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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the matter of:

COMMISSION MEETING

Briefing by DOE on
Monitored Retrievable
Storage

(Public Meeting)

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7 United States Nuclear Regulatory Commission held on
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9 N.W., Washington, D.C. The meeting was open to public
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1 UNITED STATES OF AMERICA
2 NUCLEAR REGULATORY COMMISSION

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4 BRIEFING BY DOE ON MONITORED RETRIEVABLE STORAGE

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6 PUBLIC MEETING

7 ***

8 Nuclear Regulatory Commission

9 Room 1130

10 1717 H Street, Northwest

11 Washington, D C.

12
13 Thursday, January 23, 1986

14
15 The Commission met in open session, pursuant to
16 notice, at 2:05 o'clock, p.m., the Honorable NUNZIO
17 J. PALLADINO, Chairman of the Commission, presiding.

18 COMMISSIONERS PRESENT:

19 NUNZIO J. PALLADINO, Chairman of the Commission

20 THOMAS M. ROBERTS, Member of the Commission

21 JAMES K. ASSELSTINE, Member of the Commission

22 FREDERICK M. BERNTHAL, Member of the Commission

23 LANDO W. ZECH, JR., Member of the Commission
24
25

1 STAFF MEMBERS AND PRESENTERS SEATED AT THE COMMISSION TABLE:

2 S. CHILK, Secretary to the Commission

3 H. PLAINE, General Counsel, NRC

4 M. MALSCH, General Counsel, NRC

5 K. KLEIN, DOE

6 E. RUSCHE, DOE

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P R O C E E D I N G S

[2:05 p.m.]

CHAIRMAN PALLADINO: Good afternoon, ladies and gentlemen. Today the Commission is being briefed by members of the Department of Energy on a proposal for constructing and operating a facility for monitored retrievable storage, otherwise known as MRS. This facility is intended to temporarily store spent fuel from commercial power reactors until fuel can be disposed of in a high level waste repository.

The Nuclear Waste Policy Act of 1982 specifically directs DOE to assess the need for and feasibility of an MRS and obtain NRC and EPA comments on the DOE proposal, all of which are to be submitted to Congress. The Staff has provided its comments in SECY 86-09 for Commission approval, but before voting on the paper, the Commission felt it would be appropriate and helpful to have the benefit of hearing DOE's presentation on the MRS.

I understand DOE has requested our comments on the MRS proposal by February 6th, the date by which the Commission will try to be responsive.

Also, I for one, would be interested in learning during the DOE presentation, what impact the Tennessee Governor's views are on putting an MRS in his state will have on DOE's MRS proposal.

1 Before we begin, would any other Commissioner like
2 to make any opening comments?

3 [Chorus of no's.]

4 CHAIRMAN PALLADINO: Let me turn the meeting over to
5 Mr. Rusche.

6 MR. RUSCHE: Mr. Chairman, members of the
7 Commission, we appreciate the opportunity of meeting with you
8 today to briefly review the proposal that we plan to make to
9 the Congress about February 6th.

10 Section 141 of the Nuclear Waste Policy Act requires
11 us to consider the question of monitored retrievable storage,
12 and to bring a proposal to Congress which has a number of very
13 specific attributes. We have been working now for I guess
14 well over a year in trying to get to the place where we can
15 honor that commitment. The Act required us by statute to
16 bring the proposal to Congress by June, 1985.

17 Last April, after having done a fair amount of work,
18 we came to the conclusion that we would not be able to bring
19 the proposal in the form that we thought appropriate for an
20 additional six months. We so informed Congress and indicated
21 it would be about January of 1986 before we would have the
22 proposal prepared.

23 At the same time, we released documents, some in
24 draft form, some in final form, which at that time, that is in
25 April of 1985, provided to the public, and to anyone who was

1 interested, something of the status of our thinking. Our
2 thinking had evolved at that point from an earlier view that
3 the Department had at least expressed in some vehicles, of MRS
4 being thought of as a substitute for or a last ditch back-up
5 for a final repository, something that might be considered
6 only in the event that all else failed, so to speak

7 When I had the opportunity to join the effort, it
8 occurred to me it was worthwhile to look at MRS again, and to
9 possibly consider it in another light. The staff began some
10 work and subsequently concluded that the consideration of MRS
11 as a part of an integral system might have considerable merit
12 and add a number of features to our ability to carry out the
13 mandate of the Act of disposing of fuel, beginning to accept
14 fuel, by January 31, 1998.

15 It is in that mode that we will be briefing you
16 today. That is, the MRS being considered a part of an
17 integrated operating system with very limited storage
18 capacity, serving primarily as a receiving, packaging and
19 handling facility located in the eastern part of the country,
20 and in fact, we prefer the location of the old Clinch River
21 Breeder site, which you have previously issued an LWA for, and
22 so indicated in the documents we published last April.

