### States

#### Continued funding and support

**NEI, ‘8**

[“Building Confidence in Licensing New U.S. Nuclear Plants,” Jan/Feb,

<http://nei.org/resourcesandstats/publicationsandmedia/newslettersandreports/nuclearpolicyoutlook/>]
Addressing Investors’ Concerns Maintaining investor confidence in a new-plant project that will span many years is another concern. Companies have responded to this by allocating funds and other resources to projects on a step-by-step basis. Duke Energy, for example, has filed applications in North Carolina and South Carolina for approval to incur project costs through 2009. Still, constraints on supply have prompted some companies to order major components now regardless of their future decisions. One of the difficulties that companies face in financing major nuclear plant projects is this: The cost of the projects is large relative to the market capitalization of the companies planning to build them. The financial community understands that challenge and is supportive of the way companies are structuring their investment. “Companies have made prudent decisions about how to stage their investments in ways that are appropriate to the risk they are assuming,” said Jeffrey Holzschuh, vice chairman at Morgan Stanley. The federal loan guarantee program, which provides government backing for the financing of clean-energy projects, including new nuclear, is critical for new projects. The loan guarantee program was authorized in the Energy Policy Act of 2005. The legislation also included a form of insurance that will compensate companies if projects are delayed by the licensing process or litigation. In reality, the number of years before an investment in a new nuclear facility will show returns is one of the major concerns for investors. “The biggest risk in licensing is time,” Holzschuh said. The industry is working to reduce the length of time between the decision to pursue licensing a new plant and when operations begin from 10 years to seven years, according to NEI’s Heymer. Finding efficiencies and addressing shortcomings in the licensing process is one way to shrink the time required. Aggressive project management—pre-ordering components, increasing staff and detailed planning—is another way. But the key, say some industry executives, is that the earlier you begin work on a project, the sooner you see results. “Given the time required to build a new plant and complete it by 2014, we were prompt in beginning to address these challenges in 2004,” said Marilyn Kray, president of NuStart Energy Development, which, in partnership with the Tennessee Valley Authority, submitted a license application in October for a new reactor at TVA’s Bellefonte site in Alabama. “Now we have to address work force issues to ensure we have the trained staff to build and operate the new plants,” Kray said. “We also need to ensure that we will have the components and commodities necessary to build new reactors.” More than any other factor, say industry leaders, it is important that companies cooperate to increase stakeholders’ confidence in the new-plant licensing process. The NRC also must look for ways to streamline the licensing process without reducing its effectiveness. Companies need to share their experience with others that are using the same reactor design. Cooperation also is necessary in financing new plants. Ultimately, this cooperation will minimize the challenges that individual projects encounter as they become part of the expansion of the U.S. nuclear power sector.

#### States can’t provide that – they’re broke

The Hill 6/12 (“Report: Medicaid costs squeezing state budgets” June 12th, 2012, http://thehill.com/blogs/healthwatch/medicaid/232283-report-medicaid-costs-squeezing-state-budgets%20-)

The poor economy and rising healthcare costs are driving up states' expenditures on Medicaid, according to a new report from the bipartisan National Governors Association (NGA).¶ The analysis comes as the Supreme Court prepares to rule on the 2010 healthcare reform law, which included a massive Medicaid expansion, and as cash-strapped states make cuts to the program. ¶ In its report, the NGA found that Medicaid accounted for the largest share of state spending in 2011 — 24 percent overall — and that this figure represented a steep rise that continued this year, even as federal Medicaid spending declined. ¶ Medicaid uses state and federal dollars to provide healthcare for low-income patients, and is administered by the states. ¶ State spending on the program increased 20 percent in FY2012 after rising 23 percent in FY2011, the NGA report stated. ¶ Authors attributed the sharp increases to declining incomes and job losses, leading to the loss of employer-based healthcare coverage. These developments came as federal aid to Medicaid under the stimulus bill expired, the report stated. ¶ In response to the squeeze, states' tactics for reducing Medicaid expenditures have included "reducing provider payments, cutting prescription drug benefits, limiting benefits, reforming delivery systems, expanding managed care and enhancing program integrity efforts," according to the NGA's executive director, Dan Crippen. ¶ The report estimated that by 2013, Medicaid enrollment will have risen 12.5 percent over three years, and that the recession's original surge — a 7.2-percent increase in enrollment between 2009 and 2010 — approached the peak enrollment increase during the last economic downturn in 2002 (9.5 percent). ¶ Crippen warned in a statement that states alone cannot control rising Medicaid costs.¶ "With the growth of Medicaid expenditures, spending priorities will again face competition for state budget dollars this fiscal year," he said. ¶ "States have undertaken numerous actions to contain Medicaid costs. ... These efforts alone, however, cannot stop the growth of Medicaid." ¶ The National Association of State Budget Officers, which co-authored the report, cautioned that states are seeing low budget growth as Medicaid expenditures rise. ¶ "Despite some improvement in state budgets since the depths of the recession, state budget growth is still significantly below average — growing at less than half the average growth of the past few decades,” said Scott Pattison, the group's executive director. ¶

