy position supported by roll call outcomes? These measures, however, are a misleading gauge of presidential power – they are a better indicator of congressional power. This is because how members of Congress vote on a nominee or legislative item is **rarely influenced by anything a president does.** Although journalists (and political scientists) often focus on the legislative “endgame” to gauge presidential influence – will the President swing enough votes to get his preferred legislation enacted? – **this mistakes an outcome with actual evidence of presidential influence.** Once we control for other factors – **a member of Congress’ ideological and partisan leanings, the political leanings of her constituency, whether she’s up for reelection or not – we can usually predict how she will vote without needing to know much of anything about what the president wants.** (I am ignoring the importance of a president’s veto power for the moment.)

Despite the much publicized and celebrated instances of presidential arm-twisting during the legislative endgame, then, most legislative outcomes don’t depend on presidential lobbying. But this is not to say that presidents lack influence. Instead, the primary means by which presidents influence what Congress does is through their ability to determine the alternatives from which Congress must choose. That is, presidential power is largely an exercise in agenda-setting – not arm-twisting. And we see this in the Sotomayer nomination. Barring a major scandal, she will almost certainly be confirmed to the Supreme Court whether Obama spends the confirmation hearings calling every Senator or instead spends the next few weeks ignoring the Senate debate in order to play Halo III on his Xbox. That is, how senators decide to vote on Sotomayor will have almost nothing to do with Obama’s lobbying from here on in (or lack thereof). His real influence has already occurred, in the decision to present Sotomayor as his nominee.

If we want to measure Obama’s “power”, then, we need to know what his real preference was and why he chose Sotomayor. My guess – and it is only a guess – is that after conferring with leading Democrats and Republicans, he recognized the overriding practical political advantages accruing from choosing an Hispanic woman, with left-leaning credentials. We cannot know if this would have been his ideal choice based on judicial philosophy alone, but presidents are never free to act on their ideal preferences. Politics is the art of the possible. Whether Sotomayer is his first choice or not, however, her nomination is a reminder that the power of the presidency often resides in the president’s ability to dictate the alternatives from which Congress (or in this case the Senate) must choose. Although Republicans will undoubtedly attack Sotomayor for her judicial “activism” (citing in particular her decisions regarding promotion and affirmative action), her comments regarding the importance of gender and ethnicity in influencing her decisions, and her views regarding whether appellate courts “make” policy, they run the risk of alienating Hispanic voters – an increasingly influential voting bloc (to the extent that one can view Hispanics as a voting bloc!) I find it very hard to believe she will not be easily confirmed. In structuring the alternative before the Senate in this manner, then, Obama reveals an important aspect of presidential power that cannot be measured through legislative boxscores.

#### action – NRC is a distinct entity

#### Obama isn’t key

Warren, 11/9 --- Chicago editor for the Daily Beast (James, 11/9/2012, “President Obama’s Hill Challenge in Avoiding Fiscal Cliff,” http://www.thedailybeast.com/articles/2012/11/09/president-obama-s-hill-challenge-in-avoiding-fiscal-cliff.html)

Obama “has to change the way he operates,” argues Cook. “The White House motto seems to be ‘No New Friends,’” his allusion to the small and tight group of mostly Chicago chums with whom the president and Michelle Obama socialize.

But even longtime Washington hands are unclear how the system will resolve what a prominent Republican lobbyist calls a “three-ring policy circus” of huge automatic spending cuts due to kick in on Jan. 1; a decision on whether to extend Bush-era tax cuts; and a decision next year on raising the debt ceiling. A longer recession and higher unemployment could be in the offing if there’s no resolution.

And it may be equally unclear whether a more overtly engaged Obama would alter the bargaining landscape, given underlying political frictions in

#### Clinton can broker the compromise

Jonsson, 11/7 (Patrik, 11/7/2012, Christian Science Monitor, “Would tea party accept a Bill Clinton-brokered deal with Obama?” Factiva)

**\*\*\*Brigitte Nacos is a political scientist at Columbia University who studies the GOP’s tea party splinter coalition**

Yet given the countrys vote Tuesday, at least one tea party blogger suggested that studied compromise may have to replace the line-in-the-sand absolutism that left last years negotiations on the debt ceiling in bitter shambles and helped turn American opinion against the movement.