23 We welcome the opportunity to bring you up to date
24 on where we are. As you indicated, it is our intent to try to
25 get the proposal to Congress by February 6th. We certainly

1 would appreciate the Commission's consideration in trying to
2 provide its comments by that time. We have been given
3 assurance by EPA and its staff that we will have their
4 comments well in advance of the 6th. Therefore, we will be in
5 a position to get the proposal out. We certainly do
6 appreciate the Staff's timely and effective consideration, as
7 we understand they have done. I have not seen their review as
8 yet. Hopefully, your subsequent consideration will produce
9 your comments for us.

10 Today I have with me a number of the staff. In
11 particular, Keith KZein, who is seated on my left, who will
12 present the briefing. As I indicated earlier, I will try to
13 be as quiet as I can. There was somewhat of a question as to
14 what that meant, as to whether I could be very quiet or not,
15 but I will do my best.

16 Keith is the Deputy Associate Director for Storage
17 and Transportation Systems. It is under his purview and Roger
18 Hilley, who is the Associate Director.

19 I would like to say in addition before Keith begins,
20 that the work that we have done in terms of providing and
21 working with your Staff on draft documents and early review is
22 another good example of our working together in the
23 cooperative mode that the Act in effect directs us to do. I
24 want to thank you for the work that John Davis, Mr. Cunningham
25 and others on his Staff have exerted in trying to help us move

1 this issue forward in the best way possible and on a timely
2 basis.

3 I heard your comment with respect to the Governor's
4 statement. What I would suggest we do, if it is agreeable, is
5 I think it might be more effective if Keith were to somewhat
6 run through the briefing, which will probably take thirty or
7 forty minutes, and then take your questions, one of which
8 certainly we want to take is the one you have raised at the
9 beginning, if that is all right with you, sir.

10 CHAIRMAN PALLADINO: That is fine.

11 MR. RUSCHE: Let me note that I have with me, in
12 addition to Keith, I have my Deputy Director, Ed Kay, one of
13 our attorneys, Mr. Ferguson, and Mr. Carlson from Keith's
14 staff. There are probably others in the audience. I would
15 want to identify those members of the staff, and they may want
16 to contribute to some of the questions if the occasion arises.

17 With that, Keith?

18 MR. KLEIN: Thank you. Commissioners.

19 Basically, I thought I would start just by
20 explaining what exactly it is we would be submitting to the
21 Congress shortly after February 6th.

22 A form of our proposal would consist first of
23 transmittal letters to the Vice President, the Speaker of the
24 House. It would transmit basically three documents. It would
25 constitute our proposal package. The first being a relatively

1 thin document titled simply "The Proposal," which is the key
2 operative document that summarizes the policy considerations,
3 as well as the bottom line of the other documents that are
4 also forwarded. The second document will be the environmental
5 assessment, which is required as well by the Act. I will be
6 briefly reviewing what is in the environmental assessment.
7 Thirdly, the program plan, which is a forward looking
8 document, and I will also briefly describe what is involved in
9 that.

10 The Act also requires that the DOE submit the
11 comments of the Commission and the Environmental Protection
12 Agency, and we would expect to include those with our
13 transmittal.

14 This first document, the proposal, volume one, is
15 basically structured in two parts. The first being a
16 description of the facility, its functions in the overall
17 system, the advantages that we believe it would provide to the
18 system, and the costs associated with implementing this
19 proposal.

20 The second part deals with the institutional aspects
21 of our proposal, and in particular, how we would propose to
22 further work with the state and local governments in Tennessee
23 and deal with a number of their financial concerns, and other
24 items of institutional interest.

25 The thrust of our proposal can be summarized in five

1 principal points. First, we are recommending to Congress that
2 they approve construction of the MRS at the Clinch River site
3 near Oak Ridge, Tennessee. Second, we are asking or
4 recommending that they limit the total storage capacity of
5 that site to 15,000 metric tons and I will talk later about
6 the reason for that. We are recommending that the Congress
7 preclude our accepting waste at this MRS until the repository
8 program has advanced to a certain point in its development
9 where we can have reasonable confidence that it will be in
10 full operation shortly after the MRS is in operation.

11 We are recommending that Congress direct measures
12 that are directly responsive to the concerns of the state and
13 the local communities in Tennessee that will be potentially
14 affected. We are asking or recommending that Congress direct
15 us to implement a program that is in general alignment with
16 the program plan that we have set forth as our best estimate
17 today of the activities needed to carry forward and implement
18 this program.

19 With that, let me briefly review what it is in the
20 proposal that we are proposing, how the MRS functions, the
21 role it plays in the overall waste management system.