#### Uncertainty destroys investment

**Whitefield, 11** [5/4/11, STATEMENT OF THE HONORABLE ED WHITFIELD CHAIRMAN, SUBCOMMITTEE ON ENERGY AND POWER, “The Role of the Nuclear Regulatory Commission in America’s Energy Future, http://republicans.energycommerce.house.gov/Media/file/Hearings/Energy/050411/Whitfield.pdf

While the NRC may not be the direct cause of this uncertainty – the Obama Administration’s policy is - the NRC’s actions will contribute to the uncertainty one way or another. Beyond open adjudicatory issues, the NRC has recently taken administrative action to close down its review of Yucca Mountain, which will deprive the public of the first independent government assessment of the merits of Yucca Mountain’s construction. That doesn’t bode well for a nuclear renaissance. On the front end of nuclear power development, I’m very interested to hear about whether the NRC can develop and provide more regulatory certainty in its licensing and re-licensing programs. As in other energy sectors, regulatory certainty, such as keeping to decision schedules, is essential for ensuring the investments necessary to develop nuclear energy. Additionally, I think it is worth reviewing the Commission’s organizational structure, and whether an agency rightly focused on safety is suitably structured to also facilitate the advancement of new nuclear generation. And connected with regulatory certainty, are clear and well developed safety engineering evaluations. As mentioned, the safety record of NRC is unparalleled. But recent events in Japan have raised questions in the public’s mind about how well the NRC does its job. We need to be confident the NRC is up to the task. I believe the agency is, but scrutiny is helpful to maintain the public trust. We do not want to overreact to events based on poor and faulty information or other political agendas. Nuclear power is critical to this nation. We should recognize its importance for a growing economy and not lose sight of the tremendous value a reliable, affordable power supply will mean for the future health and wealth of the United States.

### Accidents

#### Fukushima proves one meltdown won’t prevent nuclear expansion.

Silverstein, 5-7-12

[Ken, Forbes, “Nuclear Energy Won't Die,” <http://www.forbes.com/sites/kensilverstein/2012/05/07/nuclear-energy-wont-die/>]

