



MINUTES

Saturday, April 7, 2012

9:00 a.m. – 4:00 p.m.

Idaho Department of Labor (1515 E. Lincoln Rd., Idaho Falls)

Commission Members in Attendance

Chairman Jeff Sayer, Dept. of Commerce

Jared Fuhriman, Mayor of Idaho Falls

Roger Madsen, Dept. of Labor

Mark Rudin, Boise State University

Bob Smith, University of Idaho (proxy for Duane Nellis)

Larry Craig, Retired United States Senator

Jeff Thompson, Idaho House of Representatives

Bart Davis, Idaho State Senate

John Grossenbacher, Idaho National Laboratory

John Kotek, Gallatin Public Affairs

Sylvia Medina, NorthWind

Arthur Vailas, Idaho State University

John Chatburn, Office of Energy Resources

Welcome and Introductions

Director Jeff Sayer welcomed each of the participants and expressed special thanks to Director Roger Madsen for allowing the LINE Commission to utilize their Department of Labor facilities.

Overview of Executive Order and Charter

Jeff said we will look at the long term viability of nuclear and how INL can fit into that future. The Governor wants a report back from the LINE Commission by January 1, 2013. We will review INL's unique opportunities and its strategic advantage. We'll talk about workforce issues and how we can position the INL and CAES, and how we position Idaho in regards to the Blue Ribbon Commission (BRC) recommendations and nuclear energy.

Organization of the Commission

Each member introduced themselves and offered their individual perspective on the INL and the work of this LINE Commission. Tom Perry, legal counsel to the Governor, discussed protocols for a commission established by executive order. The Governor wants the meetings to be open and transparent. He outlined a collaborative approach with an objective to try and achieve consensus. Minutes, presentations and other discussion material will be posted and available to the public. Perry suggested that the essence of these protocols is to keep the Commission moving forward in their work.

Designating alternates in the event a Commission member couldn't attend certain meetings was discussed and the Commission was advised that an alternate needs to be approved by the Commission.

Future meetings were discussed. April 7, Idaho Falls; May 17-18, Idaho Falls; June 22, Boise; July, no meeting; August 10, Boise; September 21, Idaho Falls; October 19, Moscow; November 16, teleconference; December, Report Drafting; January, Report to Governor. There are some conflicts with the May dates, but additional tours would be scheduled for those who cannot participate.

Overview of the Idaho National Laboratory - John Grossenbacher

Admiral John Grossenbacher, INL Director, provided an introduction of the INL and the history of nuclear energy that was written in Idaho. John provided background on Battelle Energy Alliance – the contractor hired to manage INL - and the belief that science should enable the American worker in American industry and the betterment of mankind. Universities and industry are part of the BEA consortia. DOE is the owner, often the regulator and sometimes the sponsor of the work conducted at INL.

LUNCH

Future of Nuclear Energy – John Grossenbacher

There are currently 104 reactors in 31 states. For the first time in 30 years, there are 4 new nuclear plants under construction and there are 22 early site permits. Nuclear provides 20% of our electricity and 69% of carbon-free generation in this country. There are 71 reactors with 20-year license extensions, 32 with pending extensions. 140 power reactors 20 more under review and 23 commercial reactors have shut down.

Worldwide, there are 440 reactors, 104 of those are in the US. There are 66 commercial plants being built today - only four of those are in the US. Most of those are in China. India is also committed to nuclear to enhance economic competitiveness and lift people out of poverty.

It was asked if there are other uses for nuclear power beyond electricity production and processed heat? Wyoming and Kentucky are very interested in the processed heat because without it, their coal doesn't get used.

Another question was asked about the reasons 23 plants were shut down. John indicated that some of the reasons were economical and others were political. Orphaned fuel sits at some of those sites, which creates a problem because the government promised to take that fuel.

Overview of the 1995 Settlement Agreement and Idaho Dept. of Environmental Quality Oversight – Susan Burke – INL Coordinator

Susan is a clearinghouse for INL information to the DEQ Director who informs the Governor. She monitors and oversees the Settlement Agreement and tracks the milestones and progress.

1995 Settlement Agreement is between the state of Idaho, DOE and Navy. In Idaho, there are two signatories, the Governor and the Attorney General. It was the result of a lawsuit by the State. Idaho is the only state with a

court order requiring nuclear waste to be removed by specified dates. It covers spent nuclear fuel, high level waste and the transuranic waste.

All spent fuel and high level waste must be removed by January 1, 2035 – so really, it has to be removed in 2034 because no one will be working on New Year’s Day 2035. Spent nuclear fuel needs to be transferred from wet to dry storage by December 31, 2023. High level waste is to be put “into a form suitable for transport to a permanent repository or interim storage facility outside Idaho.” Calcine is in a powdery dry form. It’s good in one way, but it’s not road-ready. Something needs to be done to meet that condition.

