Vice Chairman Mulvey's Opening Statement December 4, 2008

<u>United States Department Of Energy—Rail Construction And Operation—Caliente Rail</u> <u>Line In Lincoln, Nye, And Esmeralda Counties, NV</u>, STB Finance Docket No. 35106

Thank you Chairman Nottingham. Good morning and welcome to our panelists and other attendees today. I am pleased that we were able to travel here to Nevada to hold this hearing and listen to the various views about this proposed rail construction project. I also want to thank the Board staff for all the work they have done to date on this case and to help us prepare for this hearing.

The Department of Energy's application to construct the Caliente Rail Line is one step in our nation's long term strategy for dealing with the byproducts of our nuclear energy industry and, to a lesser extent, of nuclear weapons. The Board plays a small, but important role, in this strategy. The construction of a repository for spent nuclear waste at Yucca Mountain is not without controversy. While the repository itself is not under our jurisdiction, the Caliente Rail Line – if approved – would facilitate its construction and then its operation. The Board has tackled controversial construction issues with success before and I am certain we will be able to do so again in this case.

We will evaluate DOE's proposal in accordance with our statutory criteria for considering construction applications. Under 49 U.S.C. 10901, the Board "shall" authorize the construction applied for unless it finds that such construction is "inconsistent with the public convenience and necessity." The Board may also require compliance with conditions that it finds "necessary in the public interest." The issue of how to allocate fairly the risks of transporting nuclear waste is a compelling one, particularly in a state like Nevada with a fast-growing and expanding population. And,

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determining whether and how to mitigate any adverse effects of the proposed construction – should the Board approve it -- is of the utmost importance to me. The written record developed thus far in this proceeding has greatly aided my understanding and consideration of these matters.

I have been following this issue for nearly a quarter century. Back in 1984, when I was with the Transportation Research Board of the National Academy of Sciences, there was discussion over the relative risk of moving spent nuclear waste by rail over relatively good quality track, but through populated areas -- as opposed to avoiding populated areas and moving over lower quality track -- so, minimum exposure vs. minimum possibility of derailment.

I am very interested in hearing suggestions about how to balance our nation's plans to move nuclear waste to storage at Yucca Mountain with Nevada citizens' and communities' desire to maintain their quality of life. I look forward to hearing today's testimonies. Thank you very much Chairman Nottingham.