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Xcel Slashing Coal Plant Fleet In Dash To Gas

BY CHRIS HOLLY

Moving to comply with a four-month-old Colorado law aimed at slashing emissions that contribute to regional haze, Xcel Energy last week unveiled a \$1.3 billion proposal to shut down 903 megawatts of older coal-fired generation, add 883 MW of natural gas-fired capacity and add pollution controls to two more coal-fired units.

Xcel's proposal, submitted to the Colorado Public Utilities Commission (PUC) Friday, comprises the utility's strategy for complying with the Clean Air-Clean Jobs Act, signed into law in April by Colorado Gov. Bill Ritter (D).

The law requires Xcel to cut emissions of nitrogen oxides (NOx) from power plants sprinkled along the Rocky Mountain Front Range by 70-80 percent by the end of 2017 to help the state meet federal regional haze limits.

But the company said the plan also will better position Xcel's Colorado operations for looming Environmental Protection Agency regulations for mercury and

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Greens Sue To Stop New Plutonium Plant At Los Alamos Lab

BY GEORGE LOBSENZ

In a lawsuit that revealed surprising new details about the controversial and politically sensitive \$4 billion project, a New Mexico antinuclear group this week asked a federal court to stop construction of a massive new plutonium facility at Los Alamos National Laboratory until the Energy Department conducts a new environmental review to assess major changes in the plant's design and apparent plans to cap nearby radioactive waste sites with volcanic ash excavated at the plant site.

The Sante Fe-based Los Alamos Study Group said in a complaint filed Monday in U.S. District Court for the District of New Mexico that DOE and its semi-autonomous weapons agency, the National Nuclear Security Administration (NNSA), are continuing to rely on a 2003 environmental review despite huge changes in the planned size and scope of the Chemistry and Metallurgy Research Replacement Nuclear Facility (CMRR-NF) over the past seven years.

In particular, due to increased security and earthquake safety requirements, the lawsuit said NNSA years ago abandoned its

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FERC Rejects Puget's Wind Balancing Charges—For Now

To the delight of wind generators who say they are

BY JEFF BEATTIE

fighting similar proposals in other regions of the country, the Federal Energy Regulatory Commission Friday rejected a new surcharge that Puget Sound Energy wanted to impose on wind generators to cover Puget's claimed costs for balancing its grid system with backup energy to cover fluctuation in wind farm output.

The wind industry declared victory Monday, with American Wind Energy Association (AWEA) President Denise Bode saying that she hoped FERC's decision will also stop other transmission owners

from trying to hit wind generators with similar fees.

As a result of the Puget Sound order, "we expect utilities will give up their interest in assessing these charges to renewable sources," Bode said in a press release.

However, FERC's Friday decision was relatively narrow, and did not reject the overall concept of grid managers charging wind and other renewable generators additional fees for balancing intermittent power flows.

Instead, the commission merely said Puget's method of calculating the

charges could lead the utility to collect money exceeding its actual costs for providing the backup power and balancing services. FERC issued the order "without prejudice," freeing the utility to submit a revised proposal.

A spokesman for Puget, which serves 1.75 million gas and electric customers mostly around Seattle, said Monday the company is still reviewing the FERC order but will likely either ask FERC to re-hear it or submit a revised proposal for consideration.

Still, Friday's order was a relief for wind developers—particularly because a few recent FERC decisions in similar cases have gone the other way, approving charges for wind resources that AWEA and other local wind advocates

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Greens Sue To Stop New Plutonium Plant... (Continued from p. 1)

2003-vintage plan for a relatively small above-ground facility and is now contemplating a far larger underground structure that would require digging down 125 feet to remove a 50-foot-thick layer of volcanic ash under the project site.

The lawsuit said the removal of the ash is necessary because it could significantly shift during an earthquake, potentially destabilizing the CMRR-NF, which will hold several tons of plutonium for nuclear weapons production.

And in what appeared to be a new disclosure, the lawsuit said DOE and NNSA are considering using the estimated 400,000 cubic yards of excavated volcanic ash to cap two old waste disposal sites at Los Alamos that contain 14 million cubic feet of nuclear and chemical residues left over from past nuclear weapons research at the lab.

The lawsuit, pointing out that the National Environmental Policy Act (NEPA) requires federal agencies to review the environmental impacts of "major" federal actions, noted:

"The decision to leave 14 million cubic feet of nuclear and chemical waste in shallow unlined disposal pits covered by this material would be a major federal action significantly affecting the quality of the human environment, with far-reaching impacts."

