



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

FEB 10 1984

Play

MEMORANDUM FOR: John G. Davis, Director  
Office of Nuclear Materials  
Safety and Safeguards

THRU: Robert E. Browning, Director *RE Browning*  
Division of Waste Management

FROM: Joseph O. Bunting, Chief  
Policy and Program Control Branch  
Division of Waste Management

SUBJECT: DOE STUDY ON ALTERNATIVE APPROACHES TO FINANCING AND  
MANAGING CIVILIAN RADIOACTIVE WASTE MANAGEMENT  
FACILITIES *City*

Section 303 of the Nuclear Waste Policy Act (NWPA) required the Secretary of the Department of Energy (DOE) to "undertake a study with respect to alternate approaches to managing the construction and operation of all civilian radioactive waste management facilities, including the feasibility of establishing a private corporation for such purposes." The Secretary was directed by Sec 303 to "consult" with the Chairman of the Nuclear Regulatory Commission (NRC) as well as the Director of the Office of Management and Budget (OMB) and appropriate agency representatives. Sec 303 required the study to be submitted to Congress by January 7, 1984.

In carrying out these provisions DOE elected to establish an Advisory Panel pursuant to the provisions of the Federal Advisory Committee Act. The background surrounding the establishment of the Panel is Enclosure 1. The listing of the panel members and their affiliation is Enclosure 2. The Federal Register notice calling the first meeting for January 24 and 25, 1984, together with the "Tentative Agenda" is Enclosure 3.

A transcript of the meeting is to be made available by DOE at some future date. My detailed notes are at Enclosure 4.

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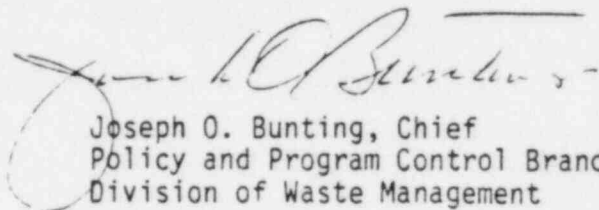
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Significant Issues:

1. Cost Increases - DOE announced that through their FY85 budget they were seeking an increase in the fee from 1 mil/KWH to 1.14+ mil/KWH to cover costs. There was considerable concern by numerous panel members over this cost growth. Going back too often for fee increases is seen as a threat to the program.
2. Schedule Slips - DOE announced they would also slip the 1987 date for site recommendations to 1990. DOE's inability to meet schedules also was cause for considerable discussion. This extended to DOE's ability to establish a credible schedule and discipline to meet same.
3. Schedule Assumption in Mission Plan - DOE emphasized they intended to recapture some of the schedule slips by obtaining a limited work authorization from NRC six months after submittal of the application and begin underground construction of a collocated test and evaluation facility without the requirement for obtaining a license from NRC.
4. One Federal Agency Regulating Another - This subject was brought up by Battelle in the context that their examination of the record shows poorer performance by the regulator when regulating another federal agency than when regulating private corporations. On the other hand, record of private corporations seems to show less accountability to public and Congress. The Chairman indicated the Panel would examine this issue.

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Joseph O. Bunting, Chief  
Policy and Program Control Branch  
Division of Waste Management

Enclosures:

1. Advisory Panel Background
2. Listing of Panel Members
3. Federal Register Notice
4. Meeting Notes - AMFM Panel Meeting



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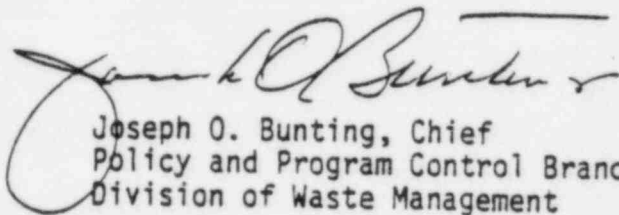
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Policy and Program Control Branch  
Division of Waste Management

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July 8, 1983

The Honorable Donald Paul Hodel  
Secretary of Energy  
Washington, DC 20585

Dear Mr. Secretary:

Thank you for your letter of June 9, 1983 informing me of your intent to establish an advisory panel to assist you in the study required by Section 303 of the Nuclear Waste Policy Act.

Early in your process of establishing an advisory panel we voiced a concern that the proposed charter for the panel did not provide for keeping NRC abreast of the panel's progress. This concern has been resolved in subsequent staff discussions and we have been extended the opportunity to have an NRC observer attend the advisory panel meetings. I am pleased with this arrangement and believe that it will afford us the appropriate means of following the panel's progress and will enhance our ability to consult with you promptly on completion of the advisory panel's report.