22 What we are basically proposing is splitting up the
23 functions of the overall waste management system in a way that
24 is shown by this next chart. What this involves is taking a
25 number of functions that have been historically and previously

1 considered to be functions that would take place at the
2 repository, moving them to a location that is much closer to
3 the geographic center, more centrally located relative to
4 existing reactors, and begin operating that part of the
5 system, part of the system involved with collecting fuel from
6 the reactor sites, moving them to this facility, starting
7 packaging them for disposal.

8 Right now, there are over 100 reactors licensed to
9 operate in the U.S. The logistics involved with scheduling
10 the movement of fuel from those reactors with accounting for
11 each individual assembly, for ascertaining its heat level,
12 radiation level, pedigree, so forth, is not a technically
13 challenging task, but it is administratively, a very
14 significant task, and one that is not to be under estimated.

15 We are proposing that this MRS basically serve as
16 almost a nerve center for the operation of our waste
17 management system, and basically proposing that we do, at this
18 MRS facility, those functions that can proceed and we believe
19 should proceed in advance of full operability of the
20 repository. I'll go into this a little more, and just
21 delineate the specific advantages of the MRS.

22 In a system with an MRS, we term it an approved
23 performance system. I will go over those reasons. Certainly
24 we can have a waste management system function without an MRS,
25 and that is the authorized system as we have come to call it,

1 consisting of basically just the repository, which
2 construction is authorized in the Act, and the reactor sites.
3 Again, we think with the addition of an MRS, we have a much
4 better system. I'll talk some more about that.

5 The MRS facility itself, shown in this next
6 schematic, it consists primarily of three different groupings,
7 functions, if you will. The key operating part of the
8 facility will be the receiving and handling building, which is
9 in the middle of that schematic, which is basically a large
10 hot cell complex, where we would be able to encapsulate,
11 package the fuel in a variety of forms, the ultimate
12 configuration will be dependent on which side is eventually
13 selected for the repository and the specific requirements for
14 a package for placement at that site.

15 The storage area that is in the back will basically
16 be able to store 14,000 metric tons of capacity, and that is
17 our judgment as to a good number to provide us the operational
18 flexibility and reliability to the system that we think is
19 very important.

20 Lastly, the administrative buildings and support
21 buildings, your normal functions, fire protection, warehouse,
22 site services, and that sort of thing.

23 The next illustration basically shows the layout of
24 the receiving and handling building. You can see there is
25 nothing technically complex or esoteric in the sense that we

1 are not chemically dissolving anything We are not basically
2 doing anything that would impair the integrity of the clad of
3 the fuel rods themselves. All the operations involved,
4 primarily disassembling the assemblies, and compacting the
5 rods, combining rods from a few different assemblies, an
6 integral number, in all likelihood, into a canister that would
7 then be sealed and shipped off to a repository in dedicated
8 trains.

9 Alternatively, some fuel would be diverted off into
10 the storage yard, in the initial years, before the repository
11 has reached full scale operating capacity, and it is still
12 just in the start-up period, where there may be fuel received
13 at the MRS for one reason or another, that is more hot than
14 desirable for placement at the repository at that given time,
15 or just in the event of interruptions in repository
16 operations. 15,000 metric tons storage capacity overall,
17 including about 1,000 metric tons of operational storage
18 inside the facility itself, the remaining 14,000 metric tons
19 will be provided in the storage area through concrete casks,
20 which are shown in the next illustration.

21 These again are relatively straight forward. It is
22 a concrete silo. In it are the canisters which are seal
23 welded. Inside the canisters are the pins, which themselves
24 provide a containment barrier. The liner inside the concrete
25 silo and the top of the liner will be welded, providing

1 another containment barrier. The concrete itself will be
2 about two feet thick to provide shielding. The storage casks
3 will be constantly monitored for temperature and pressures so
4 that we will always know when outer barriers fail, then it
5 would be immediately detected.

6 Basically what these hope to show here is the
7 facility we are proposing is passive. We have done a
8 considerable amount of work. I will describe that later to
9 show that there is really very limited potential for releases,
10 by virtue of the fact there are no chemical operations. There
11 is only a certain amount of fuel available at one place at one
12 time. We have a number of layers of protection.

13 CHAIRMAN PALLADINO. Keith, are these canisters
14 sitting above ground?

15 MR. KLEIN: Yes, sir. They are all above ground.
16 There will be approximately 1,500 of these storage silos
17 altogether, including silos that are holding hardware from the
18 disassembly operation.

19 The preferred site for our MRS facility, identified
20 as the site of the cancelled Clinch River Breeder Reactor, and
21 it is within the City of Oak Ridge, but it is nine miles from
22 the population center itself. Two alternative sites have also
23 been identified. One on the Oak Ridge Reservation and another
24 at the site of the cancelled Hartsville Nuclear Power Plant, a
25 TVA plant.

