



SIERRA
CLUB
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November 16, 2007

United States Senator Dianne Feinstein
VIA FACSIMILE 202-228-3954

Dear Senator Feinstein,

We are writing on behalf of our 2,500 members in San Luis Obispo County regarding your recent statement on proposed loan guarantees for nuclear power plants in the Energy Act that is now before Congress.

We appreciate your opposition to the Energy Policy Act of 2005, which, as you noted, created loan guarantees for nuclear power plant construction. We point out that the loan guarantee provision in the 2007 Act is a new one, not a carry-over of the 2005 provision, and, crucially, **raises the level of the guarantee to 100 percent** for a potential taxpayer expenditure of \$50 billion over two years.

A 100 percent loan guarantee will, according to the industry, secure a resurgence of nuclear power development in the United States. We agree with you that "the most important consideration in building new nuclear power plants is the safety of the American public," and that the energy legislation now before the House and Senate "would fund more research and development for alternative energy, as well as renewable resources." It is for precisely these reasons that we urge you to call for removal of the 100 percent coal and nuclear loan guarantees from the 2007 act. First, the resurgence of nuclear development that this provision would trigger would take place despite the non-existence of a safe, permanent repository for nuclear waste. Second, making 100 percent loan guarantees available to nuclear utilities would further unbalance the playing field between renewable and non-renewable energy sources, currently distorted by the fact that the nuclear sector already receives ten times the subsidies that go to wind, solar and other clean power industries.

Please do not make it even harder for renewable energy technologies to compete. There are many ways that a \$50 billion subsidy could be used to help secure a future of safe, clean power for the American people. Securing the dominance of a highly toxic energy technology that has not been able to compete in an open market in fifty years is not one of them.

For the Santa Lucia Chapter,

Andrew Christie
Chapter Director