Liquid waste to be solidified by December 31, 2012. Another million gallons left to solidify. Our tanks, however, have not had any release. That is not the case with Hanford. DOE has to submit a RCRA permit to the State by December 1, 2012 for waste treatment. Solidified waste to be in a form to be safely transported out of the state by 2035.

If milestones aren’t met, no shipments of spent fuel can come to Idaho. Monetary penalty only applies for failure to remove spent fuel or for failure to remove Navy spent fuel from wet storage under the Addendum.

Status of Clean-up at Idaho National Laboratory Site - Rick Provencher, DOE

The bottom line is that the actions we’ve taken at the site have protected the Snake River Plain Aquifer – because we know of the importance to the state of Idaho. In the process of doing that, we’ve met the milestones. What that did was improve the trust and confidence we felt we were getting from the local public. That’s the piece that benefits the Lab. If we can demonstrate that we’re following through on past commitments and being good stewards that improves the trust and confidence and makes the way for new missions for the Lab.

In 1989, the Department became subject to the National Priorities List by the EPA. That’s when the focus shifted to cleaning up the legacy waste.

We have 11 tanks and cleaned up and closed seven of those. Four tanks remain and contain 900,000 gallons of sodium bearing waste. Idaho was unique from the beginning – especially in high level waste. We have acidic waste, other sites have caustic waste. We had it in stainless steel tanks. We don’t have any leaking tanks here. We calcined our liquid. That reduces the size, and it’s all in stable silos at the site. From a risk reduction and safety standpoint, that’s good. That’s unique to Idaho.

It was suggested this Commission could consider other possible uses of those facilities besides demolition.

It was mentioned another important element is the Delegation working with DOE to fulfill its commitment. When DOE comes to the table and asks for less money than is needed to fulfill its agreement, the Delegation and the Governor need to make sure that the politics of Washington at least at a minimal level appropriate the money to do the work that Rick is talking about.

Rick said that is the biggest challenge looking forward, because at some point in time, we need to start requesting that amount of budget to make that happen. We still have time to do that, but unless we get more clarity where that material is going to go, or if there is a change in the mission for that material in the future, at some point the federal government will begin to get some back pressure relative to requesting the funding to achieve the milestones in the Settlement Agreement.

Blue Ribbon Commission Overview – John Kotek

Commission was charged to conduct a comprehensive review of policies. It was an impressive 15-member commission. When you look at the problem nationwide, 80 percent is commercial and 20 percent is DOE fuel. Consumers have been paying for a solution that hasn't materialized while taxpayers face growing open-ended liabilities. Congress and the Administration must act to move beyond the current impasse.

BRC developed eight key recommendations:

- 1) A new consent-based approach to siting and development. A federally driven, top down approach won't work. ATC tried to develop a repository in Kansas in the 60's. 1974, ATC backed off. Sweden had success. Spain had seven or eight towns competing. They had success generating competition in a knowing and willing program.
- 2) A new organization dedicated solely to implementing the waste management program and empowered with the authority and resources to succeed.
- 3) Access to the funds nuclear utility ratepayers are providing for the purpose of nuclear waste management. Those fee payments total about \$750,000 a year. A willing host could have access to that annual amount for design and infrastructure development. The money not used to pay for the repository goes to a fund – balance today of about \$27 billion. Lot of money paid for a solution that doesn't exist today.
- 4) Prompt efforts to develop one or more geologic disposal facilities. It's been 30 years since the Nuclear Waste Policy Act was enacted, have there been technologies that can take this tens of thousands of years problem into a several hundred years problem? Commission said no.
- 5) Prompt efforts to develop one or more consolidated storage facilities. Start with the orphaned fuel and get it in one consolidated site. If you need to do research, it's in a central place. If you need to move fuel in a hurry, there's no place to take it. Under current law, you can't.
- 6) Prompt efforts to prepare for the eventual large-scale transport of spent nuclear fuel and high-level waste to consolidated storage and disposal facilities when such facilities become available. Even if we had a place to send this stuff today, it's going to take up to 10 years to do the necessary transportation coordination, emergency training, casks to move fuel and all the other requirements so that communities along the way are willing to let this happen.
- 7) Support for continued US innovation.
- 8) Active US leadership in international efforts to address safety, waste management non-proliferation and security concerns.

Public Comments

Director Sayer thanked all participants and asked the two members of the public who signed up if they wished to make any comments.

Lane Allgood – Director of Partnership for Science and Technology (PST) – PST organized in 2006, and they advocate for funding and projects at the Lab. They look at each opportunity or initiative and evaluate each one.

Doug Sayer – Premier Technology—Today is a proud day to see the Governor and each of you address these national issues. We need to address these issues as a partner.

Action for Next Committee

Sayer closed the meeting by talking about “Team Idaho.” The meeting was adjourned at 3:53 p.m.