1 This followed a process, a site process, that
2 started with an identified number of candidate sites in a
3 region of the country centrally located to reactors that would
4 assist in achieving some transportation system improvements,
5 and a detailed analysis of sites within that region which
6 basically led to identification of these three sites which we
7 think each could be technically very well suited for
8 development of this MRS facility. In particular, the Clinch
9 River site, which has a very good pedigree of site data and
10 analysis as a result of the Commission review of the site for
11 the Clinch River Breeder Reactor.

12 The next illustration is just a time line that we
13 want to leave with you. The only things that I would want to
14 point out at this time is that we would expect to submit to
15 the Commission approximately two years following congressional
16 approval of our proposal, if it is approved, a license
17 application.

18 We have estimated in working with the staff that if
19 we do our homework right in putting together that license
20 application, have a complete application, thorough
21 application, that Commission review of that application could
22 take place in approximately thirty months. We believe the
23 facility could be constructed in approximately four and a half
24 years after that, and after a year of start-up testing, begin
25 operations, approximately in ten years following congressional

1 approval of the facility.

2 COMMISSIONER BERNTHAL: Let me ask a question that
3 references back to the Chairman's straight forward question of
4 whether these were above ground or not. I apologize. I'm a
5 little slow here. Every time I hear "Clinch River," I seem to
6 draw a blink in my memory bank. I think I like to blot out
7 dramatic experiences or something.

8 In the most naive, straight forward way, one would
9 wonder why you would want to fool around, since your
10 re-packaging and consolidating and what not in these large
11 canisters, why you would want to fool around with having such
12 an array of engineered devices above ground as well.

13 Why wouldn't you just choose a medium and a base
14 that is some granite or comparably hard material to concrete,
15 I suppose, drill the receptacles there and have them below
16 grade level and save ourselves a lot of time, money and fuss,
17 maybe? I don't know. I was just curious.

18 MR. KLEIN: There are several considerations that
19 have gone into our selection of the storage concept itself.
20 Must come back to what we see as the need for the facility.
21 We are not proposing this facility for long term storage of
22 the nature of a repository. The facility is designed to be
23 able to store fuel for as long as may be necessary through
24 replacement of modules or other means, which is a requirement
25 of the Waste Act, but we are basically looking at operational

1 type storage for the operation of the overall waste system

2 We have also proposed an alternative concept, which
3 is storage in drywells, which are below grade, which is
4 somewhat similar to what you were proposing. That would also
5 be a relatively inexpensive process for storing fuel, and it
6 could in fact be a slightly less expensive -- this really
7 isn't expensive in a number of perspectives -- whenever you
8 start getting below grade, it is our opinion that there is a
9 perception of permanency associated with that, that is
10 undesirable, given the nature of the facilities we are
11 proposing.

12 It brings in considerations of groundwater flows,
13 properties of the material in which the drywells are encased.
14 The drywells would have probably about twenty feet down.
15 Again, that is not something that can't be engineered around,
16 can't be perfectly safe. It brings in additional
17 considerations that we think could end up complicating the
18 licensing of this facility.

19 We want to have a facility that we think will not
20 bring in major technical issues in the licensing. The modular
21 storage concrete casks really are inexpensive. Concrete is
22 fairly inexpensive. It has a nice modular feature to it. We
23 don't think we need necessarily the full 15,000 metric tons.
24 If it turns out at 5,000 or 10,000, that is just as economical
25 as 15,000.

1 In the proposal documents, the environmental
2 assessments, we do comparably assess the implementation of
3 storage through either drywells or these storage casks at
4 these alternative sites.

5 CHAIRMAN PALLADINO: One of the obvious advantages,
6 I guess, would be if these canisters also immediately served
7 as a transfer cask to the permanent repository, or do you have
8 to unload them anyway?

9 MR. KLEIN: The concrete casks would not be
10 shipped. The canisters within them will be. The canisters
11 will be clean of surface contamination. The repository, for
12 the most part, and there will be some exceptions, for the most
13 part would then be receiving these canisters that are uniform
14 in size, heat content, and they are basically free of surface
15 contamination. The alternative is what is received at the MRS
16 instead, which are basically your bare fuel assemblies, which
17 have been sitting in pools and have surface contaminations and
18 crud and so forth on them. Basically the canisters will then
19 be a clean modular unit for placement in the repository.

20 MR. RUSCHE: If I may add one comment, in the Act,
21 we are directed to provide assessments of three sites and two
22 designs. These are the two designs Keith has referred to on
23 these three sites. Although we are directed to state our
24 preference, and we have very clearly stated the preference,
25 Congress sort of reserved for itself by that approach the

1 possibility to select the alternative, either by site or
2 design. They have left themselves lots of room to make
3 choices.

4 MR. KLEIN: Let me proceed on the next chart and go
5 through some of the advantages of what we consider to be the
6 improved performance system, which basically calls for the
7 addition of an MRS to our system.