One suggestion floated by tea party members to break the fiscal gridlock would be to craft a spending deal similar to that struck by President Bill Clinton in 1997 raising marginal tax rates across the board while slashing deficit spending. The tack, experts say, might allow a term-limited Obama to strike a substantial and meaningful across-the-aisle legislative deal to avoid potentially plunging the US into another recession.

Political scientists and tea party activists also suggested that such a deal could actually be brokered by the former president, as Professor Nocas says has been discussed, especially given Mr. Clintons 11th hour role on the Obama campaign trail.

I definitely think it would behoove Obama to put Bill Clinton in charge of outreach, because Barack Obama frankly doesnt know how to make a deal on the Hill, says Scott Boston, a St. Louis-based tea party activist and blogger.

The fact is, Bill Clintons budget was $1.2 trillion smaller than Obamas budget, so, given that, though Im not for higher taxes, Im willing to trade a higher tax rate in return for $1.2 trillion in spending cuts, Mr. Boston says. Either way, we need to talk about the Clinton philosophy towards making the country go again, which was, Ill meet you on tax side if you meet on spending side.

#### Compromise inevitable – no one actually wants to go over the cliff

West, U.S. practice head and director at Eurasia Group, 11/11

(Perspective: Obama-Boehner fiscal cliff a self-denying prophecy, staugustine.com/opinions/2012-11-10/perspective-obama-boehner-fiscal-cliff-self-denying-prophecy#.UJ-a0W\_XbMQ)

Thus, avoiding the fiscal cliff requires only “building a bridge” to the new year. Both sides have clear incentives to avoid a disaster for which both parties would be blamed. Neither side has a better alternative. That’s why the fiscal cliff is a self-denying prophecy: It’s so bad, it not only can’t happen, it can’t credibly be threatened. If either side takes a hard-line position while threatening to push the U.S. over the edge, external pressure from business leaders and voters rains down upon it. That’s why neither side campaigned on willingness to go over the cliff absent a deal on its terms. Obama was just re-elected on a pledge to raise taxes on the wealthiest Americans, and voters have given him a mandate to pursue his policies. Some of the fear aroused by dire media warnings of fiscal-cliff disaster centers on the misconception that, because the so-called Bush tax cuts expire at year-end, the president has an incentive to ride over the cliff, let all these tax cuts expire, and then simply put the tax cuts for the middle class back in place next year. Of course, in the interim, there would be a dramatic fiscal and market shock from both the onset of austerity and the fear that it will not be reversed. If there is no fiscal cliff deal, Obama would then preside over economic and financial carnage as he tries to frame his second term. Instead of crafting an ambitious second-term vision for his January inaugural address, he would instead spend his time and energy trying to push off blame for the economic calamity under way. The voters who just granted him a second term would see hundreds of dollars of cuts to their first paychecks in 2013. Companies that backed him will fire workers as government contracts are cut and the broader corporate community will scream about how the recovery has been knocked off course. Far from freeing him to play hero later, this meltdown would strangle his second term before it began. Boehner’s position is similar. The election’s weakening of the tea party strengthens the speaker’s control of his caucus, but he is weaker today relative to the newly re-elected president than he was last year. Boehner knows he risks a public backlash if he appears to lead a party blamed for legislative obstruction into plunging the U.S. economy over the edge. That sort of blame would dramatically reduce his leverage in the larger 2013 fiscal debate where the real, substantive issues remain on the table. This came through very clearly in his first post-election press conference: In total contrast to the shoot-from-the hip speaker of 2011, Boehner’s speech was a plea for a deal, delivered from two teleprompters. He knows he has little room for error. Both men want to avoid disaster before the year’s end and earn some credit for a landmark deal in 2013. The only way to do that is to avoid the immediate cliff by building a bridge. This will require a president who will never again face the judgment of voters to move off his pledge to veto across-the- board tax cuts at year’s end. It will require Republicans to provide Obama political cover to do so by agreeing to some smaller down payment now — such as reducing the amount of tax deductions the wealthy can take in 2013. It will then require around-the-clock negotiations to decide how to word such a deal and to twist enough arms to make sure it can pass Congress before the turn of the year. Will Washington do all this before the New Year’s Eve ball drops in Times Square? Given the pain that failure would inflict on everyone involved, both sides have little choice.

