Testimony of Gary Newman before Senate Resources March 21, 2022

SB 177- Micro Nuclear Reactors

Chair Micciche (on behalf of Chair Revak, who was excused) and members of the committee:

My name is Gary Newman, a 50 year resident of Fairbanks, Alaska. I have long worked with and closely followed energy technology and policy in conjunction with my professional career. To be transparent, I serve on the Golden Valley Electric Association (GVEA) Board of Directors, but my testimony is solely mine.

I've participated in ACEP's Nuclear Working Group and listened to testimony before legislative committees. While by no means expert in the highly technical details of the proposed technologies, I am able to critically evaluate what is being proposed.

Most of the testimony has come from proponents of this potential technology, with others just opposed to nuclear at all. I'd like to offer a practical approach.

1. I would agree the Legislature is not the appropriate body for siting authority. In conjunction with state agencies, **the Regulatory Commission of Alaska (RCA) is the more logical siting authority**.

2. Removing the requirements of on-going studies otherwise required in AS 18.45.030 is problematic. DEC is not the only agency that should have purview over this, as the list of departments in that section demonstrates. The Nuclear Regulatory Commission (NRC) may have extensive permitting requirements, but the State of Alaska has a stake too on behalf of its citizens.

3. Instead of eliminating <u>all</u> on-going studies, just **remove *'on-going'* from that description**. Why would you NOT want the state departments to look at this new proposed technology for regulations? As to local control, most small municipalities do not have the capacity or legislative authority to analyze or regulate this. In Fairbanks, it takes a simple conditional use permit approval by the Planning Commission for a nuclear power plant.

Alaskans often say we need more local control, whether at the state or local levels. SB 177 does the opposite and is premature, as all should agree that this technology is in its infancy. The proposed pilot project at Eielson AFB might be functional in 2027. Copper Valley Electric is looking at a feasibility study with a similar timeline. Let's see how these develop before absolving the State of Alaska of most regulatory engagement.

To conclude, the State of Alaska needs to have a stake in the evaluation and operation of this unproven method of power generation. Please consider just eliminate 'on-going' in 18.45.030.

Also, consider changing siting authority from the Legislature to the RCA, who already have siting authority for power generation in the Railbelt as a consequence of regulations implemented last year from SB 123 passed in the last legislature.

<u>Follow-up from questions by the committee about the Ft. Greely Nuclear Plant</u>

In the late 1950's, there was a national push for utility scale nuclear generation. GE looked to Alaska and lobbied GVEA to buy into a small nuclear plant (20-30 mw). The GVEA Board was very interested, but their lender, what is now the federal Rural Utility Services, turned it down as being too risky. GVEA instead pivoted and built the 25 mw Healy 1 coal fired power plant, commissioned in 1967 and now reaching end of life. In the meantime, Ft. Greely near Delta Junction, commissioned GE serial number SM-1A, a 20 mw nuclear heat and power plant in 1962. It ran for about 9 years then was shut down due to the high cost of operation. It was mothballed and just now, the site is now expected to be dismantled at an unknown cost, but likely in the millions. See the attached fact sheet provided by the U.S. Army Corp of Engineers.