The lawsuit also disclosed that NNSA officials—without any public review—have revamped the design of the CMRR-NF so it can serve as a multi-functional "hotel" for a range of unspecified nuclear weapons activities. The lawsuit said the "hotel" concept appears to provide less usable floor space than past building designs while vastly increasing the size and cost of the project, requiring 20 times more steel and concrete than older designs.

More fundamentally, the lawsuit said DOE and NNSA have violated NEPA by failing to conduct a new review to look at the environmental impacts of the far larger CMRR-NF they are now planning—a facility that was never contemplated in the environmental impact statement (EIS) conducted by the agencies in 2003 when they first looked at replacing the current Chemistry and Metallurgy Research (CMR) facility at Los Alamos, which is outdated and dangerously vulnerable to earthquake damage.

The lawsuit noted that NNSA has repeatedly acknowledged to Congress—and to the Los Alamos Study Group in a July 30 letter—that the design and scope of the CMRR-NF have changed dramatically.

"However, [DOE and NNSA] have never analyzed their substantially changed nuclear facility project, with its additional project elements and its greatly expanded environmental impacts, in any EIS," the lawsuit said. "As a result, [DOE and NNSA] have been and are continuing to implement a novel nuclear facility project which differs substantially from, and has significantly different environmental impacts than, any alternative analyzed in any EIS, including the 2003 CMRR EIS."

Greg Mello, head of the Los Alamos Study Group, suggested DOE and NNSA officials wanted to avoid doing an EIS for the project because it would fully expose the huge cost, building design issues—and the rationale for the massive structure—to public debate.

He noted that the Senate Armed Services Committee and other congressional panels had recently expressed concern about the increasing size and cost of the CMRR-NF, and the armed services panel had urged an independent review of the project, presumably because lawmakers no longer trusted NNSA assessments of the secretive initiative.

"The time for cozy internal review has past," Mello said in a

statement. "Everyone knows the project's costs, challenges, and impacts have exploded, and many parties, including NNSA and congressional committees, are starting to worry that the project has gotten too big, too expensive and too risky."

NNSA officials responded to the lawsuit by saying they were in the process of determining whether they needed to conduct a new EIS for the CMRR-NF project, whether they could update the 2003 analysis with a more limited supplemental analysis or whether any new environmental review was needed.

Mello said a supplement to the 2003 EIS clearly would be inadequate in light of the major design changes made to the CMRR-NF that was reviewed in 2003. He also argued that NNSA should embrace a full EIS to clarify its thinking on the project—particularly whether such a large new facility is really needed to maintain the nation's nuclear weapons production capability.

"The underground behemoth NNSA now proposes to build bears little resemblance to the light, above-ground structure proposed in 2003," Mello said. "Any 'supplemental' analysis of the existing plan falls far short of what the law requires and what all parties—especially NNSA—badly need."

"We believe NNSA will see the value of reassessing this project through a new NEPA analysis," he continued. "NEPA's procedural requirements exist to help federal decision-makers. If NNSA had followed the law, the agency would not be squandering so much money on this facility now. NNSA should halt further investment in the project and conduct a new NEPA analysis beginning with an objective, open review of better alternatives."

Mello and other antinuclear groups contend the CMRR-NF is unnecessary because the nation's nuclear arsenal is shrinking fast, meaning NNSA will not have to manufacture any new plutonium pits for warheads. The critics point out that nuclear weapons experts have told NNSA that current pits in warheads face no significant age-related degradation for decades, undermining NNSA's main argument for building a robust new CMRR-NF.

However, NNSA and the Obama administration contend the CMRR-NF is critical to efforts to downsize the U.S. nuclear arsenal because the nation currently has no sizable pit production capability in case new warheads are needed in the future.

In addition, the CMRR-NF is a political linchpin in Obama's strategy to win Senate Republican votes for a new nuclear weapons reduction pact with Russia by promising billions of dollars in new investment in the U.S. nuclear weapons complex. GOP senators say they will not vote for the pact unless Obama shows he is serious about modernizing U.S. warhead production capabilities.

However, even current and past NNSA officials have expressed concern in recent days about the mushrooming cost of the CMRR-NF and the proposed Uranium Processing Facility at DOE's Y-12 site in Tennessee, which is expected to cost as much as \$3.5 billion.

The New Mexico lawsuit noted that Los Alamos Director Michael Anastasio told the Senate Armed Services Committee July 15 that he feared weapons science activities at his lab might be "squeezed" to provide money for the two huge new production facilities.

Similarly, former NNSA Deputy Administrator John Foster told Congress July 27 that he was increasingly concerned that the pricey projects would force spending reductions for other key NNSA weapons programs, such as warhead surveillance and life extension.