## Adv 1

#### Advantage One—The Military

#### Domestic DoD bases are vulnerable due to connectivity to the civilian grid.

**Robitaille 12** (George, Department of Army Civilian & US Army War College, *Small Modular Reactors: The Army’s Secure Source of Energy?*, March, Strategy Research Project)

In recent years, the U.S Department of Defense (DoD) has identified a security issue at our installations related to the dependence on the civilian electrical grid. 1 The DoD depends on a steady source of electricity at military facilities to perform the functions that secure our nation. The flow of electricity into military facilities is controlled by a public grid system that is susceptible to being compromised because of the age of the infrastructure, damage from **natural disasters** and the potential for **cyber attacks**. Although most major functions at military installations employ diesel powered generators as temporary backup, the public grid may not be available to provide electricity when it is needed the most. The United States electrical infrastructure system is prone to failures and susceptible to **terrorist attacks**. 2 It is critical that the source of electricity for our installations is reliable and secure. In order to ensure that our military facilities possess a secure source of electricity, either the public system of electric generation and distribution is upgraded to increase its reliability as well as reducing its susceptibility to cyber attack or another source of electricity should be pursued. Although significant investments are being made to upgrade the electric grid, the current **investment levels** are not keeping up with the aging system. Small modular reactors (SMRs) are nuclear reactors that are about an order of magnitude smaller than traditional commercial reactor used in the United States. SMRs are capable of generating electricity and at the same time, they are not a significant contributor to global warming because of green house gas emissions. The DoD needs to look at small modular nuclear reactors (SMRs) to determine if they can provide a safe and secure source of electricity. Electrical Grid Susceptibility to Disruptions According to a recent report by the Defense Science Board, the DoD gets ninety nine percent of their electrical requirements from the civilian electric grid. 3 The electric grid, as it is currently configured and envisioned to operate for the foreseeable future, may not be reliable enough to ensure an uninterrupted flow of electricity for our critical military facilities given the influences of the aging infrastructure, its susceptibility to severe weather events, and the potential for cyber attacks. The DoD dependency on the grid is reflected in the $4.01 Billion spent on facilities energy in fiscal year 2010, the latest year which data was available. 4 The electricity used by military installations amounts to $3.76 billion. 5 As stated earlier, the DoD relies on the commercial grid to provide a secure source of energy to support the operations that ensure the security of our nation and it may not be available when we need it. The system could be taken down for extended periods of time by failure of aging components, acts of nature, or intentionally by cyber attacks. Aging Infrastructure. The U.S electric power grid is made up of independently owned power plants and transmission lines. The political and environmental resistance to building new electric generating power plants combined with the rise in consumption and aging infrastructure increases the potential for grid failure in the future. There are **components** in the U.S. electric grid that are over one hundred years old and some of the recent outages such as the 2006 New York blackout can be directly attributed to this out of date, aging infrastructure. 6 Many of the components of this system are at or exceeding their operational life and the general trend of the utility companies is to not replace power lines and other equipment until they fail. 7 The government led deregulation of the electric utility industry that started in the mid 1970s has contributed to a three decade long deterioration of the electric grid and an increased state of instability. Although significant investments are being made to upgrade the electric grid, the many years of prior neglect will require a considerable amount of time and funding to bring the aging infrastructure up to date. Furthermore, the current investment levels to upgrade the grid are not keeping up with the aging system. 8 In addition, **upgrades** to the digital infrastructure which were done to increase the systems efficiency and reliability, have actually made the system more susceptible to cyber attacks. 9 Because of the aging infrastructure and the impacts related to weather, the extent, as well as frequency of failures is expected to increase in the future. Adverse Weather. According to a 2008 grid reliability report by the Edison Electric Institute, sixty seven per cent of all power outages are related to **weather**. Specifically, lightning contributed six percent, while adverse weather provided thirty one percent and vegetation thirty percent (which was predominantly attributed to wind blowing vegetation into contact with utility lines) of the power outages. 10 In 1998 a falling tree limb damaged a transformer near the Bonneville Dam in Oregon, causing a cascade of related black-outs across eight western states. 11 In August of 2003 the lights went out in the biggest blackout in North America, plunging over fifty million people into darkness over eight states and two Canadian provinces. Most areas did not have power restored four or five days. In addition, drinking water had to be distributed by the National Guard when water pumping stations and/or purification processes failed. The estimated economic losses associated with this incident were about five billion dollars. Furthermore, this incident also affected the operations of twenty two nuclear plants in the United States and Canada. 12 In 2008, Hurricane Ike caused approximately seven and a half million customers to lose power in the United States from Texas to New York. 13 The electric grid suffered numerous power outages every year throughout the United States and the number of outages is expected to increase as the infrastructure ages without sufficient upgrades and weather-related impacts continue to become more frequent. Cyber Attacks. The civilian grid is made up of three unique electric networks which cover the East, West and Texas with approximately one hundred eighty seven thousand miles of power lines. There are several weaknesses in the electrical distribution infrastructure system that could compromise the flow of electricity to military facilities. The flow of energy in the network lines as well as the main distribution hubs has become totally dependent on **computers** and internet-based communications. Although the digital infrastructure makes the grid more efficient, it also makes it more susceptible to cyber attacks. Admiral Mr. Dennis C. Blair (ret.), the former Director of National Intelligence, testified before Congress that “the growing connectivity between information systems, the Internet, and other infrastructures creates opportunities for attackers to disrupt telecommunications, electrical power, energy pipelines, refineries, financial networks, and other critical infrastructures. 14 ” The Intelligence Community assesses that a number of nations already have the technical capability to conduct such attacks. 15 In the 2009 report, Annual Threat Assessment of the Intelligence Community for the Senate Armed Services Committee, Adm. Blair stated that “Threats to cyberspace pose one of the most serious economic and national security challenges of the 21st Century for the United States and our allies.”16 In addition, the report highlights a growing array of state and non-state actors that are targeting the U.S. critical infrastructure for the purpose of creating chaos that will subsequently produce detrimental effects on citizens, commerce, and government operations. These actors have the ability to compromise, steal, change, or completely destroy information through their detrimental activities on the internet. 17 In January 2008, US Central Intelligence Agency senior analyst Tom Donahue told a gathering of three hundred international security managers from electric, water, oil & gas, and other critical industry, that data was available from multiple regions outside the United States, which documents cyber intrusions into utilities. In at least one case (outside the U.S.), the disruption caused a power outage affecting multiple cities. Mr. Donahue did not specify who executed these attacks or why, but did state that all the intrusions were conducted via the Internet. 18 During the past twenty years, advances in computer technologies have permeated and advanced all aspects of our lives. Although the digital infrastructure is being increasingly merged with the power grid to make it more efficient and reliable, it also makes it more vulnerable to cyber attack. In October 2006, a foreign hacker invaded the Harrisburg, PA., water filtration system and planted malware. 19 In June 2008, the Hatch nuclear power plant in Georgia shut down for two days after an engineer loaded a software update for a business network that also rebooted the plant's power control system. In April 2009, The Wall Street Journal reported that cyber spies had infiltrated the U.S. electric grid and left behind software that could be used to disrupt the system. The hackers came from China, Russia and other nations and were on a “fishing expedition” to map out the system. 20 According to the secretary of Homeland Security, Janet Napolitano at an event on 28 October 2011, cyber–attacks have come close to compromising the country’s critical infrastructure on multiple occasions. 21 Furthermore, during FY11, the United States Computer Emergency Readiness Team took action on more than one hundred thousand incident reports by releasing more than five thousand actionable cyber security alerts and information products. 22 The interdependence of modern infrastructures and digital based systems makes any cyber attacks on the U.S. electric grid potentially significant. The December 2008 report by the Commission on Cyber Security for the forty fourth Presidency states the challenge plainly: “America’s failure to protect cyberspace is one of the most urgent national security problems facing the new administration”. 23 The susceptibility of the grid to being compromised has resulted in a significant amount of resources being allocated to ensuring the systems security. Although a substantial amount of resources are dedicated to protecting the nation’s infrastructure, it may not be enough to ensure the continuous flow of electricity to our critical military facilities. SMRs as they are currently envisioned may be able to provide a secure and independent alternative source of electricity in the event that the public grid is compromised. SMRs may also provide additional DoD benefit by supporting the recent government initiatives related to energy consumption and by circumventing the adverse ramifications associated with building coal or natural gas fired power plants on the environment.

#### SMR’s solve --- they address weaknesses which otherwise leads to nuclear retaliation.

**Andres 11** (\*Richard B. – Professor of National Security Strategy at the National War College and a Senior Fellow and Energy and Environmental Security and Policy Chair in the Center for Strategic Research, Institute for National Strategic Studies, at the National Defense University, \*\*Hanna L. Breetz – Doctoral candidate in the Department of Political Science at The Massachusetts Institute of Technology, *Small Nuclear Reactors for Military Installations: Capabilities, Costs, and Technological Implications*, Strategic Forum, National Defense University, Institute for National Strategic Studies, February 2011, http://www.ndu.edu/press/lib/pdf/StrForum/SF-262.pdf)

Small reactors and energy Security The DOD interest in small reactors derives largely from problems with base and logistics vulnerability. Over the last few years, the Services have begun to reexamine virtually every aspect of how they generate and use en- ergy with an eye toward cutting costs, decreasing carbon emissions, and reducing energy-related vulnerabilities. These actions have resulted in programs that have signif- icantly reduced DOD energy consumption and green- house gas emissions at domestic bases. Despite strong efforts, however, two critical security issues have thus far proven resistant to existing solutions: bases’ vulnerability to civilian power outages, and the need to transport large quantities of fuel via convoys through hostile territory to forward locations. Each of these is explored below. Grid Vulnerability. DOD is unable to provide its bases with electricity when the civilian electrical grid is offline for an extended period of time. Currently, domestic military installations receive **99 percent** of their electricity from the civilian power grid. As explained in a recent study from the Defense Science Board: DOD’s key problem with electricity is that critical missions, such as national strategic awareness and national command authorities, are almost entirely dependent on the national transmission grid . . . [which] is fragile, vulnerable, near its capacity limit, and outside of DOD control. In most cases, neither the grid nor on-base backup power provides sufficient reliability to ensure continuity of critical national priority functions and oversight of strategic missions in the face of a long term (several months) outage.7 The grid’s fragility was demonstrated during the 2003 Northeast blackout in which 50 million people in the United States and Canada lost power, some for up to a week, when one Ohio utility failed to properly trim trees. The blackout created cascading disruptions in sewage systems, gas station pumping, cellular communications, border check systems, and so forth, and demonstrated the interdependence of modern infrastructural systems.8 More recently, awareness has been growing that the grid is also vulnerable to purposive attacks. A re- port sponsored by the Department of Homeland Secu- rity suggests that a coordinated cyber attack on the grid could result in a third of the country losing power for a period of weeks or months.9 Cyberattacks on critical infrastructure are not well understood. It is not clear, for instance, whether existing **terrorist groups** might be able to develop the capability to conduct this type of attack. It is likely, however, that some **nation-states** either have or are working on developing the ability to take down the U.S. grid. In the event of a war with one of these states, it is possible, if not likely, that parts of the civilian grid would cease to function, taking with them military bases located in affected regions. Government and private organizations are currently working to secure the grid against attacks; however, it is not clear that they will be successful. Most military bases currently have backup power that allows them to func- tion for a period of hours or, at most, a few days on their own. If power were not restored after this amount of time, the results could be disastrous. First, military assets taken offline by the crisis would not be available to help with disaster relief. Second, during an extended blackout, global military operations could be seriously compromised; this disruption would be particularly serious if the blackout was induced during major combat operations. During the Cold War, this type of event was far less likely because the United States and Soviet Union shared the common understanding that blinding an opponent with a grid black- out could **escalate to nuclear war**. America’s current opponents, however, may not share this fear or be deterred by this possibility. In 2008, the Defense Science Board stressed that DOD should mitigate the electrical grid’s vulnerabilities by turning military installations into “islands” of energy self-sufficiency.10 The department has made ef- forts to do so by promoting efficiency programs that lower power consumption on bases and by constructing renewable power generation facilities on selected bases. Unfortunately, these programs will not come close to reaching the goal of islanding the vast majority of bases. Even with massive investment in efficiency and renew- ables, most bases would not be able to function for more than a few days after the civilian grid went offline. Unlike other alternative sources of energy, small reactors have the potential to **solve** DOD’s vulnerability to grid outages. Most bases have relatively light power de- mands when compared to civilian towns or cities. Small reactors could easily support bases’ power demands separate from the civilian grid during crises. In some cases, the reactors could be designed to produce enough power not only to supply the base, but also to provide critical services in surrounding towns during long-term outages. Strategically, islanding bases with small reactors has another benefit. One of the main reasons an enemy might be willing to risk reprisals by taking down the U.S. grid during a period of military hostilities would be to affect ongoing military operations. Without the lifeline of intelligence, communication, and logistics provided by U.S. domestic bases, American military operations would be compromised in almost any conceivable contingency. Making bases more resilient to civilian power outages would **reduce the incentive** for an opponent to attack the grid. An opponent might still attempt to take down the grid for the sake of disrupting civilian systems, but the powerful incentive to do so in order to win an ongoing battle or war would be greatly reduced.