Some thought that nuclear energy may get buried after the Japanese Fukushima deluge. But the rumblings in this country are suggesting that it won’t die.¶ Several issues are creeping back into the American consciousness at once: The revival of Yucca Mountain, the safety measures enacted and the possibilities of surviving a nuclear accident here and finally, the licensing of two new nuclear sites after 33 years. The message that is radiating from those seemingly disparate events is that the nuclear resurgence is gathering more steam.¶ “The United States is building new nuclear energy facilities under an improved licensing process that exhaustively addresses safety considerations,” says Marvin Fertel, chief executive officer of the [Nuclear](http://www.nei.org/newsandevents/newsreleases/nrc-approval-of-plant-vogtles-construction-operating-license-opens-new-nuclear-energy-era/) [Energy](http://www.forbes.com/energy/) Institute. “It also assures that the lessons learned from the industry’s licensing and construction experience are properly applied to future projects.”¶ The U.S. Nuclear Regulatory Commission (NRC) granted two separate licenses to build nuclear reactors this year: One went to Southern Company and the other to [Scana](http://www.forbes.com/companies/scana/) Corp. so that both companies could build two reactors on existing sites. Now, if those utilities can stay on time and on budget, the consensus among energy insiders here is that it would lead to more such construction.¶ But according to Fertel, the nuclear revolution — to this point — has been a quiet one: U.S. electricity demand has risen more than 80 percent since the NRC last approved a construction permit in 1979. Unbeknownst to most people is that at least half of that demand has been met by nuclear facilities that have increased their rate of production by 40 percent during much of that time.¶ Still, several lingering questions remain. And the one that is now resurfacing is the resurrection of the once-pronounced-dead [Yucca Mountain](http://energybiz.com/article/12/05/yucca-mountain-may-get-second-life), which was to be the central repository where all civilian and military nuclear waste would be buried. While Congress had authorized the location — and allocated billions to study its possibilities — the Obama administration killed it.¶ But now the matter is getting its day in court. Advocates of the location are saying that U.S. officials have a legal obligation to create the burial site whereas the opponents are saying that there were too many pitfalls associated with the location. The U.S. Court of Appeals for the District of [Columbia](http://www.forbes.com/places/sc/columbia/) could decide in a few months whether to force the NRC to re-open a licensing case.¶ Refresher: Congress voted to approve in 1987 the repository that is about 90 miles from [Las Vegas](http://www.forbes.com/places/nv/las-vegas/). But then-candidate [Barack Obama](http://www.forbes.com/profile/barack-obama/) vowed to eschew the location, in a move that many believe was meant to placate the democratic Senate Majority Leader Harry Reid of Nevada.¶ Reid, meantime, has been able to withhold the necessary funds to move forward. And in a separate move, the NRC Chair Gregory Jaczko, who once served as a senior staffer to Reid, nullified any further consideration as a result. Then the U.S. Department of Energy withdrew its application. Now, the utilities that have poured in $29 billion for the permanent storage site are suing to get the project restarted, saying that they can prove it is scientifically and technically viable.¶ “The closeout of the Yucca Mountain license review has been a complicated issue,” says [Chairman Jaczko](http://www.nrc.gov/reading-rm/doc-collections/news/2011/11-099.pdf), with dedicated and experienced people holding different viewpoints.” He is insisting his move to pull out was not political — something for which the NRC’s own inspector general is skeptical.¶ page 2¶ Page 2 of 2¶ Another imminent issue that nuclear regulators must tackle is the safety of the domestic reactors here. To that end, the NRC has released its [State-of-the-Art Reactor Consequences Analysis](http://www.nrc.gov/about-nrc/regulatory/research/soar/soarca-related-info.html), which looks at two plants owned by Exelon Corp. and Dominion Resources that it says are representative of U.S. designs. The analysis concludes that even if a huge disaster hit this country, the risks to the general public would be minimal.¶ That’s because [plants here are “redundant,”](http://energybiz.com/article/12/02/nuclear-can-take-toughest-blows-regulators-say) which means that they have back-up power systems to keep radiated fuel rods cool. That prevents a meltdown and the escape of radiation. Meantime, the NRC is requiring nuclear operators to re-evaluate their risks under new scenarios using current seismic and flooding data, all of which were tested during an earthquake that hit the east coast last fall.¶ Concerns over radiation leaks nonetheless are persisting. The [San Onofre Nuclear Generating Station](http://www.energybiz.com/article/12/04/californias-nuclear-freeze-may-lead-brownouts-during-summer-heat) in Southern California has been shut down since early this year because of some deteriorating tubes. But Edison International says that it expects the units there to start up again in June or July when demand for power is highest, although this would require federal approval and the NRC just said that there are no time pressures.¶ “Successful implementation of existing mitigation measures can prevent reactor core damage or delay or reduce offsite releases of radioactive material,” the NRC says of this country’s nuclear energy fleet. “As a result, the calculated risks of public health consequences from severe accidents are very small.”¶ The stars have not exactly aligned for a nuclear energy resurgence. But they have not fallen out of place either. The demand for carbon free power is one reason. And so is a powerful lobby, which is keeping nuclear power off the obituaries and in the headlines.

### Politics

**Bostrom changed his mind**

**Bostrom, 07** [Future of Humanity Institute, Faculty of Philosophy & James Martin 21st Century School, Oxford University, 2009 Gannon Award Recipient, The Future of Humanity, 2007, [www.nickbostrom.com/papers/future.pdf](http://www.nickbostrom.com/papers/future.pdf)]

Extinction risks constitute an especially severe subset of what could go badly wrong for humanity. There are many possible global catastrophes that would cause immense worldwide damage, maybe even the collapse of modern civilization, yet fall short of terminating the human species. An all-out nuclear war between Russia and the United States might be an example of a global catastrophe that would be **unlikely to result in extinction**. A terrible pandemic with high virulence and 100% mortality rate among infected individuals might be another example: if some groups of humans could successfully quarantine themselves before being exposed, human extinction could be avoided even if, say, 95% or more of the world’s population succumbed. What distinguishes extinction and other existential catastrophes is that a comeback is impossible. A non-existential disaster causing the breakdown of global civilization is, from the perspective of humanity as a whole, a potentially recoverable setback: a giant massacre for man, a small misstep for mankind.