In regard to the scope of NRC involvement with this study, we intend to limit our area of consultation to the examination of potential impacts on NRC regulatory responsibility which may flow from any recommended alternative management proposal.

I look forward to a meaningful exchange in the coming months.

Sincerely,

Treated as Chairman Correspondence  
Ref.-CR-83-110

Original signed by  
Nunzio J. Palladino

Nunzio J. Palladino  
Chairman

Distribution:

WM s/f	JDavis	HDenton
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SECY	OCM	CCM	RCM	RM
T. Combs	7/7/83	7/7/83	7/7/83	7/7/83

Revised in OEDO 6/29/83 (ED0563) - see previous ORC for concurrences

OFFICE	WMPI	WMPI	WMPI	WM	NMSS	EDO	OCM
SURNAME	DHuff/kaj	MKearney	JBunting	RBrowning	DMausshardt	WJDircks	NJPalladin
DATE	6/24/83	6/24/83	6/24/83	6/24/83	6/24/83	6/24/83	7/7/83



THE SECRETARY OF ENERGY  
WASHINGTON, D.C. 20585

June 9, 1983

Honorable Nunzio J. Palladino  
Chairman, Nuclear Regulatory Commission  
Washington, D.C. 20555

Dear Mr. Chairman:

Section 303 of the Nuclear Waste Policy Act of 1982 (P.L. 97-425) requires the Department of Energy (DOE) to study alternative approaches to managing the construction and operation of all civilian radioactive waste management facilities, including the feasibility of establishing a private corporation for such purposes. DOE must submit a Report to Congress by January 7, 1984, which will include a thorough and objective analysis of the advantages and disadvantages of each alternative approach.

In accordance with the statute, the study shall be conducted in consultation with the Director of the Office of Management and Budget, the Chairman of the Nuclear Regulatory Commission, and other appropriate Federal Agency representatives. I wish to inform you of an action I have taken to assist in the development of this study.

I am establishing, with the concurrence of the Committee Management Secretariat of the General Services Administration, an Advisory Panel on Alternative Means of Financing and Managing (AMFM) Radioactive Waste Facilities.

I am considering nominations of persons with appropriate capabilities and background to serve on the AMFM Panel, which will consist of approximately ten members. Panel members will be selected from a cross-section of interested persons and groups. Participants will need expertise in the areas of utility regulation; utility operations; public administration and management organization; corporate financing; law; State/local governments and Indian nations; public interest/consumer groups; nuclear industry operations; and Federal/State legislatures.

I am having a notice published in the Federal Register. After a 15-day waiting period, a Charter will be filed with the appropriate standing committees of Congress and the Library of Congress.

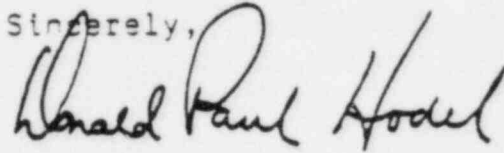
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-2-

I shall notify you when the Panel is selected to provide you with the names of the members and the time and place of their first meeting.

Sincerely,

A handwritten signature in dark ink, reading "Donald Paul Hodel". The signature is written in a cursive style with a large, stylized initial "D".

DONALD PAUL HODEL

DEPARTMENT OF ENERGY

CHARTER

ADVISORY PANEL ON ALTERNATIVE MEANS OF  
FINANCING AND MANAGING RADIOACTIVE WASTE FACILITIES

1. Panel's Official Designation:

Advisory Panel on Alternative Means of Financing and Managing (AMFM) Radioactive Waste Facilities.

2. Objectives and Scope of Activities:

To study and report to the Department of Energy on alternative means of financing and managing civilian radioactive waste facilities, pursuant to Section 303 of the Nuclear Waste Policy Act of 1982 (P.L. 97-425). The panel's report will include a thorough and objective analysis of the advantages and disadvantages of each alternative approach. The panel shall complete its report and deliver its report to the Department by November 15, 1983.

3. Time Period Necessary for the AMFM to Carry Out Its Purpose:

Approximately 10 months.

4. Official to Whom this AMFM Reports:

The Secretary of Energy, through the Project Director, Nuclear Waste Policy Act Project Office.

5. Agency Responsible for Providing Necessary Support for the AMFM:

The DOE. Within the DOE, primary support shall be furnished by the Nuclear Waste Policy Act Project Office.

6. Description of Duties for Which the AMFM is Responsible:

The duties of the Panel are solely advisory and are stated in paragraph 2 above.

7. Estimated Annual Operating Costs in Dollars and Person-Years:

\$330,000: 0.75 person-years.