#### That causes nuclear world war three.

**Lawson 9** (Sean, Assistant professor in the Department of Communication at the University of Utah, *Cross-Domain Response to Cyber Attacks and the Threat of Conflict Escalation*, May 13th 2009, http://www.seanlawson.net/?p=477)

Introduction At a time when it seems impossible to avoid the seemingly growing hysteria over the threat of cyber war,[1] network security expert Marcus Ranum delivered a refreshing talk recently, “The Problem with Cyber War,” that took a critical look at a number of the assumptions underlying contemporary cybersecurity discourse in the United States. He addressed one issue in partiuclar that I would like to riff on here, the issue of conflict escalation–i.e. the possibility that offensive use of cyber attacks could escalate to the use of physical force. As I will show, his concerns are entirely legitimate as current U.S. military cyber doctrine assumes the possibility of what I call “**cross-domain responses**” to cyberattacks. Backing Your Adversary (Mentally) into a Corner Based on the premise that completely blinding a potential adversary is a good indicator to that adversary that an attack is iminent, Ranum has argued that “The best thing that you could possibly do if you want to start **World War III** is launch a cyber attack. [...] When people talk about cyber war like it’s a practical thing, what they’re really doing is messing with the OK button for starting World War III. We need to get them to sit the f-k down and shut the f-k up.” [2] He is making a point similar to one that I have made in the past: Taking away an adversary’s ability to make rational decisions could backfire. [3] For example, Gregory Witol cautions that “attacking the decision makerÃ¢â‚¬â„¢s ability to perform rational calculations may cause more problems than it hopes to resolveÃ¢â‚¬Â¦ Removing the capacity for rational action may result in completely unforeseen consequences, including longer and bloodier battles than may otherwise have been.” [4] Ã¯Â»Â¿Cross-Domain Response So, from a theoretical standpoint, I think his concerns are well founded. But the current state of U.S. policy may be cause for even greater concern. It’s not just worrisome that a hypothetical blinding attack via cyberspace could send a signal of imminent attack and therefore trigger an irrational response from the adversary. What is also cause for concern is that current U.S. policy indicates that “kinetic attacks” (i.e. physical use of force) are seen as potentially legitimate responses to cyber attacks. Most worrisome is that current U.S. policy implies that a **nuclear response** is possible, something that policy makers have not denied in recent press reports. The reason, in part, is that the U.S. defense community has increasingly come to see cyberspace as a “domain of warfare” equivalent to air, land, sea, and space. The definition of cyberspace as its own domain of warfare helps in its own right to blur the online/offline, physical-space/cyberspace boundary. But thinking logically about the potential consequences of this framing leads to some disconcerting conclusions. If cyberspace is a domain of warfare, then it becomes possible to define “cyber attacks” (whatever those may be said to entail) as acts of war. But what happens if the U.S. is attacked in any of the other domains? It retaliates. But it usually does not respond only within the domain in which it was attacked. Rather, responses are typically “cross-domain responses”–i.e. a massive bombing on U.S. soil or vital U.S. interests abroad (e.g. think 9/11 or Pearl Harbor) might lead to air strikes against the attacker. Even more likely given a U.S. military “way of warfare” that emphasizes multidimensional, “joint” operations is a massive conventional (i.e. non-nuclear) response against the attacker in all domains (air, land, sea, space), simultaneously. The possibility of “kinetic action” in response to cyber attack, or as part of offensive U.S. cyber operations, is part of the current (2006) National Military Strategy for Cyberspace Operations [5]: Of course, the possibility that a cyber attack on the U.S. could lead to a U.S. nuclear reply constitutes possibly the ultimate in “cross-domain response.” And while this may seem far fetched, it has not been ruled out by U.S. defense policy makers and is, in fact, implied in current U.S. **defense policy documents**. From the National Military Strategy of the United States (2004): “The term WMD/E relates to a broad range of adversary capabilities that pose potentially devastating impacts. WMD/E includes chemical, biological, radiological, nuclear, and enhanced high explosive weapons as well as other, more asymmetrical ‘weapons’. They may rely more on disruptive impact than destructive kinetic effects. For example, cyber attacks on US commercial information systems or attacks against transportation networks may have a greater economic or psychological effect than a relatively small release of a lethal agent.” [6] The authors of a 2009 National Academies of Science report on cyberwarfare respond to this by saying, “Coupled with the declaratory policy on nuclear weapons described earlier, this statement implies that the United States will regard certain kinds of cyberattacks against the United States as being in the same category as nuclear, biological, and chemical weapons, and thus that a nuclear response to certain kinds of cyberattacks (namely, cyberattacks with devastating impacts) may be possible. It also sets a relevant scale–a cyberattack that has an impact larger than that associated with a relatively small release of a lethal agent is regarded with the same or greater seriousness.” [7] Asked by the New York Times to comment on this, U.S. defense officials would not deny that nuclear retaliation remains an option for response to a massive cyberattack: “Pentagon and military officials confirmed that the United States reserved the option to respond in any way it chooses to punish an adversary responsible for a catastrophic cyberattack. While the options could include the use of nuclear weapons, officials said, such an extreme counterattack was hardly the most likely response.” [8] The rationale for this policy: “Thus, the United States never declared that it would be bound to respond to a Soviet and Warsaw Pact conventional invasion with only American and NATO conventional forces. The fear of escalating to a nuclear conflict was viewed as a pillar of stability and is credited with helping deter the larger Soviet-led conventional force throughout the cold war. Introducing the possibility of a nuclear response to a catastrophic cyberattack would be expected to serve the same purpose.” [9] Non-unique, Dangerous, and In-credible? There are a couple of interesting things to note in response. First is the development of a new acronym, WMD/E (weapons of mass destruction or effect). Again, this acronym indicates a weakening of the requirement of physical impacts. In this new definition, mass effects that are not necessarily physical, nor necessarily destructive, but possibly only disruptive economically or even psychologically (think “shock and awe”) are seen as equivalent to WMD. This new emphasis on effects, disruption, and psychology reflects both contemporary, but also long-held beliefs within the U.S. defense community. It reflects current thinking in U.S. military theory, in which it is said that U.S. forces should be able to “mass fires” and “mass effects” without having to physically “mass forces.” There is a sliding scale in which the physical (often referred to as the “kinetic”) gradually retreats–i.e. massed forces are most physical; massed fire is less physical (for the U.S. anyway); and massed effects are the least physical, having as the ultimate goal Sun Tzu’s “pinnacle of excellence,” winning without fighting. But the emphasis on disruption and psychology in WMD/E has also been a key component of much of 20th century military thought in the West. Industrial theories of warfare in the early 20th century posited that industrial societies were increasingly interdependent and reliant upon mass production, transportation, and consumption of material goods. Both industrial societies and the material links that held them together, as well as industrial people and their own internal linkages (i.e. nerves), were seen as increasingly fragile and prone to disruption via attack with the latest industrial weapons: airplanes and tanks. Once interdependent and fragile industrial societies were hopelessly disrupted via attack by the very weapons they themselves created, the nerves of modern, industrial men and women would be shattered, leading to moral and mental defeat and a loss of will to fight. Current thinking about the possible dangers of cyber attack upon the U.S. are based on the same basic premises: technologically dependent and therefore fragile societies populated by masses of people sensitive to any disruption in expected standards of living are easy targets. Ultimately, however, a number of researchers have pointed out the pseudo-psychological, pseudo-sociological, and a-historical (not to mention non-unique) nature of these assumptions. [10] Others have pointed out that these assumptions did not turn out to be true during WWII strategic bombing campaigns, that modern, industrial societies and populations were far more resilient than military theorists had assumed. [11] Finally, even some military theorists have questioned the assumptions behind cyber war, especially when assumptions about our own technology dependence-induced societal fragility (dubious on their own) are applied to other societies, especially non-Western societies (even more dubious). [12] Finally, where deterrence is concerned, it is important to remember that a deterrent has to be credible to be effective. True, the U.S. retained nuclear weapons as a deterrent during the Cold War. But, from the 1950s through the 1980s, there was increasing doubt among U.S. planners regarding the credibility of U.S. nuclear deterrence via the threat of “massive retaliation.” As early as the 1950s it was becoming clear that the U.S. would be reluctant at best to actually follow through on its threat of massive retaliation. Unfortunately, most money during that period had gone into building up the nuclear arsenal; conventional weapons had been marginalized. Thus, the U.S. had built a force it was likely never to use. So, the 1960s, 1970s, and 1980s saw the development of concepts like “flexible response” and more emphasis on building up conventional forces. This was the big story of the 1980s and the “Reagan build-up” (not “Star Wars”). Realizing that, after a decade of distraction in Vietnam, it was back in a position vis-a-viz the Soviets in Europe in which it would have to rely on nuclear weapons to offset its own weakness in conventional forces, a position that could lead only to blackmail or holocaust, the U.S. moved to create stronger conventional forces. [13] Thus, the question where cyber war is concerned: If it was in-credible that the U.S. would actually follow through with massive retaliation after a Soviet attack on the U.S. or Western Europe, is it really credible to say that the U.S. would respond with nuclear weapons to a cyber attack, no matter how disruptive or destructive? Beyond credibility, deterrence makes many other assumptions that are problematic in the cyber war context. It assumes an adversary capable of being deterred. Can most of those who would perpetrate a cyber attack be deterred? Will al-Qa’ida be deterred? How about a band of nationalistic or even just thrill-seeker, bandwagon hackers for hire? Second, it assumes clear lines of **command and control**. Sure, some hacker groups might be funded and assisted to a great degree by states. But ultimately, even cyber war theorists will admit that it is doubtful that states have complete control over their armies of hacker mercenaries. How will deterrence play out in this kind of scenario?

#### And attacks collapse military war fighting capability.

**Loudermilk 11** (Micah, Research Associate for the Energy & Environmental Security Policy program with the Institute for National Strategic Studies at National Defense University*, Small Nuclear Reactors: Enabling Energy Security for Warfighters*, Small Wars Journal, March 27th 2011, http://smallwarsjournal.com/blog/small-nuclear-reactors-enabling-energy-security-for-warfighters)

Last month, the Institute for National Strategic Studies at National Defense University released a report entitled Small Nuclear Reactors for Military Installations: Capabilities, Costs, and Technological Implications. Authored by Dr. Richard Andres of the National War College and Hanna Breetz from Harvard University, the paper analyzes the potential for the Department of Defense to incorporate small reactor technology on its domestic military bases and in forward operating locations. According to Andres and Breetz, the reactors have the ability to solve two critical vulnerabilities in the military's mission: the dependence of domestic bases on the civilian electrical grid and the challenge of supplying ample fuel to troops in the field. Though considerable obstacles would accompany such a move -- which the authors openly admit -- the benefits are significant enough to make the idea merit serious consideration. At its heart, a discussion about military uses of small nuclear reactors is really a conversation about securing the nation's war fighting capabilities. Although the point that energy security **is** national security has become almost redundant -- quoted endlessly in government reports, think tank papers, and the like -- it is repeated for good reason. Especially on the domestic front, the need for energy security on military bases is often overlooked. There is no hostile territory in the United States, no need for fuel convoys to constantly supply bases with fuel, and no enemy combatants. However, while bases and energy supplies are not directly vulnerable, the civilian electrical grid on which they depend for 99% of their energy use is -- and that makes domestic installations highly insecure. The U.S. grid, though a technological marvel, is extremely old, brittle, and susceptible to a wide variety of problems that can result in power outages -- the 2003 blackout throughout the Northeast United States is a prime example of this. In the past, these issues were largely limited to accidents including natural disasters or malfunctions, however today, intentional threats such as cyber attacks represent a very real and growing threat to the grid. Advances in U.S. military technology have further increased the risk that a grid blackout poses to the nation's military assets. As pointed out by the Defense Science Board, **critical missions** including national strategic awareness and national command authorities depend on the national transmission grid. Additionally, capabilities vital to troops in the field -- including drones and satellite intelligence/reconnaissance -- are lodged at bases within the United States and their loss due to a blackout would **impair the ability** of troops to operate in forward operating areas. Recognition of these facts led the Defense Science Board to recommend "islanding" U.S. military installations to mitigate the electrical grid's vulnerabilities. Although DOD has undertaken a wide array of energy efficiency programs and sought to construct renewable energy facilities on bases, these endeavors will fall far short of the desired goals and still leave bases unable to function in the event of long-term outages. As the NDU report argues though, small nuclear reactors have the potential to alleviate domestic base grid vulnerabilities. With a capacity of anywhere between 25 and 300 megawatts, small reactors possess sufficient generation capabilities to power any military installation, and most likely some critical services in the areas surrounding bases, should a blackout occur. Moreover, making bases resilient to civilian power outages would reduce the incentive for an opponent to disrupt the grid in the event of a conflict as military capabilities would be unaffected. Military bases are also secure locations, reducing the associated fears that would surely arise from the distribution of reactors across the country. Furthermore, small nuclear reactors, by design, are significantly safer than prior generations of reactors due to passive safety features, simplified designs, sealed reactor cores, and lower operational requirements.

