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AUGUSTA, MAINE 04333-0002
(207) 287-1440
MAINE RELAY 711

Edward J. Polewarczyk

67 Youngs Point Road
Wiscasset, ME 04578
Edward.Polewarczyk@legislature.maine.gov
Cell: (207) 350-5911

***Testimony of Representative Edward Polewarczyk in support of
LD 2027: An Act to Clarify the Tax Exemption for Air Pollution Facilities
Before the Taxation Committee***

Senator Grohoski, Representative Perry and members of the Taxation Committee, I am Representative Edward Polewarczyk from Wiscasset. I am here today to testify in favor of LD 2027, An Act to Clarify the Tax Exemption for Air Pollution Facilities.

Maine Yankee was a nuclear power plant built at an 820-acre site on Bailey Peninsula of Wiscasset, Maine. Construction began in 1968, and was in operation from 1972 to 1996. It produced 6,900 gigawatt-hours of electricity. Problems at the plant became too expensive to fix in 1996. The plant was decommissioned and dismantled between 1997 and 2005. Construction cost \$231 million at the time (~\$1.9 billion today).

All that remains today is the Independent Spent Fuel Storage System (ISFS). Spent fuel has been accumulating from the time operations began until it was shutdown. The spent fuel has been moved into "dry cask" storage. These casks are stainless steel canisters surrounded by concrete. The Nuclear Regulatory Commission (NRC) certifies cask designs and licenses dry cask storage facilities for up to 40 years. The certifications and licenses can be renewed. The NRC believes dry casks provide adequate protection for public health and safety and the environment. The Maine Yankee ISFS contains 64 of these concrete casks.

In 1997, Maine Yankee paid \$10 million in taxes; in 2001, the plant paid \$1.6 million in taxes. In 2022, the property taxes were approximately \$600,000. Initially the assessed value was difficult to determine and was settled by mutual agreement. That agreement has now expired.

Recently the property has been reevaluated. The current assessment is \$185,600,000 and the ISFS portion is \$93,820,000. Although termed nuclear waste, 93% of the material can be recycled to provide useful fuel. That fuel has considerable value.

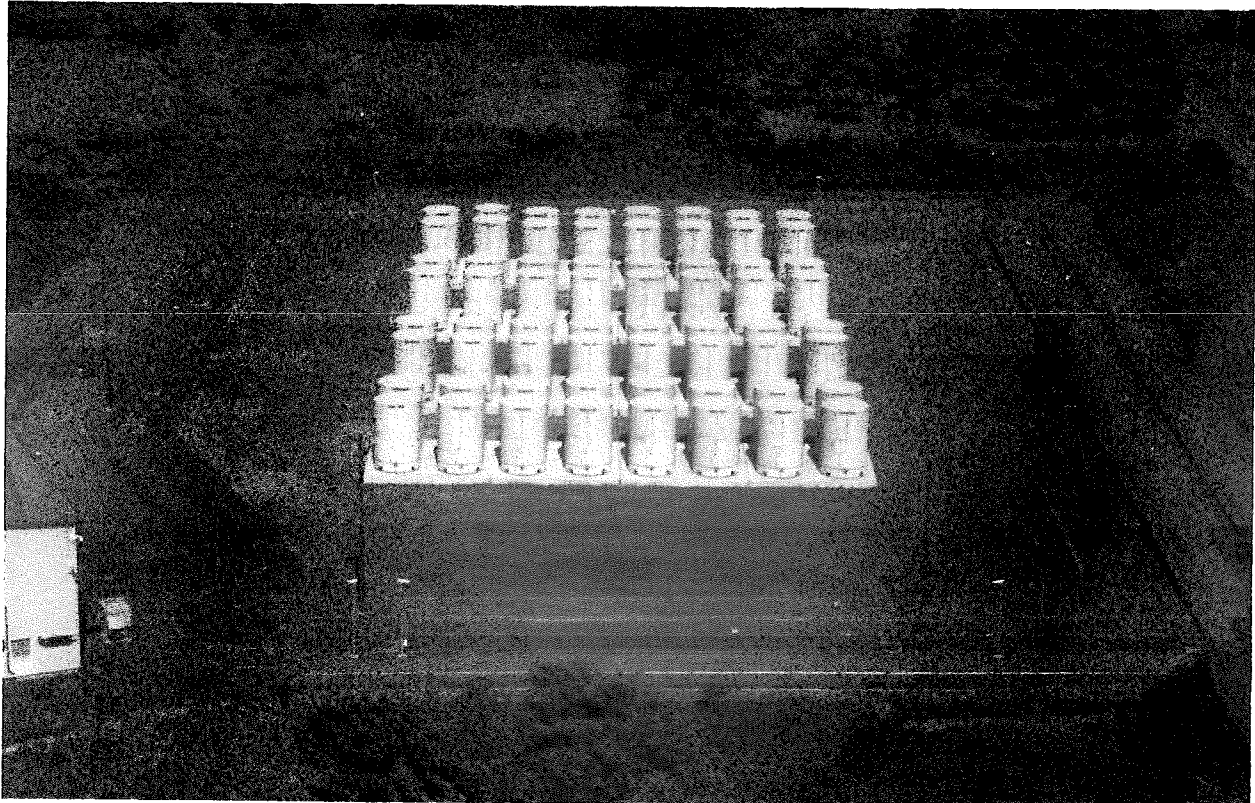
Maine Yankee applied for a tax exemption for the ISFS claiming it is an air pollution control facility. The Department of Environmental Protection approved the application. Wiscasset appealed and the Board of Environmental Protection upheld the decision.