8. Estimated Number and Frequency of Meetings:

The AMFM will meet approximately six times, on a monthly basis between May and November 1983, or as deemed appropriate by the Department of Energy.

9. AMFM Termination Date:

No later than March 7, 1984.

10. AMFM Members:

The AMFM shall consist of approximately ten members appointed by the Secretary of Energy. The Secretary shall also designate one member to serve as chairman.

This Charter for the AMFM named above is hereby approved on:

Date: \_\_\_\_\_

\_\_\_\_\_  
K. Dean Helms  
Advisory Committee Management Officer

Date Filed: \_\_\_\_\_

MEMBERSHIP LIST  
ADVISORY PANEL ON ALTERNATIVE MEANS OF  
FINANCING AND MANAGING RADIOACTIVE WASTE FACILITIES

Chairm

Diarmuid F. O'Scannlain  
Senior Partner  
Ragen, Roberts, O'Scannlain, Robertson  
and Neill  
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1001 S.W. Fifth Avenue  
Portland, Oregon 97204

Members

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Gulf State Utilities  
350 Pine Street  
Box 2951  
Beaumont, Texas 77704

Brigadier General Mahlon E. Gates, USA (Ret.)  
Senior Vice President - Operations  
Southwest Research Institute  
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San Antonio, Texas 78284

Rodman D. Grimm  
President  
DGR Investment Corp.  
600 Water Street, S.W.  
Washington, D.C. 20024

Barbara Keating-Edh  
913 Wycliffe Court  
Modesto, California 95355

Terry R. Lash  
Department of Nuclear Safety  
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Springfield, Illinois 62704

Melvin Sampson  
Yakima Tribal Council  
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Toppenish, Washington 98948

Dr. Fred Singer  
Clark Hall  
University of Virginia  
Charlottesville, Virginia 22903

David W. Stevens  
Office of the Governor  
Legislative Building  
Olympia, Washington 98504

Sidney M. Stoller  
1250 Broadway  
New York, New York 10001

Chairman Larry J. Wallace  
Indiana Public Service Commission  
901 State Office Building  
Indianapolis, Indiana 46204

Honorable Arnie Wight  
New Hampshire House of Representatives  
State House  
Concord, New Hampshire 03301

## II. Alternatives Evaluated in the Preliminary Environmental Assessment

- A. No action.
- B. Renovation of existing facilities.
- C. Alternative site locations.

## III. Statement of Conformity to State and Local Flood Plain Protection Standards

It has been determined that the proposed action is consistent with the State of Pennsylvania's Coastal Zone Management Plan to the maximum extent practicable.

## IV. Reasons Action is Proposed to be Located in Flood Plain

### A. Military Readiness and Cost

The major advantage to be realized from construction of a new hospital will be a more efficient organization of functional relationships, and therefore, a more effective use of staff. A new facility will also provide an improved capability for efficient expansion in the future. This translates directly into a savings in dollars and manpower. Finally, the cost of a new facility is estimated to be approximately eight million dollars less than the estimated cost of rehabilitation of the existing facility.

### B. Security

Proximity of the proposed facility within the existing naval installation will assure proper security is maintained.

### C. General

Consideration of economic, environmental and operational factors led to selection of one of five sites on the main base—all of which are within the 500 year flood plain. The preferred site is approximately 4 feet below the 500 year flood elevation, but above the 100 year flood elevation. This action is therefore subject to the provisions and requirements of Executive Order 11988, the stated objective of which is to reduce the risk of flood loss and to minimize the impact of floods on human safety, health and welfare.

## V. Determination

Based on the Preliminary Environmental Assessment and for the reasons cited above, the Department of the Navy has determined that location of the proposed replacement naval hospital in the base coastal flood plain is the only practicable alternative to the Navy.

Dated: January 4, 1983.

F. N. Ottie,

Lieutenant Commander, JAGC, U.S. Navy,  
Alternate Federal Register Liaison Officer.

[FR Doc. 84-436 Filed 1-6-84; 8:45 am]

BILLING CODE 3810-AE-M

## DEPARTMENT OF ENERGY

[PON No. DE-PNO4-84AL25034]

### Availability of Program Opportunity Notice for Small Community Solar Experiments

**AGENCY:** Department of Energy (DOE), Albuquerque Operations Office.

**ACTION:** Availability of Program Opportunity Notice (PON) for Small Community Solar Experiments [PON No. DE-PNO4-84AL25034]

**SUMMARY:** DOE intends to issue an unrestricted PON which will solicit proposals for the development of technologies for low-cost, long-life solar thermal systems for electrical power generation applications using focus point collectors and Brayton, Stirling, and/or Organic Rankine Cycle heat engines mounted at the collector focal point. Issuance is planned for January 1984.