#### Conventional wars are inevitable --- ineffectiveness leads to major power aggression and violent competition.

**Horowitz 9** (Michael C. Horowitz and Dan A. Shalmon, Professor of Political Science @ University of Pennsylvania & Senior Analyst @ Lincoln Group, LLC. *The Future of War and American Military Strategy*, Orbis, Spring 2009)

It is important to recognize at the outset two key points about United States strategy and the potential costs and benefits for the United States in a changing security environment. First, the United States is very likely to remain fully engaged in global affairs. Advocates of restraint or global withdrawal, while popular in some segments of academia, remain on the **margins** of policy debates in Washington D.C. This could always change, of course. However, at present, **it is a given** that the United States will define its interests globally and pursue a strategy that requires capable military forces able to project power around the world. Because ‘‘indirect’’ counter-strategies are the rational choice for actors facing a strong state’s power projection, irregular/asymmetric threats are inevitable given America’s role in the global order.24 Second, the **worst-case scenario** is a loss of U.S. conventional superiority. Losing military control of the sea and the air, ‘‘the global commons,’’25 would render American global strategy **outmoded in an instant**. The idea that the United States must improve its capacity to fight counterinsurgency operations presumes a need to do so beyond defending the homeland and that the United States will have the capacity to intervene in future conflicts around the world. However, while it seems unlikely at present, what if developments in warfare cut down and then eliminated the conventional military superiority of the United States? The loss of conventional military superiority by the United States would probably make the current strategic environment **look like a picnic**.26 For example, currently a Marine unit deploying to Afghanistan or Iraq focuses most on the post-deployment battlefield tasks. However, imagine a world where commanders and soldiers, like their World War II forbears, must fear being sunk on a transport ship or shot out of the sky on the way over, or being targeted by electronic, nanotechnological, or directed energy or precision guided munitions when preparing to search a village for insurgents.27 In such a strategic environment, overseas deployments to win hearts and minds in a low intensity war or wipe out radical jihadi groups would likely—and logically— take a backseat to more ‘‘traditional’’ concerns: convoys, tank battles, air and coastal defenses, and crash programs to build a new generation of naval and air weapons to take back the seas and skies. Meanwhile, in the interim, the United States homeland would be more at risk than at any point since the World War II—arguably more threatened than in its entire history. What John Mearsheimer has called the ‘‘stopping power of water’’ previously functioned to shield the United States, with its oceanic buffers to the east and west, from existential threats. However, in the information age and if the United States no longer controls the waterways of the world, water may not be enough. A world without American conventional military superiority would also **encourage aggression** by regional actors eager to settle scores and take advantage of the fact that the United States could no longer destroy their military forces at a low cost, to say nothing of the global dangers inherent in the **competition among major powers** that could result. The latter scenario is the worst case and it bears mentioning only because it should inform the framework in which any debate about defense strategy occurs. Pg. 307-308

#### That competition goes nuclear.

**Kagan 7** (Frederick Kagan and Michael O’Hanlon 7, Fred’s a resident scholar at AEI, Michael is a senior fellow in foreign policy at Brookings, “The Case for Larger Ground Forces”, April, <http://www.aei.org/files/2007/04/24/20070424_Kagan20070424.pdf>)

We live at a time when wars not only rage in nearly **every region** but threaten to erupt in many places where the current relative calm is tenuous. To view this as a strategic military challenge for the United States is not to espouse a specific theory of America’s role in the world or a certain political philosophy. Such an assessment flows directly from the basic bipartisan view of American foreign policy makers since World War II that overseas threats must be countered before they can directly threaten this country’s shores, that the basic stability of the international system is essential to American peace and prosperity, and that no country besides the United States is in a position to lead the way in countering major challenges to the global order. Let us highlight the threats and their consequences with a few concrete examples, emphasizing those that involve key strategic regions of the world such as the Persian **Gulf** and **East Asia**, or key potential threats to American security, such as the spread of nuclear weapons and the strengthening of the global **Al Qaeda**/jihadist movement. The Iranian government has rejected a series of international demands to halt its efforts at enriching uranium and submit to international inspections. What will happen if the US—or Israeli—government becomes convinced that Tehran is on the verge of fielding a nuclear weapon? **North Korea**, of course, has already done so, and the ripple effects are beginning to spread. **Japan**’s recent election to supreme power of a leader who has promised to rewrite that country’s constitution to support increased armed forces—and, possibly, even nuclear weapons— may well alter the delicate balance of fear in Northeast Asia fundamentally and rapidly. Also, in the background, at least for now, **Sino Taiwanese** tensions continue to flare, as do tensions between **India and Pakistan**, **Pakistan and Afghanistan**, **Venezuela** and the United States, and so on. Meanwhile, the world’s nonintervention in Darfur troubles consciences from Europe to America’s Bible Belt to its bastions of liberalism, yet with no serious international forces on offer, the bloodletting will probably, tragically, continue unabated. And as bad as things are in Iraq today, they could get worse. What would happen if the key Shiite figure, Ali al Sistani, were to die? If another major attack on the scale of the Golden Mosque bombing hit either side (or, perhaps, both sides at the same time)? Such deterioration might convince many Americans that the war there truly was lost—but the costs of reaching such a conclusion would be enormous. Afghanistan is somewhat more stable for the moment, although a major Taliban offensive appears to be in the offing. Sound US grand strategy must proceed from the recognition that, over the next few years and decades, the world is going to be a very unsettled and quite dangerous place, with Al Qaeda and its associated groups as a subset of a much larger set of worries. The only serious response to this international environment is to develop armed forces capable of protecting America’s vital interests throughout this dangerous time. Doing so requires a military capable of a wide range of missions—including not only deterrence of great power conflict in dealing with potential hotspots in Korea, the Taiwan Strait, and the Persian Gulf but also associated with a variety of Special Forces activities and stabilization operations. For today’s US military, which already excels at high technology and is increasingly focused on re-learning the lost art of counterinsurgency, this is first and foremost a question of finding the resources to field a large-enough standing Army and Marine Corps to handle personnel intensive missions such as the ones now under way in Iraq and Afghanistan. Let us hope there will be no such large-scale missions for a while. But preparing for the possibility, while doing whatever we can at this late hour to relieve the pressure on our soldiers and Marines in ongoing operations, is prudent. At worst, the only potential downside to a major program to strengthen the military is the possibility of spending a bit too much money. Recent history shows no link between having a larger military and its overuse; indeed, Ronald Reagan’s time in office was characterized by higher defense budgets and yet much less use of the military, an outcome for which we can hope in the coming years, but hardly guarantee. While the authors disagree between ourselves about proper increases in the size and cost of the military (with O’Hanlon preferring to hold defense to roughly 4 percent of GDP and seeing ground forces increase by a total of perhaps 100,000, and Kagan willing to devote at least 5 percent of GDP to defense as in the Reagan years and increase the Army by at least 250,000), we agree on the need to start expanding ground force capabilities by at least 25,000 a year immediately. Such a measure is not only prudent, it is also badly overdue.

## Adv 2

**Advantage Two – Desalination**

#### Demand for nuclear desalination is increasing worldwide.

**IAEA 7** (International Atomic Energy Agency, *Economics of Nuclear Desalination: New Developments and Site Specific Studies*, Final Results of a Coordinated Research Project 2002–2006, July 2007, http://www-pub.iaea.org/MTCD/Publications/PDF/te\_1561\_web.pdf)

1.3.2. Why nuclear desalination?

The International Atomic Energy Agency is a specialized organization of the UN system that seeks to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world. The institutional basis for the IAEA’s involvement in nuclear desalination is in its Statute and Medium Term Strategy.

Article II of the IAEA Statute provides that: “ The Agency shall seek to accelerate and enlarge the contribution of atomic energy to peace, health

and prosperity throughout the world”.

This refers implicitly to nuclear desalination as an option for the use of nuclear technologies. The same applies to the Article III of the Statute, which authorizes the IAEA:

“ To encourage and assist research on, and development and practical application of, atomic energy for peaceful uses throughout the world....”; (Article III, A.1); and

“To foster the exchange of scientific and technical information on peaceful uses of atomic energy.”

(Article III, A.3).

In addition, Objective A.3 of the Agency’s Medium Term Strategy requires the Agency:

“ To support and facilitate the development of new and emerging applications of nuclear technologies by co-generation and heat applications, including seawater desalination”.

Request of assessing feasibility of using nuclear energy for seawater desalination was first made by the five **North African countries** to the IAEA in 1989 and the General Conference adopted its resolution to resume the study. These countries are located in semi-arid zones and already suffer from water shortages.

In recent years, interests have been also been indicated by Member States in South and **South East Asia** for the feasibility, as well as the demonstration, of nuclear desalination projects. The issue has since then been repeatedly stressed at the General Conference (Committee on the Whole) and supported by many **Member States** including most members of Group-77. The support stems not only from their expectation of its possible contribution to the freshwater issue but has also been motivated by a variety of reasons that include: the economic competitiveness of nuclear desalination in areas lacking cheap hydropower or fossil fuel resources, energy supply diversification, conservation of fossil fuel resources and spin-off effects of nuclear technology for industrial development.

#### SMR’s are the only solution to a dozen otherwise inevitable water conflicts.

**Palley 11** (Reese, The London School of Economics, 2011, The Answer: Why Only Inherently Safe, Mini Nuclear Power Plans Can Save Our World, p. 168-71)

The third world has long been rent in recent droughts, by the search for water. In subsistence economies, on marginal land, water is not a convenience but a matter of life and death. As a result small **wars have been fought**, rivers diverted, and wells poisoned in what could be a warning of what is to come as industrialized nations begin to face failing water supplies. Quite aside from the demand for potable water is the dependence of enormous swaths of industry and agriculture on oceans of water used for processing, enabling, and cleaning a thousand processes and products. It is interesting to note that fresh water used in both industry and agriculture is reduced to a nonrenewable resource as agriculture adds salt and industry adds a chemical brew unsuitable for consumption. More than **one billion people** in the world already lack access to clean water, and things are getting worse. Over the next two decades, the average supply of water per person will drop by a third, **condemning millions** of people to waterborne **diseases** and an avoidable premature death.81 So the stage is set for water access wars between the **first and the third worlds**, between **neighbors** downstream of supply, between **big industry** and big agriculture, between **nations**, between **population centers**, and ultimately between you and the people who live next door for an already inadequate world water supply that is not being renewed. As populations inevitably increase, **conflicts will intensify**.82 It is only by virtue of the historical accident of the availability of nuclear energy that humankind now has the ability to remove the salt and other pollutants to supply all our water needs. The problem is that desalination is an intensely local process. Some localities have available sufficient water from renewable sources to take care of their own needs, but not enough to share with their neighbors, and it is here that the scale of nuclear energy production must be defined locally. Large scale 1,000 MWe plants can be used to desalinate water as well as for generating electricity However we cannot build them fast enough to address the problem, and, if built they would face the extremely expensive problem of distributing the water they produce. Better, much better, would be to use small desalinization plants sited locally. Beyond desalination for human use is the need to green some of the increasing desertification of vast areas such as the Sahara. Placing twenty 100 MWe plants a hundred miles apart along the Saharan coast would green the coastal area from the Atlantic Ocean to the Red Sea, a task accomplished more cheaply and quickly than through the use of gigawatt plants.83 This could proceed on multiple tracks wherever deserts are available to be reclaimed. Leonard Orenstein, a researcher in the field of desert reclamation, speculates: If most of the Sahara and Australian outback were planted with fast-growing trees like eucalyptus, the forests could draw down about 8 billion tons of carbon a year—nearly as much as people emit from burning fossil fuels today. As the forests matured, they could continue taking up this much carbon for decades.84 The use of small, easily transported, easily sited, and walk away safe nuclear reactors dedicated to desalination is **the only answer** to the disproportionate distribution of water resources that have distorted human habitation patterns for millennia. Where there existed natural water, such as from rivers, great cities arose and civilizations flourished. Other localities lay barren through the ages. We now have the power, by means of SMRs profiled to local conditions, not only to attend to existing water shortages but also to smooth out **disproportionate water distribution** and create green habitation where historically it has never existed. The **endless wars** that have been fought, first over solid bullion gold and then over oily black gold, can now engulf us in the desperate reach for liquid blue gold. We need **never fight these wars** again as we now have the nuclear power to fulfill the biblical ability to “strike any local rock and have water gush forth.”

#### Nuclear desalination works and is necessary.

**IAEA 7** (International Atomic Energy Agency, *Economics of Nuclear Desalination: New Developments and Site Specific Studies*, Final Results of a Coordinated Research Project 2002–2006, July 2007, http://www-pub.iaea.org/MTCD/Publications/PDF/te\_1561\_web.pdf)

1.2. DESALINATION AS AN ALTERNATE SOURCE OF FRESH WATER

Seventy percent of the planet is covered with water, but only 2.5% of that is fresh water. Nearly 70% of this fresh water is frozen in the icecaps of Antarctica and Greenland. Most of the rest is in the form of soil moisture or in deep inaccessible aquifers or comes in the form of heavy rains and floods that are difficult to contain and exploit. Consequently, only less than **0.008%** (about 70 000 km3) of the world’s water is readily accessible for direct human use, and even that is very **unevenly distributed**.

Recent statistics show that currently **2.3 billion** people live in water-stressed areas and among them 1.7 billion live in water-scarce areas, where the water availability per person is less than 1000 m3/year.

In fact, the situation is expected to **worsen** further since, by 2025, the number of people suffering from water stress or scarcity could swell to 3.5 billion, out of which 2.4 billion would live in water-scarce regions. Water scarcity is a global issue. Every year new countries are affected by growing water problems.

It is for this reason that the Millennium Declaration by UN General Assembly in 2000 set up a target to halve, by the year 2015, the world population, which is unable to reach, or to afford, safe drinking water. Vision 21: shared vision for Hygiene, Water Supply and Sanitation, has a target to provide water, sanitation and hygiene for all by 2025.

Better water conservation, water management, pollution control and water reclamation are all part of the integrated solution to projected water stresses. So too are new sources of fresh water, including the desalination of seawater.

Desalination technologies have been **well established** since the mid-20th century and widely deployed in the Middle East and North Africa. The contracted capacity of desalination plants has increased steadily since 1965 and is now about 36 million m3/day worldwide, as shown in Figure 1. This capacity could cater to world’s population roughly 6 litres a day per capita of fresh potable water. If this capacity were available to 1.5 billion in the world without direct access to drinking water, it would provide approximately **20 liters per day per capita**.