8 Basically, we believe that the addition of the MRS
9 can improve our ability to develop the overall system. Part
10 of this comes to the distribution, the re-distribution of
11 functions within the system, allowing us to focus efforts
12 somewhat independently on implementing as a first step in the
13 system, the collection of this fuel and packaging of it at a
14 central location of the reactors, and basically getting on
15 with that part of the system, in advance of having all the t's
16 crossed and i's dotted in the repository development, and at
17 the same time, taking that burden, if you will, off, making it
18 not an additional factor that the repository program people
19 have to think about and worry about, and allowing them to in
20 many cases better focus on the functions of the repository
21 itself, namely the emplacement and the confinement, and the
22 siting issues and licensing issues associated with that.

23 It basically represents a two step process for
24 implementation proceeding with the first step at a site that
25 is more readily available throughout the country. We are not

1 relying on any particular geologic features or hydrologic
2 regimes to provide this MRS site, but basically we can pick
3 a site that we think has a high likelihood of success, both in
4 terms of local acceptance, in terms of technical suitability,
5 and in other aspects of our developing a system.

6 The system, approved performance system, would lead
7 to an acceleration of waste acceptance rates. Without the
8 MRS, our current schedules for the repository program, would
9 call for a two step operation of the repository, with the
10 first step beginning in 1998, at a relatively low acceptance
11 rate, approximately 400 metric tons a year, and reaching full
12 scale operations around the year 2003, at about 3,000 metric
13 tons per year.

14 With the MRS approved in a timely fashion, we think
15 the MRS can be operational in 1996, and fully operational by
16 1998, thus, we would be receiving fuel at a rate of about
17 3,000 metric tons a year in 1998, as opposed to the year 2003.

18 COMMISSIONER ASSELSTINE: What would be the backlog
19 of material by that time?

20 MR. KLEIN: Approximately 15,000 to 20,000 metric
21 tons by the turn of the century. There are about 10,000
22 metric tons now.

23 MR. RUSCHE: It's a little more than that, I
24 believe; maybe 35,000.

25 MR. KLEIN Maybe 35,000 by the turn of the

1 century. A lot depends on the particular projection for
2 nuclear growth that is involved.

3 CHAIRMAN PALLADINO: You say we have 10,000 now?

4 MR. KLEIN: There are approximately 10,000 or 12,000
5 in existence now.

6 COMMISSIONER BERNTHAL: I'm sorry. The backlog?

7 CHAIRMAN PALLADINO: How much of this material do we
8 have stored? How much have we generated and have stored at
9 the various plants? That is what I meant. You can compare it
10 with the 15,000.

11 MR. KLEIN: I think it is at the turn of the
12 century, about 35,000, and it is being generated at the rate
13 of about 2,500 to 3,000 metric tons per year at that point.

14 By way of some additional perspective --

15 COMMISSIONER ASSELSTINE: That is assuming about 120
16 reactors?

17 MR. KLEIN: Yes. That projection could change.

18 COMMISSIONER BERNTHAL: Not very fast; right?

19 MR. KLEIN: You may or may not be aware that there
20 are a number of reactors that are beginning to run out of
21 storage space at the reactor sites. The Nuclear Waste Policy
22 Act addresses the situation in a fashion by assigning DOE
23 responsibility to assist in developing technologies to help
24 the reactors help themselves. We have been doing that,
25 demonstrating cooperatively with Virginia Power and Carolina

1 Power and Light and others, techniques for increasing storage
2 capacity on site, by dry metal storage casks, some concrete
3 storage modules, rod consolidation and other techniques.

4 Our current projections are that there could be as
5 much as a 2,000 metric ton shortfall of storage space by the
6 year 2000, based on existing storage capacities and
7 projections. We believe that reactors can take care of that
8 through the use of these new technologies, which are coming on
9 line and being demonstrated, but again, that is at some cost,
10 both financially and operational costs. The addition of new
11 capacity require either amendments to the license or new Part
12 72 license for independent storage installations at the
13 reactor sites themselves.

14 COMMISSIONER BERNTHAL: Let me ask a question about
15 cost effectiveness here. As I understand it, the legislation
16 does place the first burden of responsibility on the
17 utilities. I don't quite remember the language, but in effect
18 it says that first of all, they should seek ways to store in
19 on-site. I believe that is the sense of the law.

20 If you are going to all the trouble and you have
21 already gone to some trouble and expense, in designing a
22 fairly sophisticated storage canister, you have studied
23 compaction and dry storage and what not, why wouldn't it be
24 more cost effective simply to supply that technology site by
25 site? What is the advantage of as-needed site by site? What

1 is the advantage of sort of bringing it altogether?

