

1.1 A bill for an act

1.2 relating to environment; providing for long-term storage costs of spent nuclear
1.3 waste; proposing coding for new law in Minnesota Statutes, chapter 116C.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. [116C.8301] LONG-TERM STORAGE ESTIMATES.

1.6 Subdivision 1. Definitions. For purposes of this section, the following terms have
1.7 the meanings given:

1.8 (1) "long-term storage" means spent nuclear waste storage in Minnesota for 200
1.9 years, with disposal in a permanent federal repository after the 200th year;

1.10 (2) "host community" means the Prairie Island Indian Community in Minnesota, the
1.11 city of Red Wing, or the city of Monticello; and

1.12 (3) "decommissioning fund" means the fund established by a utility that owns a
1.13 nuclear generating plant in Minnesota in compliance with Code of Federal Regulations,
1.14 title 10, section 50.75. The fund is required by the United States Nuclear Regulatory
1.15 Commission and regulated by the Public Utilities Commission.

1.16 Subd. 2. Long-term storage cost estimate. (a) As part of and included within the
1.17 decommissioning fund for the nuclear generating plants located in or that may be located
1.18 in the state, the Public Utilities Commission shall calculate the estimated costs associated
1.19 with the long-term storage of spent nuclear waste on-site in Minnesota. The cost estimate
1.20 shall include the costs and expenses associated with the operation and maintenance of
1.21 on-site storage facilities for 200 years after decommissioning of a nuclear generating
1.22 plant, the costs associated with preparation of spent nuclear waste for transportation, and
1.23 the costs associated with on-site operations required to package or repackage spent nuclear
1.24 waste into dry canister storage after a nuclear generating plant has been decommissioned.

2.1 There is a presumption that the spent nuclear waste will have to be repackaged once
2.2 during storage within the state. The Public Utilities Commission shall report the estimate
2.3 and the commission's assumptions to the governor and chairs of the legislative committees
2.4 of the house of representatives and senate having primary jurisdiction over energy and
2.5 environment by February 1, 2011.

2.6 (b) The estimated costs of long-term storage and funding necessary to pay these
2.7 costs when incurred shall be accounted for separately in the decommissioning fund
2.8 pursuant to the Nuclear Regulatory Commission's guidance on commingling funds in the
2.9 decommissioning fund.

2.10 Subd. 3. **Host community cost estimate.** In addition to the costs determined under
2.11 subdivision 2, the Public Utilities Commission shall include in the estimated long-term
2.12 storage costs in the decommissioning fund an estimate of the costs to a host community
2.13 for the period after a nuclear generating plant is removed and returned to green space until
2.14 the dry casks are removed by the United States Department of Energy. The estimated cost
2.15 shall not be less than the average of the highest five years of property tax receipts received
2.16 from a nuclear generating plant by the host communities of Red Wing and Monticello.
2.17 The estimated cost to the Prairie Island Indian Community in Minnesota shall be based on
2.18 the annual amount provided for under section 216B.1645, subdivision 4. Both of these
2.19 estimates shall be increased annually by the implicit price deflator or similar inflationary
2.20 index. Payments to a host community must begin after the nuclear generating plant within
2.21 the community permanently ceases generating electricity and must continue until spent
2.22 fuel is permanently removed by the United States Department of Energy.

2.23 Subd. 4. **Refund.** If the United States Department of Energy opens a federal
2.24 depository that accepts spent nuclear waste from Minnesota, the money set aside under
2.25 this section must be refunded to rate payers.