Large scale commercially available desalination processes can generally be classified into two categories: (a) distillation processes that require mainly heat plus some electricity for ancillary equipment, and (b) membrane processes that require only electricity. In the first category (distillation) there are two major processes: multi-stage flash (MSF) and multi-effect distillation (MED). In both processes, seawater is heated; the steam that evaporates is condensed and collected as freshwater; and the residual brine is discharged.

In the second category (membranes) is the reverse osmosis process (RO), in which pure water passes from the high-pressure seawater side of a semi-permeable membrane to the low-pressure freshwater side. The pressure differential must be high enough to overcome the natural tendency for water to move from the low concentration freshwater side of a membrane to the high concentration seawater side in order to balance osmotic pressures.

The energy for the desalination plants is generally supplied in the form of either steam or electricity. Conventional fossil fuel-powered plants have normally been utilized as the primary sources but their intensive use raises increasing environmental concerns, specifically in relation to greenhouse gas emissions (Section 1.3.3). The depleting sources and the future price uncertainty of the fossil fuels and their better use for other vital industrial applications are also the factors to be considered.

1.3. THE ROLE OF NUCLEAR POWER IN DESALINATION

The world energy requirements are presently met from oil, coal, gas, hydro, nuclear and renewable energies in that order as shown in Table 1.

It is now universally recognized that there will be an increase in the world’s requirement for electricity over the next few decades. The present trend towards meeting this demand includes the building of fossil fuel plants, particularly combined cycle gas fired plants.

However, the spiralling increase in greenhouse gas (GHG) emissions has resulted in setting the emission targets in international meetings held at Toronto, Rio de Janeiro and Kyoto. The IAEA predicts that the GHG emissions would be 36-50% higher by 2010 compared to 1990 levels. Many analysts, therefore, feel that the **only viable alternative** to fossil fuels is nuclear energy to reduce the rate of increase of GHG, particularly, carbon dioxide.

Yet another incentive for nuclear power is to maintain diversity of supply. A national strategy limited to one particular form of energy (fossil fuels) will be vulnerable to increased fuel costs and pressures from exporting countries.

Nuclear power is a **proven technology**, which has provided more than 16% of world electricity supply in over 30 countries. More than ten thousand reactor-years of operating experience have been accumulated over the past 5 decades.

There are many reasons which favour a possible revival of the nuclear power production in the years to come. It is thus expected that this revival would also lead to an increased role of nuclear energy in non-electrical energy services, which, at the moment, are almost entirely dominated by fossil energy sources. Among various utilization of nuclear energy for non-electrical products, using it for the production of freshwater from seawater (nuclear desalination) has been drawing broad interest in the IAEA Member States as a result of acute water shortage issues in many arid and semi-arid zones worldwide. With technical co-ordination or support of the IAEA, several **demonstration programs** of nuclear desalination are also in progress in several Member States to confirm its technical and economical viability under country-specific conditions The desalination of seawater using nuclear energy is a **feasible option** to meet the growing demand for potable water. Over 175 reactor-years of operating experience on nuclear desalination have already been accumulated worldwide.

1.3.1. Nuclear desalination

In the IAEA terminology, nuclear desalination is defined to be the production of potable water from seawater in a facility in which a nuclear reactor is used as the source of energy for the desalination process. Electrical and/or thermal energy may be used in the desalination process on the same site. The facility may be dedicated solely to the production of potable water, or may be used for the generation of electricity and production of potable water, in which case only a portion of the total energy output of the reactor is used for water production.

The design approaches for a nuclear desalination plant are essentially derived from those of the nuclear reactor alone, with some additional aspects to be considered in the design of a desalination plant and its integration with the nuclear system.

All nuclear reactor types can provide the energy required by the various desalination processes. In this regard, it has been shown that Small and Medium Reactors (**SMRs**) offer the largest potential as coupling options to nuclear desalination systems in developing countries. The development of innovative reactor concepts and fuel cycles with enhanced safety features as well as their attractive economics are expected to improve the public acceptance and further the prospects of nuclear desalination.

The coupling with nuclear system is **not difficult** technically but needs some consideration in (a) avoiding cross-contamination by radioactivity, (b) providing backup heat or power sources in case the nuclear system is not in operation (e.g. for refuelling and maintenance), (c) incorporation of certain design features, minimising the impact of the thermal desalination systems’ coupling to the nuclear reactors (Section 1.6).

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In recent years, interests have been also been indicated by Member States in South and South East Asia for the feasibility, as well as the demonstration, of nuclear desalination projects. The issue has since then been repeatedly stressed at the General Conference (Committee on the Whole) and supported by many Member States including most members of Group-77. The support stems not only from their expectation of its possible contribution to the freshwater issue but has also been motivated by a variety of reasons that include: the economic competitiveness of nuclear desalination in areas lacking cheap hydropower or fossil fuel resources, energy supply diversification, conservation of fossil fuel resources and spin-off effects of nuclear technology for industrial development.

Looking to the future, there are several reasons for focusing now on expanding nuclear power’s contribution to desalination. Apart from the expanding demand for freshwater and the increasing concern about GHG emissions and pollution from fossil fuels, there is a renewed and growing emphasis on small and medium sized nuclear reactors, and this is particularly important for desalination because the countries most in need of new sources of freshwater often have **limited** industrial **infrastructures** and relatively **weaker** electricity **grids**. The size of the grid limits the possibilities for integrating a co-generating nuclear power plant into the grid to supply the electricity market, in addition to meeting the energy requirements of a desalination plant. The largest power unit that can be integrated into an electricity grid must not exceed about 10-20 % of the total grid capacity. Of course, smaller nuclear reactors would be more appropriate for remote areas that are not suitable for connections to the grid.

For nuclear desalination to be attractive in any given country, two conditions have to be satisfied simultaneously: a lack of water and the ability to use nuclear energy for desalination. In most regions, only one of the two is present. Both are present for example in China, the Republic of Korea, India and Pakistan. These regions already account for almost half the world’s population, and thus represent a potential long term market for nuclear desalination. The market will expand further to the extent that regions with high projected water needs, such as the Middle East and North Africa, increase their nuclear expertise and capabilities.

#### Capability asymmetry and desperation results in nuclear escalation

**Zahoor 12** (Musharaf, Researcher at Department of Nuclear Politics – National Defense University, *Water Crisis can Trigger Nuclear War in South Asia*, http://www.siasat.pk)

Water is an ambient source, which unlike human beings does not respect boundaries. Water has been a permanent source of conflict between the tribes since biblical times and now between the states. The conflicts are much more likely among those states, which are mainly dependent on shared water sources. The likelihood of turning these conflicts into wars is increased when these countries or states are mainly arid or receive low precipitations. In this situation, the upper riparian states (situated on upper parts of a river basin) often try to maximize water utility by neglecting the needs of the lower riparian states (situated on low lying areas of a river basin). However, international law on distribution of trans-boundary river water and mutually agreed treaties by the states have helped to some extent in overcoming these conflicts. In the recent times, the climate change has also affected the water availability. The absence of water management and conservation mechanisms in some regions particularly in the third world countries have exacerbated the water crisis. These states have become prone to **wars in future**. South Asia is among one of those regions where water needs are growing disproportionately to its availability. The high increase in population besides large-scale cultivation has turned South Asia into a water scarce region. The two **nuclear neighbors** Pakistan and India share the waters of Indus Basin. All the major rivers stem from the Himalyan region and pass through Kashmir down to the planes of Punjab and Sindh empty into Arabic ocean. It is pertinent that the strategic importance of Kashmir, a source of all major rivers, for Pakistan and symbolic importance of Kashmir for India are maximum list positions. Both the countries have fought two major wars in 1948, 1965 and a limited war in Kargil specifically on the Kashmir dispute. Among other issues, the newly born states fell into water sharing dispute right after their partition. Initially under an agreed formula, Pakistan paid for the river waters to India, which is an upper riparian state. After a decade long negotiations, both the states signed Indus Water Treaty in 1960. Under the treaty, India was given an exclusive right of three eastern rivers Sutlej, Bias and Ravi while Pakistan was given the right of three Western Rivers, Indus, Chenab and Jhelum. The tributaries of these rivers are also considered their part under the treaty. It was assumed that the treaty had permanently resolved the water issue, which proved a nightmare in the latter course. India by exploiting the provisions of IWT started wanton construction of dams on Pakistani rivers thus scaling down the water availability to Pakistan (a lower riparian state). The treaty only allows run of the river hydropower projects and does not permit to construct such water reservoirs on Pakistani rivers, which may affect the water flow to the low lying areas. According to the statistics of Hydel power Development Corporation of Indian Occupied Kashmir, India has a plan to construct 310 small, medium and large dams in the territory. India has already started work on 62 dams in the first phase. The cumulative dead and live storage of these dams will be so great that India can easily **manipulate** the water of Pakistani rivers. India has set up a department called the Chenab Valley Power Projects to construct power plants on the Chenab River in occupied Kashmir. India is also constructing three major hydro-power projects on Indus River which include Nimoo Bazgo power project, Dumkhar project and Chutak project. On the other hand, it has started Kishan \*\*\*\*\* hydropower project by diverting the waters of Neelum River, a tributary of the Jhelum, in sheer violation of the IWT. The gratuitous construction of dams by India has created serious water shortages in Pakistan. The construction of Kishan \*\*\*\*\* dam will turn the Neelum valley, which is located in Azad Kashmir into a barren land. The water shortage will not only affect the cultivation but it has serious social, political and economic ramifications for Pakistan. The farmer associations have already started protests in Southern Punjab and Sindh against the non-availability of water. These protests are so far limited and under control. The reports of international organizations suggest that the water availability in Pakistan will reduce further in the coming years. If the situation remains unchanged, the violent mobs of villagers across the country will be a major law and order challenge for the government. The water shortage has also created mistrust among the federative units, which is evident from the fact that the President and the Prime Minister had to intervene for convincing Sindh and Punjab provinces on water sharing formula. The Indus River System Authority (IRSA) is responsible for distribution of water among the provinces but in the current situation it has also lost its credibility. The provinces often accuse each other of water theft. In the given circumstances, Pakistan desperately wants to talk on water issue with India. The meetings between Indus Water Commissioners of Pakistan and India have so far yielded no tangible results. The recent meeting in Lahore has also ended without concrete results. India is continuously using delaying tactics to under pressure Pakistan. The Indus Water Commissioners are supposed to resolve the issues bilaterally through talks. The success of their meetings can be measured from the fact that Pakistan has to knock at international court of arbitration for the settlement of Kishan \*\*\*\*\* hydropower project. The recently held foreign minister level talks between both the countries ended inconclusively in Islamabad, which only resulted in heightening the mistrust and suspicions. The water stress in Pakistan is increasing day by day. The construction of dams will not only cause damage to the agriculture sector but India can manipulate the river water to create inundations in Pakistan. The rivers in Pakistan are also vital for defense during wartime. The control over the water will provide an edge to India during war with Pakistan. The failure of diplomacy, manipulation of IWT provisions by India and growing water scarcity in Pakistan and its social, political and economic repercussions for the country can lead both the countries toward a war. The existent asymmetry between the conventional forces of both the countries will compel the weaker side to **use nuclear weapons** to prevent the opponent from taking any advantage of the situation. Pakistan's nuclear programme is aimed at to create minimum credible deterrence. India has a declared nuclear doctrine which intends to retaliate massively in case of first strike by its' enemy. In 2003, India expanded the operational parameters for its nuclear doctrine. Under the new parameters, it will not only use nuclear weapons against a nuclear strike but will also use nuclear weapons against a nuclear strike on Indian forces anywhere. Pakistan has a draft nuclear doctrine, which consists on the statements of high ups. Describing the nuclear thresh-hold in January 2002, General Khalid Kidwai, the head of Pakistan's Strategic Plans Division, in an interview to Landau Network, said that Pakistan will use nuclear weapons in case India occupies large parts of its territory, economic strangling by India, political disruption and if India destroys Pakistan's forces. The analysis of the ambitious nuclear doctrines of both the countries clearly points out that any military confrontation in the region can result in a **nuclear catastrophe**. The rivers flowing from Kashmir are Pakistan's lifeline, which are essential for the livelihood of 170 million people of the country and the cohesion of federative units. The failure of dialogue will leave no option but to achieve the ends through military means. The only way to discard the lurking fear of a nuclear cataclysm is to settle all the outstanding disputes amicably through dialogue. The international community has a special role in this regard. It should impress upon India to initiate meaningful talks to resolve the lingering Kashmir dispute with Pakistan and implement the water treaty in its letter and spirit. The Indian leadership should drive out its policy towards Pakistan from terrorism mantra to a solution-oriented dialogue process. Both the countries should adopt a joint mechanism to maximize the utility of river waters by implementing the 1960 treaty, Besides negotiations with India, Pakistan should start massive water conservation and management projects. The modern techniques in agriculture like i.e. drip irrigation, should be adopted. On the other hand, there is a dire need to gradually upgrade the obsolete irrigation system in Pakistan. The politicization of mega hydropower projects/dams is also a problem being faced by Pakistan, which can only be resolved through political will.