2 MR. RUSCHE: Let me try a couple of reasons. I
3 think an immediate advantage that attaches to doing the work
4 in an MRS is that we have a centralized facility where we can
5 maximize the probability of success by highly competent
6 trained people, which would likely be the case at some
7 reactors, and might not be quite so likely at others,
8 depending on their resources available and so forth.

9 I think it just follows the standard industrial
10 pattern, that if you have the same operation to do many times,
11 if you can do it under the best and controlled conditions, you
12 have a high probability of doing it safely and cost
13 effectively.

14 I think the thought of having 95 or 120 MRS's is a
15 factor that we all have take into account. If we don't have
16 an MRS, that is what we will end up doing. That is an
17 alternative we have evaluated in the environmental assessment,
18 as one of the options that is there.

19 A second factor that suggests the value of the MRS
20 and this approach is that related to the transportation
21 logistics. Keith will be getting to that in a minute, but let
22 me just mention two quick points.

23 One value is that we have an opportunity to
24 determine the transportation system, its location and
25 logistics, about five years earlier, if we put the MRS in

1 place. That is, we won't know the site of the final
2 repository until about 1991. If Congress agrees this year
3 with MRS, for most of the eastern reactors, we know what the
4 transportation patterns are going to be. Five years earlier,
5 we can structure the logistics and develop the institutional
6 questions much earlier. I think that is a real advantage to
7 the country and to the system.

8 COMMISSIONER BERNTHAL: Yes, that would seem to be a
9 strong argument because you used the plural in transportation
10 patterns, and there may indeed be plurals, but it sounds to me
11 like it would be a corridor almost. I'm not quite sure what
12 you have in mind.

13 MR. RUSCHE: If you have the MRS in place, it almost
14 certainly is a corridor from the MRS. If you don't have the
15 MRS in place, you may have thirty corridors or ten corridors
16 or fifty corridors.

17 Many of the people we have talked to in the states
18 and industry and elsewhere continue to refer, and I think
19 appropriately, the yearning that people have to know what it
20 is going to be like, but we are faced with a paradox that we
21 cannot tell you until we get through the characterization of
22 the repository sites and have selected such a site.

23 I think those two features, along with the general
24 management procedure or approach that says do it one time, it
25 is better to do it one time very well than it is 90 times with

1 a mixture of possibilities.

2 MR. KLEIN. Cost-wise, we estimate that the cost of
3 adding capacity at the reactor sites would be anywhere from
4 \$40 per kilogram to \$100 per kilogram. The incremental cost
5 of storage at the MRS would be in the neighborhood of \$40 per
6 kilogram. There could very well be overall ratepayers'
7 savings from strictly a storage standpoint by doing it or
8 providing the storage largely at a central facility. In any
9 event, there will be reactors having to add storage at the
10 reactor sites, until the Federal system becomes operational.

11 With the MRS, there would be fewer reactors
12 affected, because they have run out of storage capacity and
13 have had to add some things, and the number of reactors that
14 are affected would be affected to a lesser degree. They would
15 not have to provide as much new capacity, because we would be
16 accepting fuel at a higher rate and sooner. We believe that
17 could be a significant advantage to the overall country.

18 We believe the addition of the MRS adds flexibility
19 and reliability to the system. This is in a number of
20 different respects in any operating system that has flows in
21 and flows out, it is common to have some sort of storage
22 capacity. It is just a basic engineering principle. It is not
23 uncommon for this capacity to be significant as we are
24 proposing here.

25 The increased reliabilities provided basically by

1 addition of the storage capacity, there is flexibility
2 provided by virtue of another component to the system that can
3 handle uncertainties of the future. It gives us more options,
4 more tools for dealing with things. In particular, it gives
5 us an option for packaging in a way that can be implemented to
6 a large degree before even the final package is known.

7 COMMISSION ASSELSTINE: Are you going to talk about
8 that a bit more? I guess one of the questions I have is how
9 the two things mesh. I understand the notion of moving
10 packaging to the MRS, so that while you don't eliminate it,
11 you at least minimize the amount of that action being at the
12 repository site, but to what extent is the package design
13 dependent at all on the geologic medium that is ultimately
14 selected and to what extent can you design a package that will
15 satisfy all of our requirements for the repository before the
16 final decision is made on the repository?

17 It strikes me there are ways to do that. One way is
18 design the most conservative canister you think could possibly
19 be needed for any geologic reason, and then go ahead on that
20 basis. There are some intertie questions I have, and that is
21 one of them.

22 MR. KLEIN. You are correct. The package design for
23 each of the repository media would be different in two
24 respects. The amount of fuel per package and possibly the
25 material construction of the package itself, which also the

1 two together can translate into different size or diameter of
2 the package. You can envelope those. Our facility design
3 will be capable of accommodating any one of the configurations
4 within that envelope and/or different package material or
5 different package size.

