

ATOMS FOR PEACE + 50

Nuclear Energy & Science

for the 21st Century

October 22, 2003
The Watergate Hotel
Washington, DC

Kyle E. McSlarrow, Deputy Secretary of Energy

Welcoming Remarks

MCSLARROW: Bob (Dr. Robert L. Pfaltzgraff), first let me just say thank you to you and the Institute for helping organize this as well as the Fletcher School. I'm delighted to be here and I'm proud of really the role that a lot of people have played in pulling all of this together to celebrate what was really in retrospect such a great event in world history and certainly in the last 50 years touching on some of the greatest issues that we face.

And I do want to particularly recognize Lynn Brooks, our Undersecretary Administrator of the National Nuclear Security Administration and his organization, Bob Card who is here, who is our Undersecretary for Energy Science and Environment and their teams, Ray Orbach and Bill Magwood and others who have contributed not just their talents and their willingness to speak later but also financially to this conference.

And reflecting the secretary's belief that this was something that was important to do, not just in the sense of a debt of gratitude but in a sense that this was an opportunity to look forward as well and learn from the last 50 years, starting with the "Atoms for Peace" speech. I also want to say a special thanks to Jack Marburger and just say, we obviously have a special relationship with Jack. He's part of the Department of Energy family and I personally witnessed what a great advocate he is for science, whether it's in the budget discussions at the White House or elsewhere and he's been a great friend, although I must confess that when he described making a wooden cyclotron as a child my immediate thought was, "What a fun child. I would have liked to have known him then."

I am proud to be here and if I can be so bold, part of the reason is I believe the Department of Energy reflects in some important ways, in our everyday work, the vision and the challenges that were set forth by President Eisenhower in the "Atoms for Peace" speech to the United Nations 50 years ago today, or next month, really.

From our work with the International Atomic Energy Agency to safeguarding fissile materials to our critical work with Russia to our generation for advanced reactor work to the far-reaching

science on nuclear energy that our national labs and other conduct, the nucleus, if you will pardon the pun, of the Atoms for Peace Initiatives find their home at the Department of Energy and I suspect you'll hear more about this later from our other speakers.

What struck me about the speech when I thought about it was, that it must have been or should have been seen as almost incredibly, naively optimistic. Imagine a day when this speech was given before civilian power was a reality, before nuclear energy was providing 20% of our electricity that we take for granted, in a day when people, basically, if they thought about the atom at all, they thought about it with horror or fear.

But President Eisenhower with that speech, forced us out of the darkness into the brilliant light of the possible. Now the next four decades saw an incredible rise in civilian nuclear energy production. But it also saw a steady nervous fear of the arms race. The Non-proliferation Treaty helped in the limited sense of containing a challenge and a problem that no one really knew what to do with.

And then, suddenly, the Cold War was over and the nuclear superpowers stepped back and joined hands. People reflected that decades had passed since Three Mile Island and certainly worse, Chernobyl. And so today we should be pushing on an open policy door. But that's not the case and I think most of the people in this room understand that because there was a time, of course at the beginning, when nuclear energy was entirely a matter of defense. And then there was the time when it was presented as two distinct issues to be dealt with separately, one defense, one a matter of civilian power, was followed by a time when the Non-proliferation Treaty essentially enshrined a technological reality or belief that the policies of nuclear defense and civilian energy could be separate.

But today we face a threat that forces us to realize that the Non-Proliferation Treaty's grand bargain, the bargain, if you will, of access to civilian nuclear power and disarmament by the nuclear power states on the other hand, is not quite good enough. It forces us to realize that we cannot separate the two sides of the nuclear coin and that we must recognize that the bargain of access to nuclear energy poses challenges perhaps not fully appreciated in the latter half of the 1960s and the early seventies when the NPT was being ratified.

Now I know that others will address these issues but to my mind, we are in a position not to dissimilar from that of President Eisenhower but with this difference. When he gave his speech, I would submit, we knew too little. And now as we celebrate the speech we perhaps know too much. What it requires is the same optimism that informed his speech before the United Nations and it's a challenge that we must meet.