Authority: DOE Organization Act, Pub. L. 95-91, 42 U.S.C. 7101; Federal Non-nuclear Energy Research and Development Act of 1974, Pub. L. 93-577, 42 U.S.C. 5901 *et seq.*; DOE Financial Assistance Regulations, 10 CFR Part 600, Subparts A and C.

This activity is part of the Solar Thermal Power System Program for Parabolic Dish systems to demonstrate technology for parabolic dish-heat engine electric power generation modules for small utility markets. The objectives of the program are: (1) To verify a parabolic dish solar thermal electrical power generating module system using existing Brayton, Stirling or Organic Rankine Cycle heat engines technology; and (2) to design, construct and operate experimental multi-module solar thermal electrical power generating plants using verified modules at locations in Osage City, Kansas, and on the island of Molokai, Hawaii. Each plant will have a rated electrical power output of at least 100 KWe.

Pursuant to the DOE Assistance Regulations (10 CFR Part 600), DOE anticipates awarding a Cooperative Agreement for each project location subject to the availability of funds. The participants are expected to contribute financially to the effort which is expected to commence in mid-1984 and be completed in 1987. DOE's maximum contribution for each project location is

\$4,000,000. It is requested that all interested parties provide written notification of their interest in receiving a copy of the PON to the below listed point of contact not later than twenty (20) days from the date of publication of this notice. Telephone inquiries will not be accepted.

### FOR FURTHER INFORMATION CONTACT:

U.S. Department of Energy, Albuquerque Operations Office, Contracts and Industrial Relations Division, ATTN: O. W. Wehlender, P.O. Box 5400, Albuquerque, NM 87115.

Issued in Washington, D.C., on December 28, 1983.

Berton J. Roth,

Director, Procurement and Assistance,  
Management Directorate.

[FR Doc. 84-436 Filed 1-6-84; 8:45 am]

BILLING CODE 6480-01-M

### Office of Civilian Radioactive Waste Management; Advisory Panel on Alternative Means of Financing and Managing (AMFM) Radioactive Waste Facilities; Open Meeting

Pursuant to the provisions of the Federal Advisory Committee Act (Pub. L. 92-463, 86 Stat. 770), notice is hereby given of the following meeting:

Name: Advisory Panel on Alternative Means of Financing and Managing (AMFM) Radioactive Waste Facilities.

Date and Time: January 24, 1984, 9:00 a.m.-5:00 p.m.; January 25, 1984, 9:00 a.m.-1:00 p.m.

Place: U.S. Department of Energy, Forrestal Building, Room 1E-245, 1006 Independence Avenue SW., Washington, D.C. 20585.

Contact: Howard Perry, U.S. Department of Energy, Office of Civilian Radioactive Waste Management, 1000 Independence Avenue SW., Washington, D.C. 20585, Telephone: 202/252-5316.

### Purpose of the Panel

To study and report to the Department of Energy on alternative approaches to managing the construction and operation of civilian radioactive waste facilities, pursuant to Section 303 of the Nuclear Waste Policy Act of 1982 (Pub. L. 97-425). The panel's report will include a thorough and objective analysis of the advantages and disadvantages of each alternative approach.

### Tentative Agenda

January 24, 1984:

- Committee Charter
- Nuclear Waste Policy Act
- Program Status
- Industry and State Perspectives
- Committee Priorities and Products
- Public Comment (10 minute rule).

January 25, 1984:



- Committee schedule and Assignments
- Staff Support Needs
- Budget
- Public Comment (10 minute rule).

#### Public Participation

The meeting is open to the public. Written statements may be filed with the Panel either before or after the meeting. Members of the public who wish to make oral statements pertaining to agenda items should contact Howard Perry at the address or telephone number listed above. Requests must be received 5 days prior to the meeting and reasonable provision will be made to include the presentation on the agenda. The Chairperson of the Panel is empowered to conduct the meeting in a fashion that will facilitate the orderly conduct of business.

#### Transcripts

The transcript of the meeting will be available for public review and copying at the Freedom of Information Public Reading Room, 1E-190, Forrestal Building, 1000 Independence Avenue SW., Washington, D.C., between 8:30 a.m. and 4:00 p.m., Monday through Friday, except Federal holidays.

Issued at Washington, D.C., on January 4, 1984.

Howard H. Raiken,

Deputy Advisory Committee Management Officer.

