WASHINGTON -- President Barack Obama will propose eliminating funding for the Yucca Mountain Project in a new budget he will submit to Congress today, said Nevada lawmakers who were notified over the weekend.

Also, White House officials said they will take steps "in the near future" to withdraw a pending license application to build the long-planned nuclear waste repository, which could be a decisive move in ending the government's 23-year focus on developing the Nevada site for radioactive waste storage and disposal.

With the formation Friday of a commission to study nuclear waste management, officials said the budget will underscore Obama's "commitment to pursuing a responsible, long-term strategy" for handling waste generated by nuclear utilities and government defense agencies.

The plan would fulfill an Obama campaign promise to end the Yucca Mountain program, which has been unpopular with many Nevadans and the state's top leaders.

"This is great news," said Sen. Harry Reid, D-Nev., who has consulted Obama on an exit strategy for Yucca Mountain.

"President Obama is keeping his word to Nevada, and I thank him for working with me as we try to find a safer solution for dealing with the nation's nuclear waste," Reid said in a statement.

"This budget is a bulldozer that will help Nevada flatten Yucca Mountain into a permanent pile of rubble," said Rep. Shelley Berkley, D-Nev.

Her aides said she was notified Sunday of what the budget contains.

"Money talks, and the president's budget shouts 'no more spending' on efforts to dump nuclear waste in Nevada," she said.

The Yucca Mountain budget would be zeroed out through a merger of the project's office into the Office of Nuclear Energy, which conducts research and development on a broader scale, according to notifications sent to members of Congress.

While there might be no line item for the Office of Civilian Radioactive Waste Management, it was not known whether there might be money set aside in other parts of the Energy Department budget for other expenses, such as paying lawyers and turning out the lights.

The Energy Daily newsletter reported earlier this month that Energy Secretary Steven Chu appealed to White House officials to provide $25 million for "the wrap-up of the Yucca Mountain Project."
A government source said that an all-hands meeting has been scheduled for Tuesday at the Las Vegas headquarters of the Yucca Mountain Project and that a message was being written by Chu's office to be delivered to workers.

On Friday, Chu and Chief White House Energy Adviser Carol Browner announced the formation of a 15-member commission that will be asked to recommend new strategies for managing nuclear waste.

In making the announcement, Browner declared the Obama administration was "done with Yucca Mountain."

The nuclear waste plan will be part of a $3.8 trillion budget for fiscal 2011 that Obama will send to Congress today. If approved, it would take effect Oct. 1.

It was not unclear whether Congress would need to pass separate legislation to merge the DOE nuclear offices.

The Office of Civilian Radioactive Waste Management was allocated $98.4 million for this year, most of which is being spent to answer questions about a repository construction application being reviewed by the Nuclear Regulatory Commission.

Eliminating funding for the Yucca Mountain Project would signal its end is near, but a move by Obama to withdraw the application would be another critical step toward terminating the project.

Experts who follow Yucca Mountain think the project could be revived as long as the license application is not withdrawn and the Nevada site formally disavowed.

Contact Stephens Washington Bureau Chief Steve Tetreault at stetreault@reviewjournal.com or 202-783-1760.

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