There are many examples, and I'm not going to steal the thunder of other speakers who are going to go into them, but let me just give you one example of why we believe that it's so important that we continue our commitment to civilian nuclear energy. As most of you know, we're on the threshold of finally passing an energy bill. And so there's been a lot of debate, not just these last three years but really for the last several decades about our reliance on foreign energy if you will. Now we are never going to get to a day where we are independent of energy that supplied from

abroad and I would argue that we don't want to be. We are a trading nation; it's part of what's made us great.

But when you look at how we use energy and you reflect that, in terms of electricity, almost of all of our nuclear energy, which of course is domestically supplied, goes to generation of electricity and that's about 20%. Almost all of our coal usage, which is domestically supplied goes to generating electricity and that's about 50%. An increasing share of natural gas is going to the generation of electricity and then renewables and other forms of electricity production, again, domestically supplied. And you switch and you look to the transportation side of the ledger, and you reflect that almost all of that is energy that's based on petroleum of some sort. And of that well over 50% and, frankly in the last few months, well over 60% is imported oil.

Now there are many arguments about how much is too much, but the Energy Information Administration projects that in the next 20 years, our dependence on foreign oil is going to be upwards of 70%. I have yet to meet anybody, no matter where they are on the political continuum who will argue that that is a good place to be. So part of what the Bush administration has been pushing before Congress and what I believe will be enshrined in the energy bill and what we've already started doing at the Department of Energy, and there are a lot of people in this room who are already hard at work, is trying to shift our domestically available resources out of just simply providing electricity into the transportation account and the catch word there would be hydrogen.

And people have heard the President talk about hydrogen in his State of the Union speech last year. Also want to acknowledge the fact that Jack was instrumental in helping us get to that point. But the point here is that you can-- Hydrogen is an energy carrier. You can produce hydrogen many different ways. But if we're talking about a world where we want to economically produce hydrogen, taking into account that we want to rely on abundance and clean energy, nuclear energy has to be central to that vision.

And nuclear energy, whether you are splitting water to create hydrogen or some other way, should be and in our mind is part of our plan to be part of the energy mix in the future, whether it stays at 20% or is more, I don't know. And we still have a lot of work to get to that vision. What I do know is that we have a lot to do and we're not necessarily working in a climate where everybody is standing up and cheering us on.

So, if I can brag on President Bush and Secretary Abraham for a second, there's a lot to do. On the non-proliferation side, Secretary Abraham has worked very hard with the International Atomic Energy Agency. He has addressed the General Assembly three times. I think he is the only secretary to actually address the Board of Governors and he has initiated and had accepted his calls for a number of far-reaching initiatives. He's developed an incredibly close working relationship with Rummyantsev of the Minister of Atomic Energy in Russia. They, working together with Ambassador Brooks, have accelerated many of the programs for disposition of fissile materials for two or three years.

And then, on the civilian side, through the President's leadership, Secretary Abraham, Bob Card and others have insured that this energy bill will probably have a Price Anderson liability fix,

which is so necessary to the future of nuclear energy. Through the President's leadership, following on the recommendation of Secretary Abraham, we're moving forward although we still have a lot of work to do insuring that we have a national repository at Yucca Mountain. And Bill Magwood is leading the charge on Nuclear Power 2010 to make sure that we can advance the ball in siting(?) and licensing and R and D for civilian nuclear power. So there's a lot to do.

So when you reflect on the challenge before us, we can't forget the fundamentals and I would say when I reflect again on President Eisenhower's speech, we have to remember the backdrop and recall that it was only a little while before he gave the speech that John Foster Dulles, then Secretary of State, had delivered his speech on massive retaliation and on reliance on deterrents.

I believe that President Eisenhower understood very well that the foundation for "Atoms for Peace" relied on deterring war, that we can regard the Cold War as history, that we can see the success of the Atoms for Peace Initiative is due in large part to President Eisenhower's skillful blending of security and peace and we owe him a great deal.

Thank you very much.

[applause]