#### Nuclear power is popular – bipartisan and public support is bolstered by lobbying

Tang, ’11

[March 17, Scott, “Bipartisan calm around U.S. nuke plans” <http://www.marketplace.org/topics/sustainability/bipartisan-calm-around-us-nuke-plans>]

Kai Ryssdal: There was more international trepidation today about nuclear energy. Italian leaders backpedaled on a plan to go nuclear. The Italians thus joined Germany, Switzerland and China in pressing the nuclear pause button. Not here, though. Late today President Obama said, for the second time this week, that nuclear is both clean and safe. On the other side of the political aisle, House Speaker John Boehner -- a Republican -- wants to boost nuclear power as well. Why the rare bipartisan thumbs up from Washington? From the Marketplace Sustainability Desk, Scott Tong has more now of our coverage of the economic and political effects of the earthquake. Scott Tong: This may come as a shock. Perhaps Washington's OK with nuclear power because politicians are smart. Jim Lucier at research firm Capital Alpha thinks leaders have a high energy IQ. Jim Lucier: We have been wrangling about energy policy for many, many years now. And we've done quite a comprehensive study of what resources we have and what resources we need. We know that we can't make the equation work without nuclear power. Nuclear plays to the energy-security argument on the right -- it's a domestic source -- and the zero-emissions folks on the left. There's also no big nuclear policy fight, as in Germany and Italy. American utilities aren't antsy to build more plants -- they're expensive and may struggle to compete against other fuels. But utilities do want to keep existing plants going as long as possible. Their loans are paid off, and they're hugely profitable. Lucier: If you're in nuclear power already and you have access to this low-cost power, it's really nice to have a monopoly. Nice also to hedge your success, by lobbying. The energy sector is one of the biggest spenders on Capitol Hill. One utility -- Southern Company -- spent $13 million last year on lobbying. Dave Levinthal at the Center for Responsive Politics says the nuclear industry plays offense and, you know, defense. Dave Levinthal: You're going to try to get a bill passed. Other times you'll have to prevent the federal government from doing something to you that's going to hurt your bottom line. And the nuclear industry to an extent has done a bit of both in the past years. And the public has gone along. For more than a decade, Gallup pollsters have asked Americans if they favor nuclear energy -- six out of 10 have consistently said yes.

#### Battle coming over wind PTC in the lame duck

Chokshi & Terris, 11/6 (Niraj Chokshi and Ben Terris, 11/6/2012, “National Journal Daily - AM Edition,” Factiva)

ENERGY

Wind Fight Reaches Homestretch

After simmering for the better part of this year, the battle over the wind-energy production tax credit will reach a fevered pitch during the lame-duck session. But supporters and detractors of the policy, which will expire at year’s end unless both chambers vote to renew it, acknowledge that the tax credit’s fate hinges less on its own particular merit and more on how successful lawmakers are at striking a deal to extend a wide range of tax extenders. If Congress agrees to extend a broad package of tax credits, lobbyists fighting both for and against the wind policy say it’s likely to be included in that deal.

Supporters of the policy are planning rallies and floor speeches the week of Nov. 13—the first week Congress is back after the election—to encourage members to extend the tax credit. Key lawmakers supporting the PTC include Sens. Mark Udall, D-Colo., and Chuck Grassley, R-Iowa, as well as the House Sustainable Energy and Environment Coalition chaired by Democratic Reps. Steve Israel and Paul Tonko of New York and Gerald Connolly of Virginia.

The policymakers leading the charge against the tax credit—Sen. Lamar Alexander, R-Tenn., and Rep. Mike Pompeo, R-Kan.—will be helped by lobbyists working with nuclear-power giant Exelon, who assert that the credit is distorting electricity markets, and tea party groups that are seeking to eliminate most government subsidies.