**Relations are impossible and won’t result in cooperation**

**LaFranchi, 3/3/12** [Christian Science Monitor, “A cold-war chill US-Russia relations falter over Libya and Syria”, http://www.csmonitor.com/USA/Foreign-Policy/2012/0303/A-cold-war-chill-US-Russia-relations-falter-over-Libya-and-Syria/%28page%29/2]

Secretary of State Hillary Rodham Clinton doffed her diplomatic gloves after Russia vetoed a United Nations Security Council resolution on Syria. Calling the February veto "despicable," she laid at Moscow's feet the "murders" of Syrian "women, children, [and] brave young men."

Not to be outdone, Russian Prime Minister Vladimir Putin railed against the United States for indulging its "bellicose itch" to get involved in other countries' internal affairs. And he vowed that Russia will thwart American designs in the Middle East.

Whatever happened to the "reset," President Obama's ballyhooed reorientation of US-Russia relations to a more cooperative path focused on common interests?

Russia would say Libya happened – the conflict where the West and the US in particular demonstrated a zeal for intervention that struck at Russia's sense of sovereignty and of what the UN should and shouldn't do. The US would say Syria happened – revealing Russia's revived obstructionist tendencies on the Security Council and demonstrating Russia's determination to protect an old ally at the expense of the Syrian people.

Both countries might say that what happened is this: The common interests that the "reset" was meant to emphasize – arms control, counterterrorism, the global economy – have taken a back seat to awakened geopolitical rivalries and **diverging** international **visions**.

Add to this the fact that Mr. Putin is expected to return to Russia's presidency in elections Sunday, bringing with him a blame-the-west perspective for explaining many of Russia's ills.

The result is that stormy days lie ahead for US-Russia relations, many say. Progress on issues like missile defense and NATO-Russia relations is likely to remain stalled – and could suffer serious setbacks if the Syria and Iran crises deteriorate further.

"I foresee a tough year for US-Russia relations," says Andrew Weiss, a former director for Russian affairs on the National Security Council under President Clinton who is now a Russia analyst at the RAND Corp. in Arlington, Va. With little prospect for advances, he adds, the Obama administration is likely to focus on preventing backsliding. "The emphasis will be on ensuring that these fast-moving conflicts don't put the remaining areas of cooperation at risk," he says.

Others say the current frictions demonstrate how relations, despite the efforts of three administrations, have never overcome cold-war mistrusts to progress to a deeper level.

"Under both Clinton and Bush, the US made it look like things were moving forward with Russia by focusing on things that were easier to do and that didn't require sacrifice from either side," says Paul Saunders, executive director of the Center for the National Interest in Washington.

Three years ago this month, President Obama said he **hoped to promote** more **cooperation** between the U.S. and Russia. It would be hard to see how that may happen as Vladimir Putin approaches power once again. Host Scott Simon speaks with the U.S. ambassador to Russia, Michael McFaul, about Sunday's elections in Russia.

#### Never gonna give him up, never gonna let him down

Neil Munro 8-30-2011; Daily Caller “Obama still has green energy vote for 2012” <http://dailycaller.com/2011/08/30/obama-still-has-green-energy-vote-for-2012/>

Environmentalists are staging a two-week oil-pipeline protest outside the White House to boost their importance to President Barack Obama’s political calculations in the 2012 election season. But there’s little evidence so far that progressives’ disappointment with Obama’s environmental policies threatens to reduce their turnout on election day, or that it pressures White House officials to make additional concessions to environmentalists during a political season dominated by the public’s demand for additional jobs. Monday’s colorful, TV-ready protests against the Keystone XL pipeline from Canada’s oil fields to U.S consumers took place in Lafayette Park, in front of the White House. The day’s events included 100 peaceful arrests of environmentalists and celebrities, a multi-faith spiritual event in Lafayette Park, press club speeches by environmental leaders, and numerous suggestions that approval of the pipeline by Obama will cost his campaign votes, volunteers and donations. Hundreds of others have already been arrested, and numerous environmental groups have contributed to two weeks of protest. If Obama approves the pipeline, environmental activist Andrew Driscoll predicted he would not vote to re-elect him. “He hasn’t done anything to earn our vote yet,” said the Massachusetts activist. “The fate of humanity, the fate of the planet” will be determined by Obama’s pipeline decision, he said. “If he approves it, it will be a huge blow, not only for our future, but also for this administration,” said Elijah Zarlin, a campaign manager at CREDO Action, an Atlanta-based progressive group. The protesters “are the people who are maybe going to vote for Obama, and are the people Barack will lose” if he approves the pipeline, he added. However, the leadership of the green movement isn’t threatening to break with Obama over this one decision. (RELATED: Gore: Global warming skeptics are this generation’s racists)