#### There are numerous nuclear flashpoints worldwide.

**NASCA 6** (National Association for Scientific & Cultural Appreciation, *Water Shortages – Only A Matter Of Time*, http://www.nasca.org.uk/Strange\_relics\_/water/water.html)

Water is one of the prime essentials for life as we know it. The plain fact is - no water, no life! This becomes all the more worrying when we realise that the worlds supply of drinkable water will soon diminish quite rapidly. In fact a recent report commissioned by the United Nations has emphasised that by the year 2025 at least 66% of the worlds population will be without an adequate water supply. As a disaster in the making water shortage ranks in the top category. Without water we are finished, and it is thus imperative that we protect the mechanism through which we derive our supply of this life giving fluid. Unfortunately the exact opposite is the case. We are doing incalculable damage to the planets capacity to generate water and this will have far ranging consequences for the not too distant future. The United Nations has warned that burning of fossil fuels is the prime cause of water shortage. While there may be other reasons such as increased solar activity it is clear that this is a situation over which we can exert a great deal of control. If not then the future will be very bleak indeed! Already the warning signs are there. The last year has seen devastating heatwaves in many parts of the world including the USA where the state of Texas experienced its worst drought on record. Elsewhere in the United States forest fires raged out of control, while other regions of the globe experienced drought conditions that were even more severe. Parts of Iran, Afghanistan, China and other neighboring countries experienced their worst droughts on record. These conditions also extended throughout many parts of Africa and it is clear that if circumstances remain unchanged we are facing a disaster of epic proportions. Moreover it will be one for which there is no easy answer. The specter of a world water shortage evokes a truly frightening scenario. In fact the United Nations warns that disputes over water will become the **prime source** of conflict in the not too distant future. Where these shortages become ever more acute it could forseeably lead to the brink of **nuclear conflict**. On a lesser scale water, and the price of it, will acquire an importance somewhat like the current value placed on oil. The difference of course is that while oil is not vital for life, water most certainly is! It seems clear then that in future years countries rich in water will enjoy an importance that perhaps they do not have today. In these circumstances power shifts are inevitable, and this will undoubtedly create its own strife and tension. In the long term the implications do not look encouraging. It is a two edged sword. First the shortage of water, and then the increased stresses this will impose upon an already stressed world of politics. It means that answers need to be found immediately. Answers that will both ameliorate the damage to the environment, and also find new sources of water for future consumption. If not, and the problem is left unresolved there will eventually come the day when we shall find ourselves with a **nightmare situation** for which there will be no obvious answer.

#### Ignore impact defense that does not account for current tensions.

**Bhalla 12** (Nita, Staff Writer @ Reuters, *Thirsty South Asia's river rifts threaten "water wars"*, July 23rd, Lexis)

As the silver waters of the Kishanganga rush through this north Kashmir valley, Indian laborers are hard at work on a hydropower project that will dam the river just before it flows across one of the world's most heavily militarized borders into Pakistan.

The hum of excavators echoes through the pine-covered valley, clearing masses of soil and boulders, while army trucks crawl through the steep Himalayan mountain passes.

The 330-MW dam is a symbol of India's growing focus on hydropower but also highlights how water is a growing source of tension with downstream Pakistan, which depends on the snow-fed Himalayan rivers for everything from drinking water to agriculture.

Islamabad has complained to an international court that the dam in the Gurez valley, one of dozens planned by India, will affect river flows and is illegal. The court has halted any permanent work on the river for the moment, although India can still continue tunneling and other associated projects.

In the years since their partition from British India in 1947, land disputes have led the two nuclear-armed neighbors to two of their three wars. Water could well be the **next flashpoint**.

"There is definitely potential for conflict based on water, particularly if we are looking to the year 2050, when there could be considerable water scarcity in India and Pakistan," says Michael Kugelman, South Asia Associate at the Woodrow Wilson International Center for Scholars in Washington.

"Populations will continue to grow. There will be more pressure on supply. Factor in climate change and faster glacial melt ... That means much more will be at stake. So you could have a **perfect storm** which conceivably could be some sort of trigger.

It's not just South Asia -- water disputes are a global phenomenon, sparked by growing populations, rapid urbanization, increased irrigation and a rising demand for alternative power such as hydroelectricity.

**Turkey**, **Syria**, **Iran** and **Iraq** quarrel over the waters of the Tigris and Euphrates. The Jordan river divides **Israel**, **Jordan**, **Lebanon** and the **West Bank**. **Ten African countries** begrudgingly share the Nile.

In Southeast Asia, **China** and **Laos** are building dams over the mighty Mekong, raising tensions with downstream nations.

A U.S. intelligence report in February warned fresh water supplies are unlikely to keep up with global demand by 2040, increasing political instability, hobbling economic growth and endangering world food markets.

A "water war" is unlikely in the next decade, it said, but beyond that rising demand and scarcities due to climate change and poor management will increase the risk of conflict.

MAJOR THREAT

That threat is possibly nowhere more apparent than in South Asia, home to a fifth of humanity and rife with historical tensions, mistrust and regional rivalries.

The region's three major river systems - the Indus, the Ganges and the Brahmaputra - sustain **India** and **Pakistan's** breadbasket states and many of their major cities including New Delhi and Islamabad, as well as Bangladesh.

"South Asia is symbolic of what we are seeing in terms of water stress and tensions across the world," says B.G. Verghese, author and analyst at New Delhi's Centre for Policy Research.

The region is one of the world's most water-stressed, yet the population is adding an extra 25 million people a year - South Asia's per capita water availability has dropped by 70 percent since 1950, says the Asian Development Bank.

The effect of climate change on glaciers and rainfall patterns may be crucial.

"Most of the water that is used in Pakistan comes from glacial melt or the monsoon," says Rafay Alam, an environmental lawyer and coordinator of the water program at Lahore University of Management Sciences.

The dry months of June-July offer a snapshot of the extreme water crisis in the region.

Hospitals in New Delhi this year cancelled surgeries because they had no water to sterilize instruments, clean operating theatres or even wash hands. Swanky malls selling luxury brands were forced to switch off air conditioners and shut toilets.

In Pakistan, the port town of Gwadar ran out of water entirely, forcing the government to send two naval water tankers. Some government flats in the garrison city of Rawalpindi have not had water for weeks, said the local press.

India, as both an upper and lower riparian nation, finds itself at the centre of water disputes with its eastern and western downstream neighbors -- **Bangladesh** and Pakistan -- which accuse New Delhi of monopolizing water flows.

To the north and northeast, India fears the same of upstream China, with which it fought a brief border war in 1962. Beijing plans a series of dams over the Tsangpo river, called the Brahmaputra as it flows into eastern India.

#### And a transition to nuclear desalination prevents concentrated brine runoff.

**IAEA 10** (International Atomic Energy Agency, *Environmental Impact Assessment for Nuclear Desalination*, http://www-pub.iaea.org/MTCD/Publications/PDF/te\_1642\_web.pdf)

On the other hand, if favorable conditions exist, regarding the coast bathymetry, depth, wave activity and currents, fast dilution may be possible even with surface discharge. Indeed, Lattemann and Hoepner have reported that a considerable degree of dilution can occur even in coastal waters [71] as have Perez Talavera and Quesada Ruiz in their study on brine discharges from Maspalomas II desalination plant [82]. Furthermore, surface discharge in the tidal zone can be practiced without environmentally adverse effects using the significant amount of turbulent energy brought by the tides if their capacity for mixing and transport of the brine is not exceeded [34]. The brine can also be **diluted prior to discharge** by mixing it in a stream of sewer or wastewater. Power plant discharges are particularly interesting for brine dilution prior to sea surface disposal. In all cases, the receiving water’s capacity to self-purify has to be taken into account [75].

For co-located plants which use once-through cooling, including nuclear desalination plants, the combined effluent from desalination brine and warm power plant cooling waters would typically be positively buoyant.

Nuclear desalination experiences with surface water discharge involve the nuclear desalination plant in Aktau, Kazakhstan, where after evaporative concentrating, the brine with up to 50 g/L was blended with the nuclear plant cooling waters in the nearby 2,5 to 5 meters deep artificial lake, Karakol. There the waters were aerated and cleared of solids remaining at the bottom before released back into the Caspian Sea [54]. A different solution is applied at Diablo Canyon power plant, featuring a common intake as well as discharge pipeline for the desalination facility and the once-through cooling system, thus providing dilution of small brine quantities with large volumes of seawater used for cooling [83].

#### High salinity of runoff destroys large swaths of ocean plant biomass.

**IAEA 10** (International Atomic Energy Agency, *Environmental Impact Assessment for Nuclear Desalination*, http://www-pub.iaea.org/MTCD/Publications/PDF/te\_1642\_web.pdf)

In addition to the construction impact that the discharge structures share as an issue with the intakes, as well as the discharge salinity, temperature and pH, the discharge impact may be a result of toxicity due to presence of chemicals and heavy metals, low oxygen content, large nutrient concentration, turbidity etc. Depending on the desalination process and practice prior to discharge, all of these factors may cause adverse effects on the environment individually or in reaction with one another. It is also important to take into account the impact magnitude, which may not be instantaneously noticeable on the marine organisms, but can cause sub lethal effects that take time to be manifested, such as bioaccumulation [51].

The primary issue in sea discharge of the brine, whether surface or submerged, is the impact of increased salinity around the discharge point [29]. The importance of this impact is in correlation with marine organisms’ dependence on salinity conditions. Marine organisms can be defined according to their ability to tolerate the variations in their environment’s salinity, which affects the osmotic pressure of their body fluids, as euryhaline species (wide range of salinity tolerance) or as stenohaline species (narrow range of salinity tolerances). Furthermore, due to the higher salinity of the brine and hence the higher density, the discharge plume will in most cases spread on the bottom of the discharge area, thus primarily affecting the **benthic vegetation** which is usually very sensitive to changes in salinity [23] and basic to coastal marine habitats.

It must be noted that even **euryhaline species** may not survive changes of salinity concentrations if they are sudden and frequent. A study [87] on benthic vegetation in Northeastern Florida Bay, reported that variations in salinity levels resulted in changes of the species composition in the affected habitat, and that frequent changes of habitat salinity result in lower benthic vegetation biomass due to its inability to develop and survive long enough in changing conditions. The study concludes that not only can frequent salinity variations lead to **disappearance of species** altogether in affected habitats, but also that salinity variation had the greatest impact on **plant biomass**.

Many other studies have reported on the salinity impact on marine life with similar findings. A study [81] on the impacts from a desalination plant in Alicante, Spain, showed that stenohaline species such as echinoderms have either disappeared in the area of brine influence, or such as in the Mediterranean seagrass Posidonia oceanica12, their vitality has been affected. In addition, life cycle stage and age may be in a correlation with species salinity sensitivity, where younger individuals are more sensitive than older ones adversely affecting the biogenesis [27, 28]. For instance, salinity tolerance of invertebrate larvae is lower than for the adult population [49]. Salinity increase impacts can also be manifested with delay of hatchability and high egg mortality rates that may occur after a certain species specific limit [88].

#### That causes ecosystem collapse

**Worm 6** (Boris Worm,1\* Edward B. Barbier,2 Nicola Beaumont,3 J. Emmett Duffy,4 Carl Folke,5,6 Benjamin S. Halpern,7 Jeremy B. C. Jackson,8,9 Heike K. Lotze,1 Fiorenza Micheli,10 Stephen R. Palumbi,10 Enric Sala,8 Kimberley A. Selkoe,7 John J. Stachowicz,11 Reg Watson12, 1Department of Biology, Dalhousie University, Halifax, NS, Canada B3H 4J1. 2Department of Economics and Finance, University of Wyoming, Laramie, WY 82071, USA. 3Plymouth Marine Laboratory, Plymouth PL1 3DH, UK. 4Virginia Institute of Marine Science, Gloucester Point, VA 23062–1346, USA. 5Department of Systems Ecology, Stockholm University, Stockholm SE-106 91, Sweden. 6Beijer International Institute of Ecological Economics, Royal Swedish Academy of Sciences, SE-104 05, Stockholm, Sweden. 7National Center for Ecological Analysis and Synthesis, Santa Barbara, CA 93101, USA. 8Center for Marine Biodiversity and Conserva- tion, Scripps Institution of Oceanography, La Jolla, CA 92093– 0202, USA. 9Smithsonian Tropical Research Institute, Box 2072 Balboa, Republic of Panama. 10Hopkins Marine Station, Stanford University, Pacific Grove, CA 93950, USA. 11Section of Evolution and Ecology, University of California, Davis, CA 95616, USA. 12Fisheries Centre, University of British Columbia, Vancouver, BC, Canada V6T 1Z4, *Response to Comments on “Impacts of Biodiversity Loss on Ocean Ecosystem Services”*, http://wormlab.biology.dal.ca/ramweb/papers-total/Worm\_etal\_2007b.pdf)

What is the role and status of marine biodiversity in sustaining ocean eco- system services such as food supply, water quality control, and ecosystem stability? In our recent study, we addressed this question using meta-analysis of published experimental data, historical time series, global catch trends, and studies of marine reserves and fisheries clo- sures (1). We found that in all of these independent data sets, biodiversity was positively related to productivity, stability, and the **supply of ecosystem services**. The comments by Wilberg and Miller (2), Jaenike (3), and Hölker et al. (4) focus almost exclusively on our usage of catch trends and our projection of a possible fisheries collapse after accelerated biodiversity loss.

First, Wilberg and Miller (2) argue that under certain assumptions, a random process may gen- erate declining trajectories in the global catch data that are similar to observed trends. They hypothesize that the increasing proportion of time series that fall below 10% of the maximum catch (our operational definition of collapse) could be a simple, accumulating function of time. If this were the case, recovery after a collapse would certainly occur. Yet in reality, recoveries of col- lapsed stocks are often rare, as discussed below. Furthermore, their supporting formula assumes an independent, identically distributed (iid) times series. However, the assumption of independence among data points does not hold for the autocor- related random series that they use in their simula- tions, nor for the catch data that we used in (1).