6 We have been studying the feasibility of a common
7 waste package, perhaps there is some common denominator among
8 the repository waste package designs and we could lock on to
9 that for the MRS, and that with different overpacks and so
10 forth then could be tailored to the final repository medium.

11 MR. RUSCHE: I think you would want to know, too,
12 that under the timing we are talking about, we would have the
13 site for the first repository selected several years, like
14 five years, before you put the MRS in operation, with the MRS
15 expected to go into operation at about 1996.

16 What one wants to design in a facility is a broad
17 range of capabilities for handling materials and sizes and
18 then make that final adjustment as to what is the size and
19 what is the material of the canister. That then being tuned
20 to the facility, so the phasing and time permit you to do
21 that, and the design now starts out with the capability rather
22 than output as its objective.

23 COMMISSIONER ASSELSTINE: One thing would have to be
24 clear, and that is that the construction authorization for
25 proceeding with the repository would have to resolve in a

1 fairly definitive manner exactly what the packaging
2 requirements would be.

3 MR. RUSCHE: Yes, without a doubt. The MRS
4 presumably would have been built in a manner that you could
5 just provide that.

6 CHAIRMAN PALLADINO: For added flexibility, and
7 added cost, you could have the canister and then if you have
8 to have some other holder or liner --

9 MR. RUSCHE: Yes, you might have to do that for
10 matching. We call that an overpack. I think the particular
11 point Commissioner Asselstine is talking about can be dealt
12 with very effectively because of the relative time sequencing
13 of the two facilities.

14 MR. KLEIN: We believe the addition of an MRS would
15 benefit a transportation system. It does this in several
16 ways. Currently, approximately 30 percent of the reactors in
17 existence cannot handle the larger capacity rail casks for
18 shipping spent fuel. Unless those capacities change, and we
19 may be able to influence that or may want to influence that,
20 we would be shipping fuel from those reactors to the MRS or to
21 the repository by truck. Truck casks typically have a
22 capacity of about seven times less than a rail cask. Truck
23 casks might carry one or two PWR assemblies. A rail cask, ten
24 to fourteen PWR assemblies.

25 CHAIRMAN PALLADINO: Are you saying you can't get a

1 rail car there or did I miss the point?

2 MR. KLEIN: It could be for any one of several
3 reasons, either they do not have a rail line to the reactor
4 plant itself, some are located on bodies of water and ship the
5 large components on the water or to a railhead that may be
6 three or four miles away and then heavy haul it there. Some
7 reactors do not have the crane capacity to handle the larger
8 rail casks which are in the neighborhood of one hundred ton
9 casks, whereas a truck cask is more in the neighborhood of
10 forty ton casks.

11 There are several reasons why that thirty percent of
12 the reactors cannot. We believe that of that thirty percent,
13 70 or 80 percent of them could upgrade to handle rail, but
14 again, it is really not up to us to determine whether or not
15 they will or shall, but just estimate what could be.

16 What that means in terms of transportation
17 operations is that you obviously would need seven truck
18 shipments to equal one rail shipment on the average. Every
19 shipment, every cask, is permitted a certain amount of
20 radiation levels at the surface. It is somewhat akin to a
21 point source moving.

22 COMMISSIONER BERNTHAL: Seven trucks for one rail
23 car?

24 MR. KLEIN. Yes, sir. That's exactly right.

25 COMMISSIONER BERNTHAL: I don't want to get on the

1 wrong side of the Teamsters Union, but I have to say my
2 prejudices are that we ought to seek to keep these shipments
3 on rail lines to the extent that is possible. I don't know
4 that you have taken a position on that or not. Maybe you are
5 getting around to it.

6 MR. KLEIN: We do believe it is desirable for
7 purposes of efficiency and operations to maximize the use of
8 the higher capacity casks to the extent practicable. There
9 are still reasons to not become so independent, 100 percent,
10 on any one mode of conveyance, but to the extent that you
11 can. Right now, the cost of shipping by truck or for rail are
12 about the same, on a dollar per Kg basis. A lot is dependent
13 on particular rail lines and cask demurrage charges and so
14 forth.

15 In any event, having an MRS centrally located
16 relative to existing reactors basically minimizes the distance
17 that fuel would have to be moved by truck. Instead of moving
18 across country, if the repository was in the west, it would be
19 transversing only one or two states typically to get to an
20 MRS, where it would be repackaged, and all the shipments
21 leaving the MRS then would be in dedicated trains, or would be
22 in larger rail casks, packaged in these canisters. You might
23 have two shipments per month with one train pooling five or
24 the ten railcars behind it once or twice a month. There would
25 be fewer number of shipments across country. The repository

1 would be receiving fewer shipments, and the shipments that the
2 repository did receive should be able to be unloaded much faster
3 because you are dealing with double encapsulated fuel, if you
4 will. It is clean on the outside.