[FR Doc. 84-475 Filed 1-8-84; 8:45 am]

BILLING CODE 6450-01-25

#### Economic Regulatory Administration

[Docket No. ERA-R-79-43B]

**Electric and Gas Utilities Covered in 1984 by Titles I and III of the Public Utility Regulatory Policies Act of 1978 and Titles II and VII of the National Energy Conservation Policy Act of 1978 and Requirements for State Regulatory Authorities To Notify the Department of Energy**

**AGENCY:** Economic Regulatory Administration, DOE.

**ACTION:** Notice.

**SUMMARY:** Sections 102(c) and 301(d) of the Public Utility Regulatory Policies Act of 1978 (PURPA) and section 211(b) of the National Energy Conservation Policy Act (NECPA) require the Secretary of Energy to publish a list before the beginning of each calendar year, identifying each electric utility and gas utility to which Titles I and III of PURPA and Titles II and VII of NECPA apply during such calendar year. The 1984 list is published here as two separate

tabulations. Appendix A lists the covered utilities by State, and Appendix B lists them alphabetically.

Each State regulatory authority is required, pursuant to sections 102(c) and 301(d) of PURPA and section 211(b) of NECPA, to notify the Secretary of Energy of each electric utility and gas utility on the list for which such State regulatory authority has ratemaking authority. In addition, written comments are requested on the accuracy of the list of electric utilities and gas utilities.

**DATE:** Notifications by State regulatory authorities and written comments must be received by no later than 4:30 p.m. on February 14, 1984.

**ADDRESS:** Notifications and written comments should be forwarded to: Department of Energy, Coal and Electricity Division, 1000 Independence Avenue, S.W. (Room GA-033), Docket No. ERA-R-79-43B, Washington, D.C. 20585.

**FOR FURTHER INFORMATION CONTACT:** Steven Mintz, Coal and Electricity Division, Economic Regulatory Administration, Department of Energy, 1000 Independence Avenue, S.W., Room GA-033, Washington, D.C. 20585, 202/252-1657.

#### SUPPLEMENTARY INFORMATION

##### I. Background

Pursuant to sections 102(c) and 301(d) of the Public Utility Regulatory Policies Act of 1978 (PURPA), Pub. L. 95-617, 92 Stat. 3117 *et seq.* (16 U.S.C. 2601 *et seq.*), and section 211(b) of the National Energy Conservation Policy Act (NECPA), Pub. L. 95-619, 92 Stat. 3206 *et seq.* (42 U.S.C. 8211 *et seq.*) hereinafter referred to as the "Acts," the Department of Energy (DOE) is required to publish a list of utilities to which Titles I and III of PURPA and Titles II and VII of NECPA apply in 1984.

State regulatory authorities are required by the above cited Acts to notify the Secretary of Energy as to their ratemaking authority over the listed utilities. The inclusion or exclusion of any utility on or from the list does not affect the legal obligations of such utility or the responsible authority under the Acts.

The term "State regulatory authority" means any State, including the District of Columbia and Puerto Rico, or a political subdivision thereof, and any agency or instrumentality, either of which has authority to fix, modify, approve, or disapprove rates with respect to the sale of electric energy or natural gas by any utility (other than such State agency) and in the case of a utility for which the Tennessee Valley Authority (TVA) has ratemaking

authority, the term "State regulatory authority" means the TVA.

Title I of PURPA sets forth ratemaking and regulatory policy standards with respect to electric utilities. Section 102(c) requires the Secretary of Energy to publish a list, before the beginning of each calendar year, identifying each electric utility to which Title I applies during such calendar year. An electric utility is defined as any person, State agency or Federal agency which sells electric energy. An electric utility is covered by Title I for any calendar year if it had total sales of electric energy for purposes other than resale in excess of 500 million kilowatt-hours during any calendar year beginning after December 31, 1975, and before the immediately preceding calendar year. An electric utility is covered in 1984 if it exceeded the threshold in 1976, 1977, 1978, 1979, 1980, 1981, or 1982.

Title III of PURPA addresses ratemaking and other regulatory policy standards with respect to natural gas utilities. Section 301(d) of Title III requires the Secretary of Energy to publish a list, before the beginning of each calendar year, identifying each gas utility to which Title III applies during such calendar year. A gas utility is defined as any person, State agency or Federal agency, engaged in the local distribution of natural gas and the sale of natural gas to any ultimate consumer of natural gas. A gas utility is covered by Title III if it had total sales of natural gas for purposes other than resale in excess of 10 billion cubic feet during any calendar year beginning after December 31, 1975, and before the immediately preceding calendar year. A gas utility is covered in 1984 if it exceeded the threshold in 1976, 1977, 1978, 1979, 1980, 1981, or 1982.