Despite these shortcomings, we were able to test Wilberg and Miller’s hypothesis that in- creasing length of time series is correlated with increasing likelihood of collapse across large marine ecosystems (LMEs). We used all available fisheries catch data from the catch database of the United Nations Food and Agriculture Or- ganization (FAO) and other sources, as outlined in (1). Results show that for the 64 LMEs in- cluded in our original study, there is no relation between the average start year of a fishery and the likelihood of a collapse (Fig. 1A). This means that ecosystems that have been fished for longer do not necessarily show more frequent collapses. Furthermore, there is an inverse correlation be- tween the average lifetime of a fishery (the length of time over which it produced catches) and the proportion of fisheries that are collapsed (Fig. 1B). This refutes the idea that longer catch series are more prone to collapse than shorter ones, as suggested in (2).

Wilberg and Miller further note that the causes for a 90% decline in catch could be complex and do not necessarily indicate over- exploitation (2). We agree, and emphasize that the purpose of our study was not to test hypothe- ses about the putative causes of declining fisheries but to elucidate the role of marine biodiversity for stabilizing fisheries catches and other eco- system goods and services. Although there may be disputes about driving causes in individual cases, for global fisheries as a whole there is no reasonable doubt that most major declines in stock biomass and in corresponding yields are due to unsustainable levels of fishing pressure (5–8). Global assessments of stock biomass (7) support our conclusions that a large fraction of the world’s fished biodiversity is overexploited or depleted (24% of assessed stocks in 2003), that this fraction is increasing (from 10% in 1974), and that recovery of depleted stocks under intense management is still an exception (1% in 2003). An in-depth analysis of fish stock collapse and recovery using available abundance data (not catches) also concluded that there is little evi- dence for rapid recovery from prolonged declines (9). This undermines Wilberg and Miller’s argu- ment of a random process, because population recovery should be just as likely as collapse under their assumption. In a second comment, Jaenike (3) focuses on the statistical model used to approximate time series trends from global catch data. He points out the clustering of points above and below the egression line that we have fitted to the time series [figure 3A in (1)]. We note that this is a normal feature of any autocorrelated time series (10). Jaenike then applies an ad hoc piecewise regression model to the latter part of the catch series (1967 to 2003) and shows that a different projection ensues if that model is used to extra- polate into the future. Breaking the time series at 1967 would only be justified if a different pro- cess were driving the latter part of the time series. This assumption is not backed by any mecha- nism, such as a change in management at that time. We agree with his general point, though, that not too much reliance should be given to any one model and that alternative models are possible (for example, a logistic regression would be an obvious choice). Likewise, future projec- tions from such alternative models would yield different results but would involve equally strong assumptions about the dynamics of global fish- eries. This, however, was not the point of our study. Rather, we sought to highlight that there is a progressive and consistent loss of the biodiversity that fuels our fisheries. This trend is negative and increasing, no matter which model is applied to approximate it. It is seen in all the available data, including the FAO report on the status of world fisheries, which is based on stock assessments rather than catch trends (7). We therefore stand by our conclusion that the erosion of marine biodiversity is threatening **world seafood supplies** and emphasize that the protec- tion and restoration of biodiversity must be a cornerstone of any rational management regime.

In a third comment, Hölker et al. (4) state that, with respect to future projection of catch trends, it is generally problematic to extrapolate outside the range of available data. Although we agree in principle, a strict adherence to this rule would preclude any use of trend analysis to ex- plore future scenarios. Our study (1) drew atten- tion to the fact that fisheries depend on a limited number of available taxa and that there was a monotonic trend of declining catches affecting an increasing number of taxa since 1950. We believe that it is appropriate to ask how long this trend could continue before reaching a global limit. This does not amount to a prediction of what is going to happen, nor to an analysis of underlying mechanisms, but it does raise legiti- mate concerns about the direction of the trend. This reasoning is well accepted in population viability analysis, for example, where projections can span several hundred years (11). We acknowl- edge that such projections are generally uncer- tain and may be used best as scenarios, hypotheses, or benchmarks against which to measure future progress in fisheries management and biodiver- sity conservation.

Such progress will rely on the broad imple- mentation of effective conservation measures. Marine reserves and fisheries closures have re- ceived much recent attention because they can generate rapid conservation and fisheries bene- fits (12, 13). We showed that such benefits typ- ically include an increase in species diversity and a restoration of services associated with the productivity and stability of the ecosystem (1). Hölker et al. question the generality of that anal- ysis. They suggest that our database was biased toward tropical areas; we note, however, that temperate reserves constituted 40% of the avail- able data. They further ask whether reserves or closures would enhance biodiversity and eco- system services equally in tropical and temperate areas, and whether they could benefit groundfish or pelagic fisheries. We used meta-analysis of our published database (1) to compare responses to protection between temperate and tropical areas (Table 1). Responses were similar in direction, but diversity and catch per unit effort increased more in temperate areas, whereas temporal var- iability was reduced more in tropical areas. We also note that several prominent examples of groundfish recovery were associated with temper- ate closures (14–16). These results suggest that marine reserves and fisheries closures in temper- ate areas result in increased fish abundance and the recovery of biodiversity, similar to what has been observed in the tropics. Unfortunately, we cannot presently assess the specific effects of closures on pelagic fisheries because of a lack of published data. Simulations indicate that large- scale movements of target species and their fisheries may complicate both the siting and the assessment of marine reserves aimed at restoring pelagic biodiversity (17–19). We emphasize that closures and reserves are not a panacea and need to be augmented by other measures to re- duce total fishing mortality and rebuild depleted marine populations (8). This is particularly true for highly mobile pelagic species. Designing cost-effective instruments to limit catch, fishing effort, and the use of unselective fishing gear are crucial steps to ensure the sustainability of fish- eries that depend on these species (8, 20).

We conclude that our discussion of a pos- sible seafood collapse has focused much atten- tion on patterns and trends in global fisheries. Although future projections of such trends can be informative benchmarks, they do not repre- sent necessary outcomes. We have attempted to refocus attention on what is known now. The on- going erosion of marine biodiversity is exceeding- ly well documented, as are some of the functional and societal consequences (e.g., 1, 8, 9, 19). There is also a clear understanding of what past mistakes we need to avoid and what we can learn from recent successes, (e.g., 5, 6, 8, 12). Whether ocean ecosystems continue on a trajectory of decline, whether they stabilize, or whether they recover on a large scale will thus depend on our collective societal choices.

#### Ocean ecosystem collapse causes extinction.

**Craig 3** (Robin Kundis, Associate Professor of Law at the Indiana University School of Law, *Taking Steps Toward Marine Wilderness Protection? Fishing and Coral Reef Marine Reserves in Florida and Hawaii*, McGeorge Law Review, 34 McGeorge L. Rev. 155)

Biodiversity and ecosystem function arguments for conserving marine ecosystems also exist, just as they do for terrestrial ecosystems, but these arguments have thus far rarely been raised in political debates. For example, besides significant tourism values - the most economically valuable ecosystem service coral reefs provide, worldwide - coral reefs protect against storms and dampen other environmental fluctuations, services worth more than ten times the reefs' value for food production. n856 Waste treatment is another significant, non-extractive ecosystem function that intact coral reef ecosystems provide. n857 More generally, "ocean ecosystems play a major role in the global geochemical cycling of all the elements that represent the basic building blocks of living organisms, carbon, nitrogen, oxygen, phosphorus, and sulfur, as well as other less abundant but necessary elements." n858 In a very real and direct sense, therefore, human degradation of marine ecosystems impairs the planet's ability to support life. Maintaining biodiversity is often critical to maintaining the functions of marine ecosystems. Current evidence shows that, in general, an ecosystem's ability to keep functioning in the face of disturbance is strongly dependent on its biodiversity, "indicating that more diverse ecosystems are more stable." n859 Coral reef ecosystems are particularly dependent on their biodiversity. [\*265] Most ecologists agree that the complexity of interactions and degree of interrelatedness among component species is higher on coral reefs than in any other marine environment. This implies that the ecosystem functioning that produces the most highly valued components is also complex and that many otherwise insignificant species have strong effects on sustaining the rest of the reef system. n860 Thus, maintaining and restoring the biodiversity of marine ecosystems is critical to maintaining and restoring the ecosystem services that they provide. Non-use biodiversity values for marine ecosystems have been calculated in the wake of marine disasters, like the Exxon Valdez oil spill in Alaska. n861 Similar calculations could derive preservation values for marine wilderness. However, economic value, or economic value equivalents, should not be "the sole or even primary justification for conservation of ocean ecosystems. Ethical arguments also have considerable force and merit." n862 At the forefront of such arguments should be a recognition of how little we know about the sea - and about the actual effect of human activities on marine ecosystems. The United States has traditionally failed to protect marine ecosystems because it was difficult to detect anthropogenic harm to the oceans, but we now know that such harm is occurring - even though we are not completely sure about causation or about how to fix every problem. Ecosystems like the NWHI coral reef ecosystem should inspire lawmakers and policymakers to admit that most of the time we really do not know what we are doing to the sea and hence should be preserving marine wilderness whenever we can - especially when the United States has within its territory relatively pristine marine ecosystems that may be unique in the world. We may not know much about the sea, but we do know this much: if we kill the ocean we kill ourselves, and we will take most of the biosphere with us.

#### Only a robust domestic industry ensures exports.

**Mandel 9** (Jenny – Scientific American, Environment & Energy Publishing, LLC, “Less Is More for Designers of "Right-Sized" Nuclear Reactors” September 9, 2009, http://www.scientificamerican.com/article.cfm?id=small-nuclear-power-plant-station-mini-reactor)

Tom Sanders, president of the American Nuclear Society and manager of Sandia National Laboratories' Global Nuclear Futures Initiative, has been stumping for small rectors for more than a decade. American-made small reactors, Sanders insists, can play a central rolein global nonproliferation efforts. "Our role at Sandia is the national security-driven notion that it's in the interests of the U.S. to be one of the dominant nuclear suppliers," Sanders said. While U.S. companies have been exiting the industry over the past decades as government and popular support for new construction has waned, Sanders maintains that strong U.S. participation in the nuclear energy marketplace would give diplomats a new tool to use with would-be nuclear powers. "It's hard to tell Iran what to do if you don't have anything Iran wants," he explained. Sanders said mini-reactors are **ideal to sell** to developing countries that want to boost their manufacturing might and that would otherwise look to other countries for nuclear technologies. If the United States is not participating in that market, he said, it becomes hard to steer buyers away from technologies that pose greater proliferation risks. Sanders been promoting this view since the 1990s, he said, when he realized "we were no longer selling nuclear goods and services, so we could no longer write the rules." The domestic nuclear industry had basically shut down, with no new construction in decades and a flight of talent and ideas overseas. There is a silver lining in that brain drain, though, he believes, in that U.S. companies getting back into the game now are less tied to the traditional, giant plants and are freer to innovate. A feature that several of the new product designs share is that the power plants could be mass-produced in a factory to **minimize cost**, using robots to ensure consistency. Also, with less design work for each installation, the **time to complete** an order would be shortened and some of the capital and other **costs associated** with long lead times avoided, Sanders said. Another feature he favors is building the plants with a lifetime supply of fuel sealed inside. Shipped loaded with fuel, such reactors could power a small city for 20 years without the host country ever handling it. Once depleted, the entire plant would be packed back up and shipped back to the United States, he said, with the sensitive spent fuel still sealed away inside. Sanders is working on a reactor design hatched by the lab with an undisclosed private partner. He believes it is feasible to build a prototype modular reactor -- including demonstration factory components and a mockup of the reactor itself -- as early as 2014, for less than a billion dollars. A mini-reactor could ring up at less than **$200 million**, he said, or at $300 million to $400 million with 20 years of fuel. At $3,000 to $4,000 per kilowatt, he said, that would amount to significant savings over estimates of $4,000 to $6,000 per kilowatt for construction alone with traditional plant designs.

## Solvency

**Plan --- The United States federal government should remove its restrictions external to a fast track licensing process for small modular reactors and obtain, through power purchasing agreements, electricity from small modular reactors for military instillations in the United States.**

**Contention Three – Solvency**

#### Military action is necessary---it shapes technology development and overcomes market failures---that's key to commercialization.

