

## **RWMC Designated to Reserve and Manage Reprocessing Funds**

**On October 11, the Agency for Natural Resources and Energy (ANRE) designated the Radioactive Waste Management Funding and Research Center (RWMC) as the independent fund-management body, under the law on reserving and managing a fund for reprocessing, etc., of spent nuclear fuel from nuclear power plants (the New Back-end Law).**

In 2004, new economic measures for back-end businesses were addressed by the Electric Utility Industry Subcommittee of the Advisory Committee for Natural Resources and Energy, an advisory body to the head of the Ministry of Economy, Trade and Industry (METI). Given estimated future back-end costs, substantial changes were made to the then-existing system of a reprocessing reserve fund. The scope of costs to be covered by the system – to be collected in the form of general electricity charges – was expanded, and a mechanism to reserve funds externally was newly established to ensure transparency and safety in managing the reserve fund. The new law, which was enacted on May 13, 2005, and became effective on October 1, translates those policy changes into legislation.

Under the New Back-end Law, the costs to be covered by the reserve system have been expanded to include expenses for storing vitrified packages, disposing of TRU waste, managing returned waste and decommissioning reprocessing facilities, in addition to the expenses for operating the reprocessing itself and vitrifying. According to calculations on a trial basis by the subcommittee, the total amount for the additional items would be ¥5.1 trillion (\$44 billion at \$1=¥115), while back-end businesses would total ¥18.8 trillion (\$163 billion), all of which would be recognized as accounting “costs.”

The reserve method was also changed. In the previous system, funds were to be reserved for all of the spent fuel generated, but, under the New Back-end Law, that was changed to reserving funds for spent fuel to be reprocessed at the Rokkasho Reprocessing Plant. The place where the funds are to be reserved was also changed, from reserves held internally by the electric power companies, to a designated, external body: namely, the newly-designated RWMC.

Consequently, all of the funds for reprocessing spent fuel that the power companies have already reserved out of general electricity charges, as well as all of the reserves from now on, will be transferred to and held by the RWMC, which will then refund those companies for them to make payments to Japan Nuclear Fuel Ltd. (JNFL) and others.

*Editor: Noriyuki Ishii, JAIF*