Title II, Part 1, of NECPA, addresses residential conservation programs, and Title VII of NECPA, enacted as part of the Energy Security Act, Pub. L. 96-294, 94 Stat. 611 *et seq.* (42 U.S.C. 8701 *et seq.*), addresses commercial building and multifamily dwelling conservation programs. Section 211(b) contains a requirement, similar to that of PURPA, that the Secretary of Energy publish a list of electric and gas utilities to which Titles II and VII apply. The NECPA requirements for coverage of electric utilities and gas utilities differ from the PURPA requirements in only three respects:

- (1) The threshold for electric utilities is 750 million kilowatt-hours for purposes other than resale;
- (2) a utility is covered for any calendar year if it exceeded the threshold during the second preceding

MEETING NOTES  
AMFM PANEL MEETING

JANUARY 24-25, 1984

A. The morning of the first day's meeting was devoted primarily to a briefing on the Department of Energy (DOE) HLW Program by Mike Lawrence, Acting Director of DOE's Office of Civilian Radioactive Waste Management, who made the following points which I thought were of interest to NRC:

1. The preliminary draft Mission Plan now out for comment was very important because of (a) the critical assumptions regarding the Limited Work Authorization (LWA) by NRC; and (b) the assumption that DOE could proceed to construct and operate a collocated Test and Evaluation Facility (TEF) absent a license by NRC.
2. DOE can't meet the two-three year period allocated for Site Characterization (derived from NWPA statutory dates of 1985 for site recommendations for characterization and 1987 for license application plus one year possible extension for good cause) because:
  - a. Act requires DOE and NRC to work together on the site characterization plan (SCP)
  - b. Time required to obtain state permits -
  - c. Time required to drill shafts
  - d. Time required to collect data.

Therefore, the recommendation of site selection to the President will be 1990 vs. 1987.

3. There was a full discussion of the issue regarding the timing of a "Preliminary Determination" as required under Section 114(f) of NWPA (See Attachment 1 to this Enclosure). DOE interprets the Act as permitting the "Preliminary Determination" to be made prior to site characterization and

recognized others interpreted the Act that characterization must be complete prior to the "determination."

4. In response to a question on guidelines, Lawrence stated they would have the final guidelines published 30 days after NRC concurrence.
  5. There is insufficient time to comply with NWPA siting requirements for the monitored retrieval storage facility (MRS). Therefore, the MRS proposal to Congress will be based on two generic sites.
  6. Mission Plan assumes MRS is a backup to the repository. DOE sees little, if any, Federal activity required for interim storage and MRS other than report to Congress.
- B. The Panel next heard a briefing on the Waste Fund by DOE's Bob Rosselli, Acting Associate Director for Management, who made the following comments I thought of interest to NRC:
1. The Fund has a current debt of \$254M (appropriated funds transferred to Waste Fund) and cash of approximately \$150M.
  2. DOE has authority to borrow to cover expenses or to invest surplus.
  3. They have no projections of being in investment mode.
  4. In relation to Panel discussions, an OMB representative clarified the budget review process for the Fund as follows:
    - a. DOE submits budget request and is subject to the same inhouse, OMB and Congressional Oversight Reviews.
    - b. DOE obtains a Congressional Appropriation which conveys the authority to expend Fund revenues (or borrow) up to the limit of the appropriation. The appropriation brings no funds itself.
  5. The budget consists of two decision units:
    - a. R&D - funded by General Treasury funds, includes generic R&D for approximately \$14.2M in FY84.

*only 1 report  
to be able to pay  
DOE 1st  
But I can't  
low risk, yet  
from inflation*

- b. ~~Waste~~ Fund - approximately \$246M FY84 for basic repository program, \$40M of this is for Program Management, which includes funds to cover the study to determine if Defense waste should be collocated with civilian waste.

- The Panel Member from Gulf States Utilities asked why rate payers should pay for the Defense waste study.
- DOE intends to hire an "integrating" contractor.
- DOE is pursuing "full cost recovery" and has agreement with other DOE activities to pay for their support, such as administration and the Energy Information Administration.
- Considerable interest and discussion about Program Management costs.

6. Adequacy of fee (1 mil/KWH)

- DOE required by Sec 302(a)(4) to annually assess the adequacy of fees and propose to Congress adjustments to insure full cost recovery.
- DOE developing models to predict "Life Cycle Costs" as tool to assess adequacy.
- Will evaluate sensitivity of program cost to:
  - a. Waste form and package
  - b. Geologic media
  - c. Repository design
  - d. Other.
- DOE recommending (thru budget submission to Congress) an escalation in fee to 1.14 mil/KWH effective October 1984 based on inflation.
- Panel Member noted all utility contracts would have to be amended.

