

Resolution Regarding the US-Euratom Agreement for Peaceful Nuclear Cooperation

WHEREAS, Nuclear power generates approximately 20% of the electricity produced in the United States; *and*

WHEREAS, International events have an effect on the utilities regulated by state economic regulators; *and*

WHEREAS, International agreements and transactions affecting regulated utilities can have a beneficial effect on electricity rates resulting in economic and employment gain within the states and the nation; *and*

WHEREAS, The U.S. Euratom agreement for peaceful nuclear cooperation, which has provided the basis for close international cooperation between the United States and its European allies for 35 years, expires on December 31, 1995; *and*

WHEREAS, A primary basis for this cooperation is a mutual commitment to the international nuclear non-proliferation regime, and this agreement and other multilateral arrangements such as the Treaty on the Non-Proliferation of Nuclear Weapons, have allowed for an economically successful trading relationship to flourish, consistent with effective safeguards against proliferation; *and*

WHEREAS, The uncertainty regarding the fate of this agreement is currently affecting the marketing, manufacturing, planning and fuel procurement strategies for both suppliers and utilities in the United States; *and*

WHEREAS, Without a new U.S.-Euratom agreement: (1) US companies would not be able to export to the European Union major nuclear power plant components, or uranium produced or processed in the United States; (2) the use of U.S. technology, materials and processing services would be less desirable to third countries who would be restricted in their use, transport and processing; and (3) the international fuel supply market would be destabilized, likely increasing the cost of fuel for nuclear power plants in the U.S. and decreasing the reliability of their fuel supplies; *and*

WHEREAS, It is in the best interest of both the utilities and the rate payers to have a stable nuclear materials market that makes fuel available at a cost that is internationally competitive; *and*

WHEREAS, In the view of the Executive Branch of the U.S. government the new U.S.-Euratom agreement is in full compliance with the requirements of the Nuclear Non-Proliferation Act of 1978 (NNPA); *and*

WHEREAS, The excellent non-proliferation credentials and maturity of the civilian nuclear industry in the European Union is well recognized, the existence of the agreement will promote long-term predictability and flexibility in satisfying the requirements of the NNPA; *now, therefore be it*

RESOLVED, That the Executive Committee of the National Association of Regulatory Utility Commissioners (NARUC), convened in its 1995 Summer Meeting in San Francisco, California, strongly urges both the governments of the United States and the European Union to negotiate and to approve, prior to December 31, 1995, a new U.S.-Euratom agreement for peaceful nuclear cooperation.

Sponsored by the Committee on Electricity
Adopted July 26, 1995