The exemption of \$93,820,000 amounts to a loss of taxes of \$1.6 million equivalent to 14.78% of Wiscasset Budget of \$10,816,020.22. Wiscasset property owners should not be penalized because the Federal Government has failed to meet its obligation to dispose of spent nuclear fuel. Spent fuel cannot be moved. The spent fuel facility must remain. Wiscasset is prevented from developing this property.

I recommend that the Committee vote Ought To Pass on LD2027.

ISFS

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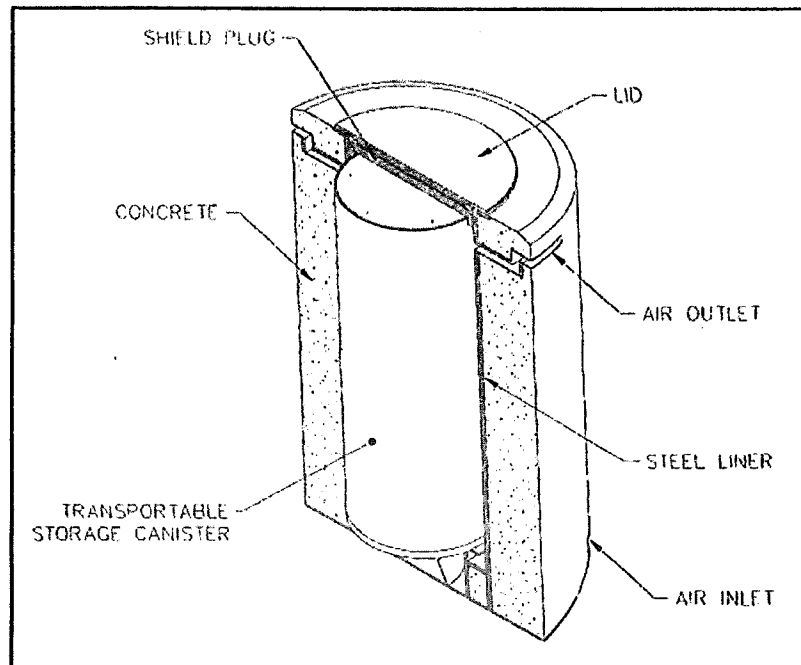


Maine Yankee Independent Spent Fuel Storage

The ISFSI is an approximately 11-acre open-air facility with an adjacent security and operations building. The facility contains 60 air-tight sealed steel canisters of spent nuclear fuel and four of GTCC waste. These air-tight steel canisters are housed inside massive concrete and steel casks on concrete pads. Vents at the base and top of each cask circulate air that removes decay heat from the spent nuclear fuel and the GTCC waste. The system is completely passive. Each cask is monitored remotely from the operations center. Technicians also make regular rounds to assure, among other things, that the air vents remain free of snow or debris.

This spent fuel remains in Wiscasset because the Federal Government has failed to meet its obligation to dispose of the spent fuel. Periodically, Maine Yankee successfully sues the Federal Government to recover the costs of maintaining this facility. The plant's nuclear waste is still stored on site, pending final disposal.

Canister



Maine Yankee Vertical Concrete Cask

Source: <https://www.nrc.gov/docs/ML1303/ML13031A072.pdf>

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