- Considerable discussion on why 1 Mil was now suddenly inadequate:

DOE cited delays

Panel Member questioned response and recommended to Chairman that Panel needed to address.

- In my opinion, heavy cynicism was evident.

In the afternoon session, individual panel members stated how each perceived the issues and what further information was required. The views varied but I believe there was a general concern for more focus on cost/budgets and general knowledge of the function and problem to be managed rather than proceeding to just look at alternatives. There were repeated criticisms by various panel members representing a broad spectrum of interests on:

- DOE decentralized management/decision-making
- Continual schedule slips
- Institutional problems
- Costs increases
- Must avoid the attitude that we "can always go back for more" (increase in fee). This kills programs.
- Why if one year ago DOE said (implied DOE had stated in Congressional Testimony) 1 mil fee was adequate even if cost doubled, what happened to make it inadequate so quickly.

One Panel Member reported there was severe unhappiness now with way things are done today based on his conversations with DOE and DOE contractor employees--suggested outside law firm to get confidential reports from employees.

#### SUMMARY OF PANEL DISCUSSION ON FUTURE ACTIONS

The Chairman summed up by saying they needed the following:

- Look at 83-84 budget and 85, when available.

- Examine the "mechanics" of the repository--including site visits
- Know more about Congressional intent.
- Hear from appropriate agencies:
  - National Governors' Association/National Council of State Legislators
  - Utilities
  - TVA
  - Office of Technology Assessment
  - NRC and other regulatory agencies.
- Financial alternatives.

As required by law, opportunity was made available for public comment. The following represents my assessment of the significant points made by the public comments in the order of importance, not order in which they spoke.

LORING MILLS (Edison Electric Institute):

Characterized NWPAs as "greatest public works program ever with assured funding" seemed concerned that lawyers, researchers, contractors and states will use the program funds and processes to their own advantage at expense of program schedule slips and cost growth. Also criticized DOE Decentralized Management structure (field offices not reporting to program director).

ED DAVIS (ANEC):

Shared concern of decentralization.

DOE has poor record on carrying out program:

- a. This committee is late (report was due January 7).



- b. After one year still no director.
- c. Guidelines late.
- d. Mission Plan slips 1987 date for recommendation of sites to President.
- e. 1998 date in jeopardy.

The NWPA represents carefully and hard-won compromises among diverse views--the continued schedule slips will cause an unraveling of these compromises.

Committee must assess if DOE has the necessary stability and continuity. Urges Panel to include stability and continuity as one of their criteria in evaluating alternatives.

Present DOE structure was not working.

Mission Plan schedule has no credibility. DOE must establish a realistic schedule and improve schedule discipline.

Panel Member Stevens asked if the current DOE organization structure had anything to do with missing the NWPA date for the guidelines.

Panel Member Lash answered with No, it was DOE people--he and many others upon first seeing DOE schedule for guidelines predicted failure. His view that people responsible had no expertise or basic understanding of the public participation/state consultation processes and failed to identify the necessary processes and allocate sufficient time to carry them out.

MR. KLOMAS (National  
Academy of Public  
Administration):

Made Panel aware of two studies the  
NAPA performed relative to this subject:

- a. 1980-81 study for OMB on Government Corporations, advantages/disadvantages and when they were appropriate. (I have a copy.)
- b. 1982 Study for DOE addressing the institutional issues for High Level Waste. Panel Member David Stevens (State of Washington) was identified as a member of the NAPA 1982 Study Group.

(I have requested a copy of Study from  
Klomas.)

One of the recommendations from the '82 study read by Klomas sounded very similar to the language in Sec 303 NWPA (conduct a study of alternative means to finance and manage the HLW program.)

MR. BERRICK (Environmental  
Policy Institute):

Concerned over the DOE reorganization plan to put uranium enrichment with civilian radioactive waste. Felt it impacted on Panel's efforts and they should understand implication. He felt that it contravenes the intent of Congress in setting up a separate office for waste management (NWPA Sec 304).

MR. GORDAN (with  
Atomics Industrial  
Forum):

Wanted to let Panel know that comments on Mission Plan were due next week.

Panel requested DOE to provide them with full set of comments.