**Andres 11** (\*Richard B. – Professor of National Security Strategy at the National War College and a Senior Fellow and Energy and Environmental Security and Policy Chair in the Center for Strategic Research, Institute for National Strategic Studies, at the National Defense University, \*\*Hanna L. Breetz – Doctoral candidate in the Department of Political Science at The Massachusetts Institute of Technology, *Small Nuclear Reactors for Military Installations: Capabilities, Costs, and Technological Implications*, Strategic Forum, National Defense University, Institute for National Strategic Studies, February 2011, http://www.ndu.edu/press/lib/pdf/StrForum/SF-262.pdf)

DoD as first Mover Thus far, this paper has reviewed two of DOD’s most pressing energy vulnerabilities—grid insecurity and fuel convoys—and explored how they could be addressed by small reactors. We acknowledge that there are many un- certainties and risks associated with these reactors. On the other hand, failing to pursue these technologies raises its own set of risks for DOD, which we review in this section: first, small reactors may fail to be commercialized in the United States; second, the designs that get locked in by the private market may not be optimal for DOD’s needs; and third, expertise on small reactors may become concentrated in foreign countries. By taking an early “first mover” role in the small reactor market, DOD could mitigate these risks and secure the long-term availability and appropriateness of these technologies for U.S. military applications. The “Valley of Death.” Given the promise that small reactors hold for military installations and mo- bility, DOD has a compelling interest in ensuring that they make the leap from paper to production. How- ever, if DOD does not provide an initial demonstration and market, there is a chance that the U.S. small reactor industry may never get off the ground. The leap from the laboratory to the marketplace is so difficult to bridge that it is widely referred to as the “Valley of Death.” Many promising technologies are never commercialized due to a **variety of market failures**— including technical and financial uncertainties, information asymmetries, capital market imperfections, transaction costs, and environmental and security externalities—that impede financing and early adoption and can lock innovative technologies **out of the marketplace**.28 In such cases, the Government can help a worthy technology to bridge the Valley of Death by accepting the first mover costs and demonstrating the technology’s scientific and economic viability.29 Historically, nuclear power has been “the **most clear-cut example** . . . of an important general-purpose technology that in the absence of military and defense-related procurement would not have been developed at all.”30 Government involvement is likely to be **crucial** for innovative, next-generation nuclear technology as well. Despite the widespread revival of interest in nu- clear energy, Daniel Ingersoll has argued that radically innovative designs face an uphill battle, as “the high capital cost of nuclear plants and the painful lessons learned during the first nuclear era have created a prevailing fear of first-of-a-kind designs.”31 In addition, **M**assachusetts **I**nstitute of **T**echnology reports on the Future of Nuclear Power called for the Government to provide modest “first mover” assistance to the private sector due to several barriers that have hindered the nu- clear renaissance, such as securing high up-front costs of site-banking, gaining NRC certification for new technologies, and demonstrating technical viability.32 It is possible, of course, that small reactors will achieve commercialization without DOD assistance. As discussed above, they have garnered increasing attention in the energy community. Several analysts have even ar- gued that small reactors could play a key role in the sec- ond nuclear era, given that they may be the only reactors within the means of many U.S. utilities and developing countries.33 However, given the tremendous regulatory hurdles and technical and financial uncertainties, it appears far from certain that the U.S. small reactor industry will take off. If DOD wants to ensure that small reactors are available in the future, then it should **pursue a leadership** role now. Technological Lock-in. A second risk is that if small reactors do reach the market without DOD assistance, the designs that succeed may not be optimal for DOD’s applications. Due to a variety of positive feedback and increasing returns to adoption (including dem- onstration effects, technological interdependence, net- work and learning effects, and economies of scale), the designs that are initially developed can become “locked in.”34 Competing designs—even if they are superior in some respects or better for certain market segments— can face barriers to entry that lock them out of the mar- ket. If DOD wants to ensure that its preferred designs are **not locked out**, then it should take a first mover role on small reactors. It is far too early to gauge whether the private market and DOD have aligned interests in reactor de- signs. On one hand, Matthew Bunn and Martin Ma- lin argue that what the world needs is cheaper, safer, more secure, and more proliferation-resistant nuclear reactors; presumably, many of the same broad qualities would be favored by DOD.35 There are many varied market niches that could be filled by small reactors, because there are many different applications and set- tings in which they can be used, and it is quite pos- sible that some of those niches will be compatible with DOD’s interests.36 On the other hand, DOD may have specific needs (transportability, for instance) that would not be a high priority for any other market segment. Moreover, while DOD has unique technical and **organizational capabilities** that could enable it to pursue more radically innovative reactor lines, DOE has indicated that it will focus its initial small reactor deployment efforts on LWR designs.37 If DOD wants to ensure that its preferred reactors are developed and available in the future, it should take a leadership role now. Taking a first mover role does not necessarily mean that DOD would be “**picking a winner**” among small reactors, as the market will probably pursue multiple types of small reactors. Nevertheless, DOD leadership would likely have a profound effect on the industry’s timeline and trajectory.

#### Alternative financing arrangements uniquely reduces costs and spur commercial spillover.

**Fitzpatrick 11** (Ryan Fitzpatrick, Senior Policy Advisor for Clean Energy at Third Way, Josh Freed, Vice President for Clean Energy at Third Way, and Mieke Eoyan, Director for National Security at Third Way, *Fighting for Innovation: How DoD Can Advance CleanEnergy Technology... And Why It Has To*, June 2011, content.thirdway.org/publications/414/Third\_Way\_Idea\_Brief\_-\_Fighting\_for\_Innovation.pdf)

The DoD has over $400 billion in annual purchasing power, which meansthe Pentagon could provide a sizeable market for new technologies. This can increase a technology’s scale of production, bringing down costs, and making the product more likely to successfully reach commercial markets. Unfortunately, many potentially significant clean energy innovations never get to the marketplace, due to a lack of capital during the development and demonstration stages. As a result, technologies that could help the military meet its clean energy security and cost goals are being abandoned or co-opted by competetors like China before they are commercially viable here in the U.S. By focusing its purchasing power on innovative products that will help meet its energy goals, DoD can provide more secure and cost-effective energy to the military—producing tremendous long-term savings, while also bringing potentially revolutionary technologies to the public. Currently, many of these technologies are passed over during the procurement process because of higher upfront costs—even if these technologies can reduce life-cycle costs to DoD. The Department has only recently begun to consider life-cycle costs and the “fullyburdened cost of fuel” (FBCF) when making acquisition decisions. However, initial reports from within DoD suggest that the methodology for determining the actual FBCF needs to be refined and made more consistent before it can be successfully used in the acquisition process.32 The Department should fast-track this process to better maximize taxpayer dollars. Congressional appropriators— and the Congressional Budget Office—should also recognize the savings that can be achieved by procuring advanced technologies to promote DoD’s energy goals, even if these procurements come with higher upfront costs. Even if the Pentagon makes procurement of emerging clean energy technologies a higher priority, it still faces real roadblocks in developing relationships with the companies that make them. Many clean energy innovations are developed by small businesses or companies that have no previous experience working with military procurement officers. Conversely, many procurement officers do not know the clean energy sector and are not incentivized to develop relationships with emerging clean energy companies. Given the stakes in developing domestic technologies that would help reduce costs and improve mission success, the Pentagon should develop a program to encourage a better flow of information between procurement officers and clean energy companies—especially small businesses. Leverage Savings From Efficiency and Alternative Financing to Pay for Innovation. In an age of government-wide austerity and tight Pentagon budgets, current congressional appropriations are simply not sufficient to fund clean energy innovation. Until Congress decides to direct additional resources for this purpose, the Defense Department must leverage the money and other tools it already has to help develop clean energy. This can take two forms: repurposing money that was saved through energy efficiency programs for innovation and using alternative methods of financing to reduce the cost to the Pentagon of deploying clean energy. For several decades the military has made modest use alternative financing mechanisms to fund clean energy and efficiency projects when appropriated funds were insufficient. In a 2010 report, GAO found that while only 18% of renewable energy projects on DoD lands used alternative financing, these projects account for 86% of all renewable energy produced on the Department’s property.33 This indicates that alternative financing can be particularly helpful to DoD in terms of bringing larger and more expensive projects to fruition. One advanced financing tool available to DoD is the energy savings performance contract (ESPC). These agreements allow DoD to contract a private firm to make upgrades to a building or other facility that result in energy savings, reducing overall energy costs without appropriated funds. The firm finances the cost, maintenance and operation of these upgrades and recovers a profit over the life of the contract. While mobile applications consume 75% of the Department’s energy,34 DoD is only authorized to enter an ESPC for energy improvements done at stationary sites. As such, Congress should allow DoD to conduct pilot programs in which ESPCs are used to enhance mobile components like aircraft and vehicle engines. This could accelerate the needed replacement or updating of aging equipment and a significant reduction of energy with no upfront cost. To maximize the potential benefits of ESPCs, DoD should work with the Department of Energy to develop additional training and best practices to ensure that terms are carefully negotiated and provide benefits for the federal government throughout the term of the contract.35 This effort could possibly be achieved through the existing memorandum of understanding between these two departments.36 The Pentagon should also consider using any long-term savings realized by these contracts for other energy purposes, including the promotion of innovative technologies to further reduce demand or increase general energy security. In addition to ESPCs, the Pentagon also can enter into extended agreements with utilities to use DoD land to generate electricity, or for the long-term purchase of energy. These innovative financing mechanisms, known respectively as enhanced use leases (EULs) and power purchase agreements (PPAs), provide a **valuable degree of certainty** to third party generators. In exchange, the Department can leverage its **existing resources**—either its land or its purchasing power—to negotiate lower electricity rates and dedicated sources of locallyproduced power with its utility partners. DoD has unique authority among federal agencies to enter extended 30-year PPAs, but only for geothermal energy projects and only with direct approval from the Secretary of Defense. Again, limiting incentives for clean energy generation to just geothermal power inhibits the tremendous potential of other clean energy sources to help meet DoD’s energy goals. Congress should consider opening this incentive up to other forms of clean energy generation, including the production of advanced fuels. Also, given procurement officials’ lack of familiarity with these extended agreements and the cumbersome nature of such a high-level approval process, the unique authority to enter into extended 30-year PPAs is very rarely used.37 DoD should provide officials with additional policy guidance for using extended PPAs and Congress should simplify the process by allowing the secretary of each service to approve these contracts. Congress should also investigate options for encouraging regulated utility markets to permit PPA use by DoD. Finally, when entering these agreements, the Department should make every effort to promote the use of innovative and fledgling technologies in the terms of its EULs and PPAs. CON C L U S ION The Defense Department is in a unique position to foster and deploy innovation in clean energy technologies. This has two enormous benefits for our military: it will make our troops and our facilities more secure and it will reduce the amount of money the Pentagon spends on energy, freeing it up for other mission critical needs. If the right steps are taken by Congress and the Pentagon, the military will be able to put its resources to work developing technologies that will lead to a stronger fighting force, a safer nation, and a critical emerging sector of the American economy. The Defense Department has helped give birth to technologies and new economic sectors dozens of times before. For its own sake and the sake of the economy, it should make clean energy innovation its newest priority.

