

PRESS RELEASE

For Immediate Release: December 13, 2001

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**GEORGIA ENVIRONMENTAL GROUP WINS HEARING ON PLUTONIUM
FUEL (MOX) PLANT PROPOSED FOR DOES SAVANNAH RIVER SITE**

ATLANTA, GA An Atomic Safety and Licensing Board panel for the U.S. Nuclear Regulatory Commission (NRC) has awarded Georgians Against Nuclear Energy (GANE) the right to a public evidentiary hearing to investigate unresolved issues concerning a controversial proposal to manufacture reactor fuel from weapons-grade plutonium. The order, issued on December 6, 2001, granted a petition filed last summer by the Georgia citizens group.

At issue is a proposal to build a factory to manufacture a new type of reactor fuel from weapons-grade plutonium at a U.S. Department of Energy nuclear weapons facility on the banks of the Savannah River in South Carolina near Augusta, Georgia. If built, this would be the first full-scale, commercial MOX facility in the U.S. In February, a Construction Authorization Request was submitted to the NRC by Duke Cogema Stone & Webster (DCS), an international nuclear consortium. DCS plans to apply later for a license to operate the factory. The plutonium-based Mixed Oxide or MOX fuel to be manufactured at the plant would be burned at four commercial reactors owned by Duke Power in North and South Carolina.

DCS must obtain a license from the NRC before it can build or operate the proposed MOX factory. Under federal law, third parties may intervene in the permitting process and request a public hearing by submitting contentions that describe their concerns about whether public health and safety and the environment will be protected under the proposed permit. The NRC Board found that 8 of GANE's 13 contentions meet the agency's rigorous pleading standards. In a hearing currently scheduled to begin in October 2002, GANE will be allowed to litigate a range of criticisms of the application, including its failure to protect the public from excessive radiation doses, inadequate provision for high-level nuclear waste storage, poorly prepared seismic analysis, lack of a cost/benefit analysis in the environmental review, and security.

Chief among the issues to be litigated is GANE's concern that the design of the MOX factory is inadequate to protect against acts of terrorism and insider sabotage, or to keep the plutonium secure from theft. The proposed design fails to meet international standards which require physical protection of nuclear material to be taken into consideration in the early stages of facility design, said GANE's technical advisor, Dr. Edwin Lyman. Dr. Lyman is Scientific Director of Nuclear Control Institute (NCI), a Washington, D.C.-based organization which specializes in problems of nuclear proliferation. The NRC Board rebuked DCS and the NRC technical staff for attempting to downplay the importance of the issue, calling it axiomatic that weapons-grade material control and accounting and physical protection systems are most important systems and systems of first rank.

GANE will also be allowed to press its contention that seeks preparation of an Environmental Impact Statement that addresses the potential impacts of a successful terrorist attack. DCS has made no attempt to address the potential consequences of malevolent acts such as terrorism and insider sabotage, says Glenn Carroll, coordinator of GANE's intervention. Incredibly, even after the events of September 11, DCS and the NRC's technical staff continued to insist that terrorist attacks are not foreseeable and there is no need to examine the issue. The NRC Board sided with GANE, stating that it can no longer be argued that terrorist attacks of heretofore unimagined scope and sophistication against previously unimaginable targets are not reasonably foreseeable. Ms. Carroll applauded the Board's

ruling, stating, We will use the hearing to show that DCS and the NRC should be looking at alternatives that would minimize the chance for a successful terrorist attack on the MOX factory, such as a hardening of plant structures to withstand an aircraft assault. They should also address the problem that there are no emergency plans to cope with the aftermath of a terrorist attack.

While pleased with the ruling from the NRC Board, GANE expressed concern that the hearing should not go forward until DCS has filed a complete application that includes details about the operation of the proposed facility. The NRC Board has not yet ruled on GANE's motion to dismiss or postpone the MOX proceeding, which the group filed simultaneously with its contentions. GANE asserts that the NRC should not consider DCS's application until it has been completed, including all details necessary for safe operation. We hope that the Board will not let DCS and the NRC Staff get away with the illegal process they have set up to push through construction authorization before a completed application has been filed. Holding a hearing on this incomplete application would not only violate GANE's hearing rights, it would compromise public safety, said Diane Curran, GANE's legal adviser.

GANE and NCI also have jointly filed a Petition to Suspend the MOX proceeding pending before the Commission. The petition calls for the MOX review process to be stopped while the NRC reviews its regulations concerning nuclear security.

The controversial proposal to construct a MOX factory was spawned in a Russia-U.S. non-proliferation agreement to dispose of surplus weapons-grade plutonium. GANE opposes MOX manufacture and advocates immobilizing plutonium in a glass matrix made from 35,000,000 gallons of high-level liquid waste which threaten a significant aquifer recharge area underneath the Savannah River Site (SRS). Its time to face up to the inherent destructive nature of plutonium and call it what it is -- nuclear waste, says Ms. Carroll. Dealing with our radioactive waste problem is the heroic mission that protects security, for our nation and all nations.

Despite the U.S. government's official commitment to dispose of a significant portion of its plutonium inventory, there has been no forward progress on disposition since the program's inception in 1995. In response, South Carolina Governor Jim Hodges threatens to block plutonium waste shipments from Colorado's Rocky Flats Plant at the South Carolina border if immobilization plans are not reinstated. Revelations of conflicts of interest between DOE upper management and the company that stands to benefit if Rocky Flats is closed by a certain date have exacerbated Hodges' concern that the actual DOE agenda is to permanently store plutonium waste at SRS without any processing. Internationally, necessary financial support for the Russian part of the program has not materialized resulting in waning interest in Russia and scandal has plagued the European-Japanese MOX market. In the U.S. the National Security Council has undertaken complete reassessment of the DOE plutonium disposition program.

To request complete text of Atomic Safety and Licensing Board Memorandum and Order ruling on Standing and Admissibility of Contentions, please contact Glenn Carroll, GANE, 404-378-4263 or 404-378-9542, or e-mail GANE at atom.girl@mindspring.com.