January 25, 1984

Secretary Hodel addressed panel and made the following points:

- a. He and Panel Chairman O'Scannlain were long-time personal friends.
- b. Scope and task of Panel was important.
- c. There is a question of whether nuclear energy can continue as a dependable source in the national energy plan.
- d. Government failure to date to address issues of waste is a concern.
- e. It is a certainty that the program will be stopped by politics and/or the courts unless the states and public have meaningful participation.
- f. Charge to the Panel includes alternative means for financing.
- g. The report must be of high quality.
- h. Don't be constrained by perception of current political elements or current way DOE is organized--no constraints on ideas.
- i. Don't do an analysis of current/past DOE management.
- j. Issue is alternatives.

Hodel's views -- he stated that in his view the object of the NWPA is to provide

A safe process,

A public process with public support -- timely to meet the utilities needs.

His views that MRS is included in Act because some felt that public support could not be obtained for a repository.

Panel Member Stevens asked if there is any reality that Panel recommendations would have any impact since it will not be received until almost two years after Act passed--a mindset not to rock the boat by management changes.

HODEL -- depends on perceived benefits--how big a difference will it make--they have made significant changes in National Lab Management (Oak Ridge).

DOE (Rosselli) then presented a further breakdown of the program budget (at the request of the Panel). Significant points:

- a. DOE spending \$246M for contractors in FY84
  - (1) Hanford \$60+M
  - (2) NTS \$60+M
  - (3) Salt \$120+M.
- b. NTS and Hanford funds include substantial field work.
- c. Little field activity at Salt site.
- d. Funds used by DOE (contractors) to prepare nine environmental assessments (currently in the works).
- e. Panel member asked if NRC response to Guidelines could impact on current EA preparation?
- f. Rosselli -- No - have confidence in Guidelines.

The Chairman established three task leaders for three panels for further study efforts:

<u>Task</u>	<u>Task Leader</u>
Construction and Operations	Mahlon Gates
Alternative Financing	Rodman Grimm
Alternative Organizations	Larry Wallace

Next meeting was scheduled for February 21 & 22, 1984, in Washington, D.C.

During the public comment period, Mr. Klomas (NAPA) was recognized and presented Panel Members with copies of study performed for OMB and announced that Howard Parry (DOE) had copies of the study performed for DOE. No other members of the public requested to be heard.

Report response,  
filing with  
Congress

42 USC 4321 et  
seq.

42 USC 5841.

meet such deadline, the reason why such agency could not reach an agreement with the Secretary, the estimated time for completion of the activity or activities involved, the associated effect on its other deadlines in the project decision schedule, and any recommendations it may have or actions it intends to take regarding any improvements in its operation or organization, or changes to its statutory directives or authority, so that it will be able to mitigate the delay involved. The Secretary, within 30 days after receiving any such report, shall file with the Congress his response to such report, including the reasons why the Secretary could not amend the project decision schedule to accommodate the Federal agency involved.

(f) **ENVIRONMENTAL IMPACT STATEMENT.**—Any recommendation made by the Secretary under this section shall be considered a major Federal action significantly affecting the quality of the human environment for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). A final environmental impact statement prepared by the Secretary under such Act shall accompany any recommendation to the President to approve a site for a repository. With respect to the requirements imposed by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), compliance with the procedures and requirements of this Act shall be deemed adequate consideration of the need for a repository, the time of the initial availability of a repository, and all alternatives to the isolation of high-level radioactive waste and spent nuclear fuel in a repository. For purposes of complying with the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and this section, the Secretary shall consider as alternate sites for the first repository to be developed under this subtitle 3 candidate sites with respect to which (1) site characterization has been completed under section 113, and (2) the Secretary has made a preliminary determination that such sites are suitable for development as repositories consistent with the guidelines promulgated under section 112(a). The Secretary shall consider as alternative sites for subsequent repositories at least three of the remaining sites recommended by the Secretary by January 1, 1985, and by July 1, 1989, pursuant to section 112(b) and approved by the President for site characterization pursuant to section 112(c) for which (1) site characterization has been completed under section 113; and (2) the Secretary has made a preliminary determination that such sites are suitable for development as repositories consistent with the guidelines promulgated under section 112(a). Any environmental impact statement prepared in connection with a repository proposed to be constructed by the Secretary under this subtitle shall, to the extent practicable, be adopted by the Commission in connection with the issuance by the Commission of a construction authorization and license for such repository. To the extent such statement is adopted by the Commission, such adoption shall be deemed to also satisfy the responsibilities of the Commission under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and no further consideration shall be required, except that nothing in this subsection shall affect any independent responsibilities of the Commission to protect the public health and safety under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.). Nothing in this Act shall be construed to amend or otherwise detract from the licensing requirements of the Nuclear Regulatory Commission as established in title II of the Energy Reorganization Act of 1974 (Public Law 93-438). In