#### Will burn Obama’s capital

Assis, 11/7 (Claudia, 11/7/2012, “Tighter energy regulations on the way? Energy one of the hardest hit sectors after Obama re-election,” <http://www.marketwatch.com/story/tighter-energy-regulations-on-the-way-2012-11-07?link=MW_latest_news>)

Alternative energy may have better prospects under Obama’s White House, the Simmons analysts said.

The president has been “consistently” a supporter of alternative sources of energy. With the looming expiration of the production tax credit for renewable energy, Obama might seek to use some of its political capital to extend it.

### AT: Military Impact

#### No immediate catastrophic impact to the military

Barno, et. al, 11/7 --- work at the Center for a New American Security Lieutenant General (Ret.) David W. Barno is a senior advisor and senior fellow, Dr. Nora Bensahel is the deputy director of studies and a senior fellow, and Joel Smith and Jacob Stokes are research assistants, “Brace Yourself; The U.S. may well go off the fiscal cliff. Is that so bad?”<http://www.foreignpolicy.com/articles/2012/11/07/brace_yourself>)

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If we do go off the fiscal cliff, all is not lost for the Pentagon. The exact effects of allowing sequestration to take effect still remain unclear, but they are likely to occur more gradually than generally understood. Sequestration mandates a $52.3 billion reduction of DOD spending in Fiscal Year (FY) 2013, which amounts to a 9.4 percent cut of budget authority from nonexempt accounts during the nine remaining months of FY 2013.

Focusing on the $52.3 billion cut to defense budget authority distorts how sequestration would affect defense spending for the rest of the fiscal year. Budget authority is often spread across multiple years and therefore is an improper metric for examining the immediate impacts of cuts in economic terms. Instead, outlays -- money actually spent -- provide a better measure.

Some of the key ways that sequestration could affect defense during the rest of FY 2013 include:

The DOD civilian workforce. As spending on civilian personnel is largely consumed in the first outlay year, the civilian workforce potentially faces significant layoffs or furloughs. Unlike uniformed personnel, civilian personnel are not exempt from sequestration. Expert analysts have estimated that if sequestration goes into effect, DOD would need to reduce its civilian workforce by as much as 13.7 percent during the remainder of the fiscal year.

Military health care. Military health care services are subject to sequestration since they are primarily funded through nonexempt operations and maintenance accounts. This could result in delayed payments to providers and possible denial of services.

Program cancellations. Despite widespread concern, most procurement programs will not be affected right away. Sequestration does not affect prior-year funding obligations, so already authorized and planned purchases will go ahead as scheduled. Sequestration allows already planned programs to continue, but over time it would reduce quantities bought, delay deliveries, and increase unit prices.

Military end strength. Since President Obama exercised his authority to shield military personnel accounts from sequestration, pay and benefits would remain intact and end strength would not be cut beyond already-planned levels for FY 2013.

The Pentagon would likely try to mitigate some of these effects by asking Congress for liberal reprogramming authority, in order to shift money from one account to another. If Congress grants this authority, DOD would be able to allocate any defense cuts strategically rather than being forced to cut each plan, program and activity would equally during FY 2013. It would likely shift funds away from lower-priority base budget operations and maintenance accounts to fund higher priorities, such as the Overseas Contingency Operations budget that supports deployed troops.

The Defense Department might also mitigate these effects by deferring any cuts until the fourth quarter of FY 2013. Under such a plan, the department would continue operating at planned FY 2013 spending levels as specified in the continuing resolution until a decision is made by Congress and signed by the president to undo the cuts. This would allow the Pentagon to continue resourcing ongoing operations and maintain readiness at existing levels for the near term. Of course, this would be a very high-stakes gamble: if Congress did not reverse sequestration or increase the DOD budget for the fourth quarter, the effects would be devastating. Going off the fiscal cliff might not be as bad as many analysts have warned -- and it might even have some political benefits -- but that doesn't mean the risks aren't significant.