#### Regulatory reform is necessary---it sends a signal to investor that overcomes current barriers.

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Abstract: More and more companies—in the U.S. and abroad—are investing in new commercial nuclear enterprises, chief among them, small modular reactors (SMRs). The SMR industry is growing, with many promising developments in the works—which is precisely why the government should not interfere, as subsidies and government programs have already resulted in an inefficient system for large reactors. Heritage Foundation nuclear policy experts explain how the future for small reactors can remain bright. Small modular reactors (SMRs) have garnered significant attention in recent years, with companies of all sizes investing in these smaller, safer, and **more cost-efficient** nuclear reactors. Utilities are even forming partnerships with reactor designers to prepare for potential future construction. Perhaps most impressive is that most of this development is occurring without government involvement. Private investors and entrepreneurs are **dedicating resources** to these technologies based on their future prospects, not on government set-asides, mandates, or subsidies, and despite the current regulatory bias in favor of large light water reactors (LWRs). The result is a young, robust, innovative, and growing SMR industry. Multiple technologies are being proposed that each have their own set of characteristics based on price, fuel, waste characteristics, size, and any number of other variables. To continue this growth, policymakers should reject the temptation to offer the same sort of subsidies and government programs that have proven ineffective for large LWRs. While Department of Energy cost-sharing programs and capital subsidies seem attractive, they have yet to net any new reactor construction. Instead, policymakers should focus on the systemic issues that have continued to thwart the expansion of nuclear power in recent years. Specifically, the federal government needs to develop an efficient and **predictable regulatory pathway** to new reactor certification and to develop a sustainable nuclear waste management strategy. Why SMRs? Small modular reactors share many of the attractive qualities of large reactors, such as providing abundant emissions-free power, while adding new features that could make them more appropriate for certain applications, such as providing power to rural communities or for dedicated industrial use. SMRs are not yet positioned to take the place of traditional large LWRs, but they represent an important growth area for the commercial nuclear industry. Indeed, should the promise of small modular reactors be realized, the technology could transform the nuclear industry. That is because these attributes would potentially mitigate some of the financial and regulatory problems that nuclear energy has recently faced. SMRs potentially cost less (at least in up-front capital), are more mobile and multifunctional, provide competition, and can largely be produced by existing domestic infrastructure. Lower Costs Up Front. Large reactors are very expensive to license and construct and require massive up-front capital investments to begin a project. Small reactors, while providing far less power than large reactors, can be built in modules and thus be paid for over time. For example, estimates for larger reactors range from $6 billion to $10 billion and must be financed all at once. The Babcock & Wilcox Company’s modular mPower reactors, alternatively, can be purchased in increments of 125 megawatts (MW), which would allow costs to be spread out over time. Though cost estimates are not yet available for the mPower reactor, its designers have stated that they will be competitive. This should not be used as a reason to refrain from building larger, 1,000-plus MW reactors. Each utility will have its own set of variables that it must consider in choosing a reactor technology, but given that one of the primary justifications for government subsidies is that the high costs of large reactors puts unacceptable strain on utility balance sheets, an option that spreads capital outlays over time should be attractive. Safe Installation in Diverse Locations. Some designs are small enough to produce power for as few as 20,000 homes. One such reactor, Hyperion Power’s HPM (Hyperion Power Module) offers 25 MW of electricity for an advertised cost of $50 million per unit. This makes the HPM a potential power solution for isolated communities or small cities.[1] The Alaskan town of Galena, for example, is planning to power its community with a small reactor designed by Toshiba, while Fairbanks is looking into a small plant constructed by Hyperion.[2] In addition, Western Troy Capital Resources has stated that it will form a private corporation to provide electric power from small reactors for remote locations in Canada.[3] Public utility officials in Grays Harbor, Washington, have spoken with the NuScale Power company about powering the community with eight small nuclear plants;[4] and Hyperion Power has reported a high level of interest in small nuclear reactor designs from islands around the world.[5] Using a small nuclear reactor could cut electricity costs in isolated areas since there would be no need for expensive transmission lines to carry power to remote locations.[6] SMRs could also potentially be integrated into existing energy infrastructure. SMRs could be built into old coal plants, for instance. The reactors would replace the coal boilers and be hooked into the existing turbines and distribution lines. According to the Nuclear Regulatory Commission, these modifications could be completed safely since small reactors will likely be easier to control during times of malfunction.[7] Multi-functionality. SMRs can be used in a variety of applications that have substantial power and heat requirements. The chemical and plastics industries and oil refineries all use massive amounts of natural gas to fuel their operations. Similarly, small reactors could produce the heat needed to extract oil from tar sands, which currently requires large amounts of natural gas. While affordable today, natural gas prices vary significantly over time, so the long-term predictable pricing that nuclear provides could be very attractive. SMRs may also provide a practical solution for desalination plants (which require large amounts of electricity) that can bring fresh water to parts of the world where such supplies are depleting.[8] Perhaps most important, is that SMRs have the potential to bring power and electricity to the 1.6 billion people in the world today that have no access to electricity, and to the 2.4 billion that rely on biomass, such as wood, agricultural residue, and dung for cooking and heating.[9] Competition. While competition among large nuclear-reactor technologies currently exists, small reactors will add a new dimension to nuclear-reactor competition. Multiple small technology designs are set to emerge on the market. Not only will competition among small reactors create a robust market, it will also provide an additional incentive for large reactors to improve. If smaller reactors begin to capture a share of the nuclear market and the energy market at large, it will drive innovation and ultimately lower prices for both new and existing technologies. Domestic Production. Although the nuclear industry necessarily shrank to coincide with decreased demand, much of the domestic infrastructure remains in place today and could support the expansion of small-reactor technologies. Although the industrial and intellectual base has declined over the past three decades, forging production, heavy manufacturing, specialized piping, mining, fuel services, and skilled labor could all be found in the United States. Lehigh Heavy Forge Corporation in Bethlehem, Pennsylvania, could build the forges while Babcock & Wilcox could provide the heavy nuclear components, for instance. AREVA/Northrop Grumman Shipbuilding broke ground on a heavy components manufacturing facility last June.[10] Further, a number of companies are expanding manufacturing, engineering, and uranium enrichment capabilities—all in the United States. If SMRs are so great, where is the construction? While some designs are closer to market introduction than others, the fact is that America’s **regulatory** and policy environment is not sufficient to support a robust expansion of existing nuclear technologies, much less new ones. New reactor designs are difficult to license efficiently, and the lack of a sustainable nuclear waste management policy causes significant risk to private investment. Many politicians are attempting to mitigate these market challenges by offering subsidies, such as loan guarantees. While this approach still enjoys broad support in Congress and industry, the reality is that it has not worked. Despite a lavish suite of subsidies offered in the Energy Policy Act of 2005, including loan guarantees, insurance against government delays, and production tax credits, no new reactors have been permitted, much less constructed. These subsidies are in addition to existing technology development cost-sharing programs that have been in place for years and defer significant research and development costs from industry to the taxpayer. The problem with this approach is that it ignores the larger systemic problems that create the unstable marketplace to begin with. These systemic problems generally fall into three categories: Licensing. The Nuclear Regulatory Commission (NRC) is ill prepared to build the regulatory framework for new reactor technologies, and no reactor can be offered commercially without an NRC license. In a September 2009 interview, former NRC chairman Dale E. Klein said that small nuclear reactors pose a dilemma for the NRC because the commission is uneasy with new and unproven technologies and feels more comfortable with large light water reactors, which have been in operation for years and has a long safety record.[11] The result is that enthusiasm for building non-light-water SMRs is generally squashed at the NRC as potential customers realize that there is little chance that the NRC will permit the project within a timeframe that would promote near-term investment. So, regardless of which attributes an SMR might bring to the market, the **regulatory risk** is such that real progress on commercialization is difficult to attain. This then leaves large light water reactors, and to a lesser extent, small ones, as the least risky option, which pushes potential customers toward that technology, which then undermines long-term progress, competition, and innovation. Nuclear Waste Management. The lack of a sustainable nuclear waste management solution is perhaps the greatest obstacle to a broad expansion of U.S. nuclear power. The federal government has failed to meet its obligations under the 1982 Nuclear Waste Policy Act, as amended, to begin collecting nuclear waste for disposal in Yucca Mountain. The Obama Administration’s attempts to shutter the existing program to put waste in Yucca Mountain without having a backup plan has worsened the situation. This outcome was predictable because the current program is based on the flawed premise that the federal government is the appropriate entity to manage nuclear waste. Under the current system, waste producers are able to largely ignore waste management because the federal government is responsible. The key to a sustainable waste management policy is to directly connect financial responsibility for waste management to waste production. This will increase demand for more waste-efficient reactor technologies and drive innovation on waste-management technologies, such as reprocessing. Because SMRs consume fuel and produce waste differently than LWRs, they could contribute greatly to an economically efficient and sustainable nuclear waste management strategy. Government Intervention. Too many policymakers believe that Washington is equipped to guide the nuclear industry to success. So, instead of creating a stable regulatory environment where the market value of different nuclear technologies can determine their success and evolution, they choose to create programs to help industry succeed. Two recent Senate bills from the 111th Congress, the Nuclear Energy Research Initiative Improvement Act (S. 2052) and the Nuclear Power 2021 Act (S. 2812), are cases in point. Government intervention distorts the normal market processes that, if allowed to work, would yield the most efficient, cost-effective, and appropriate nuclear technologies. Instead, the federal government picks winners and losers through programs where bureaucrats and well-connected lobbyists decide which technologies are permitted, and provides capital subsidies that allow investors to ignore the systemic problems that drive risk and costs artificially high. This approach is especially detrimental to SMRs because subsidies to LWRs distort the relative benefit of other reactor designs by artificially lowering the cost and risk of a more mature technology that already dominates the marketplace. How to Fix a Broken System At the Global Nuclear Renaissance Summit on July 24, 2008, then-NRC chairman Dale Klein said that a nuclear renaissance with regard to small reactors will take “decades to unfold.”[12] If Members of Congress and government agencies do not reform their current approach to nuclear energy, this will most certainly be the case. However, a new, market-based approach could lead to a different outcome. Instead of relying on the policies of the past, Congress, the Department of Energy, and the NRC should pursue a new, 21st-century model for small and alternative reactor technologies by doing the following: Reject additional loan guarantees. Loan guarantee proponents argue that high up-front costs of new large reactors make them unaffordable without loan guarantees. Presumably, then, a smaller, less expensive modular option would be very attractive to private investors even without government intervention. But loan guarantees undermine this advantage by subsidizing the capital costs and risk associated with large reactors. A small reactor industry without loan guarantees would also provide competition and downward price pressure on large light water reactors. At a minimum, Congress should limit guarantees to no more than two plants of any reactor design and limit to two-thirds the amount of any expanded loan guarantee program that can support a single technology. Such eligibility limits will prevent support from going only to a single basic technology, such as large light water reactors.[13] Avoid subsidies. Subsidies do not work if the objective is a diverse and economically sustainable nuclear industry. Despite continued attempts to subsidize the nuclear industry into success, the evidence demonstrates that such efforts invariably fail. The nuclear industry’s success stories are rooted in the free market. Two examples include the efficiency and low costs of today’s existing plants, and the emergence of a private uranium enrichment industry. Government intervention is the problem, as illustrated by the government’s inability to meet its nuclear waste disposal obligations. Build expertise at the Nuclear Regulatory Commission. The NRC is built to regulate large light water reactors. It simply does not have the regulatory capability and resources to efficiently regulate other technologies, and building that expertise takes time. Helping the NRC to develop that expertise now would help bring new technologies into the marketplace more smoothly. Congress should direct and resource the NRC to develop additional broad expertise for liquid metal-cooled, fast reactors and high-temperature, gas-cooled reactors. With its existing expertise in light water technology, this additional expertise would position the NRC to effectively regulate an emerging SMR industry. Establish a new licensing pathway. The current licensing pathway relies on reactor customers to drive the regulatory process. But absent an efficient and predictable regulatory pathway, few customers will pursue these reactor technologies. The problem is that the legal, regulatory, and policy apparatus is built to support large light water reactors, effectively discriminating against other technologies. Establishing an alternative **licensing pathway** that takes the unique attributes of small reactors into consideration could help build the necessary regulatory support on which commercialization ultimately depends.[14] Resolve staffing, security, construction criteria, and fee-structure issues by December 31, 2011. The similarity of U.S. reactors has meant that the NRC could establish a common fee structure and many general regulatory guidelines for areas, such as staffing levels, security requirements, and construction criteria. But these regulations are inappropriate for many SMR designs that often have smaller staff requirements, unique control room specifications, diverse security requirements, and that employ off-site construction techniques. Subjecting SMRs to regulations built for large light water reactors would add cost and result in less effective regulation. The NRC has acknowledged the need for this to be resolved and has committed to doing so, including developing the budget requirements to achieve it. It has not committed to a specific timeline.[15] Congress should demand that these issues be resolved by the end of 2011.

#### Nat gas isn’t a solvency take out—price rises, diversification, and international demand makes nuclear competitive—prefer SMR specific evidence.

Lamonica 12—Martin Lamonica is a senior writer covering green tech and cutting-edge technologies [August 9, 2012, “A Glut of Natural Gas Leaves Nuclear Power Stalled,” http://www.technologyreview.com/news/428737/a-glut-of-natural-gas-leaves-nuclear-power/]

Outside the United States, it's a different story. Unconventional sources of natural gas also threaten the expansion of nuclear, although the potential impact is less clear-cut. Around the world, there are 70 plants now under construction, but shale gas also looms as a key factor in planning for the future. Prices for natural gas are already higher in Asia and Europe, and shale gas resources are not as fully developed as they are the United States.

Some countries are also blocking the development of new natural gas resources. France, for instance, which has a strong commitment to nuclear, has banned fracking in shale gas exploration because of concerns over the environmental impact.

Fast-growing China, meanwhile, needs all the energy sources available and is building nuclear power plants as fast as possible.

Even in United States, of course, super cheap natural gas will not last forever. With supply exceeding demand, some drillers are said to be losing money on natural gas, which could push prices back up. Prices will also be pushed upward by utilities, as they come to rely on more natural gas for power generation, says James.

Ali Azad, the chief business development officer at energy company Babcock & Wilcox, thinks the answer is making nuclear power smaller, cheaper, and faster. His is one of a handful of companies developing small modular reactors that can be built in three years, rather than 10 or more, for a fraction of the cost of gigawatt-size reactors. Although this technology is not yet commercially proven, the company has a customer in the Tennessee Valley Authority, which expects to have its first unit online in 2021 (see "A Preassembled Nuclear Reactor").

"When we arrive, we will have a level cost of energy on the grid, which competes favorably with a brand-new combined-cycle natural gas plants when gas prices are between $6 to $8," said Azad. He sees strong demand in power-hungry China and places such as Saudia Arabia, where power is needed for desalination.

Even if natural gas remains cheaper, utilities don't want to find themselves with an overreliance on gas, which has been volatile on price in the past, so nuclear power will still contribute to the energy mix. "[Utilities] still continue [with nuclear] but with a lower level of enthusiasm—it's a hedging strategy," says Hans-Holger Rogner from the Planning and Economics Studies section of the International Atomic Energy Agency. "They don't want to pull all their eggs in one basket because of the new kid on the block called shale gas."

#### Funding for SMRs now

HSNW 9/26—Homeland Security News Wire [September 26, 2012, “DOE promotes small-nuclear reactors (SMRs)” http://www.homelandsecuritynewswire.com/dr20120926-doe-promotes-smallnuclear-reactors-smrs]

South Carolina’s Savannah River Site (SRS) located in Aiken, along with the U.S. Department of Energy (DOE), have announced three partnerships to develop three small modular nuclear reactors (SMRs) at the SRS facility; SMRs produce less energy than a regular reactor, but they produce enough energy to power small cities and remote areas

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The DOE released a statement saying the agreement “will help leverage Savannah River’s land assets, energy facilities and nuclear expertise to support potential private sector development, testing and licensing of prototype SMR technologies.”

Helen Belecan, DOE’s deputy assistant manager for infrastructure and environmental stewardship at the SRS facility, told Government Technology the goal of the reactors are “to apply the nuclear knowledge and expertise that we have from over 60 years of supporting the nation in its defense-type operation in nuclear material production and help these companies develop the technology and manufacturing capability in the United States so that the United States can take on a leadership role in the manufacturing of these small modular reactors.”

DOE will focus on the advancing SMRs in the United States. $450 million “will be made available to support first-of its kind engineering, design decertification and licensing for up to two SMR designs over five years, subject to congressional appropriations,” DOE says.

Proposals for funding were received in May and are being reviewed to see which proposal will meet the standards of the Nuclear Regulatory Commission (NRC). The DOE plans to announce the recipients later this year.

A SMR is about one-third the size of a regular nuclear reactor and is built at a fraction of the cost. A traditional single-unit nuclear reactor costs roughly $8 billion dollars to build and that number jumps to $14 billion for twin reactors. SMRs produce less energy than a regular reactor, but they produce enough energy to power small cities and remote areas.

Thomas Sander, an associate laboratory director for the Clean Energy Imitative and the Savannah River National Laboratory, told Government Technology the first SMR will cost almost $1 billion, but the price will drop down the line.

“If you are talking about the 100th, my expectation is that cost is going to be reduced significantly as a result of advance factory manufacturing and just a learning process and the licensing process.”

“If you are going after the old coal replacement market, you are looking at 150 to 200 megawatts on average,” Sander said, “but if you are looking at the Alaskan market for small cities or island market or export market for developing countries, you are talking 45 to 100 megawatts.”

The DOE is beginning to sign off on SMR’s for nuclear energy technology, and the government has began to approve projects around the country. DOE spokeswoman Niketa Kumar told Government Technology these new projects will allow the U.S. to compete with other countries in nuclear energy.