5 Overall, it leads to the MRS being somewhat of a
6 transportation hub of one sort, fuel converging on it, and
7 then being shipped out in a dedicated train to the
8 repository. We think there are transportation system benefits
9 associated with that.

10 COMMISSIONER ASSELSTINE: What are the
11 transportation corridors like? I understand going into
12 Tennessee from most of the east. How about from there out
13 west, to the sites you are looking at for the first
14 repository? Good transportation corridors?

15 MR. KLEIN: Basically, yes. As you may be aware,
16 there are a number of operations in Tennessee that are really
17 transportation related operations. Federal Express is based
18 there. There are a number of other similar operations to
19 that. Is it Federal Express in Memphis?

20 COMMISSIONER ASSELSTINE: Yes.

21 MR. KLEIN: Auto companies are located there. I
22 only point that out because one of the reasons they are
23 relocating is there is a good transportation access

24 COMMISSIONER BERNTHAL: You are really talking about
25 a rail corridor and to the extent that rail line is going to

1 have to be of high quality, perhaps upgraded, perhaps
2 maintained beyond that, that seems to be typical today, and I
3 would assume you aren't going to do that to very many lines,
4 and you are going to kind of pinpoint one corridor, and that
5 is going to be it.

6 MR. KLEIN: Yes, and focus on it. We would focus on
7 that, survey it very thoroughly, make sure the emergency
8 response capabilities are all in that corridor, upgraded, and
9 focus our efforts.

10 Lastly, provide significant institutional benefits.
11 These are associated to a degree with certain intangible
12 benefits that are indeed somewhat speculative, but we think
13 early implementation, construction of a major waste facility,
14 and basically getting on with implementing the system ahead of
15 the schedules, target schedules mandated in the Waste Act,
16 could be of benefit to our overall efforts.

17 I will just go quickly through --

18 CHAIRMAN PALLADINO: How many people will be working
19 there after it is built?

20 MR. KLEIN: Approximately 600 to 700 full time
21 employees, after it becomes operational.

22 COMMISSIONER ASSELSTINE: That is the operating
23 staff?

24 MR. KLEIN: Yes.

25 MR. RUSCHE: 1,500 during construction; something

1 like that.

2 MR. KLEIN: I have just covered the first aspect of
3 our proposal dealing with the description of the facility, the
4 advantages, and some of the costs. I might add, as far as the
5 costs are concerned, that the facility costs, construction
6 costs, will be about \$700 million, overall program costs, up
7 to the point of operations in 1996, will be about \$1 billion.
8 Operating costs would be about \$70 million per year
9 thereafter.

10 The second part of our proposal document --

11 CHAIRMAN PALLADINO: \$170 million thereafter for
12 operating costs?

13 MR. KLEIN: \$70 million.

14 The second part of our proposal deals with more
15 institutional aspects. Three major parts that I might briefly
16 review. First, the financial assistance provisions. The
17 Waste Act provides an opportunity for facilities developed
18 under the Waste Act basically to be good corporate citizens,
19 good neighbors, providing for payments equivalent to taxes,
20 and in the case of the repository, financial assistance for
21 planning and mitigation of impacts caused by construction and
22 so forth. We are proposing these apply also to the MRS. We
23 have received some good analyses by a local task force set up
24 in the area at the Clinch River site, the Clinch River MRS
25 Task Force.

1 They also recommended several things which would
2 help lessen the impacts of a facility. We are clarifying them
3 in this proposal, that we have reimbursed state and locals for
4 direct expenses involved. We would use local suppliers to the
5 extent they are available. If we have land on the Oak Ridge
6 site that has access programmatic needs, we make that
7 available for alternative industrial uses, permitted by
8 regulations. Giving financial assistance equivalent to the
9 tax to be paid, as if the facility were a taxable commercial
10 venture.

11 The proposal contains a section that elaborates on
12 assurances of safety and environmental quality. These are
13 really nothing new. Assurances come primarily through the NRC
14 regulations and our adherence to them. They are things that
15 we often take for granted, and which are not as readily
16 apparent to the outside. We have elaborated on just what a
17 lot of these provisions are and why that provides a degree of
18 assurance relative to safety and environmental quality.

19 The last provision in the proposal that I would
20 review is certain provisions we are proposing to give the
21 state and local governments a very strong influence in the
22 conduct of the program.

23 We are proposing that a steering committee be
24 established, an MRS steering committee, to consist of a
25 chairman, nominated by DOE and in consultation with the

1 Governor. It would have two members from the state on the
2 steering committee, two members at the Clinch River site, one
3 from the City of Oak Ridge, one from the County. It will have
4 a member of industry, the utilities paying into the waste fund
5 would be on the steering committee. A member representing the
6 public interest, broader public interest I might say, and two
7 representatives from DOE.

8 This committee would review, recommend, review
9 policies, recommend policies. The MRS Project Manager, the
10 person actually responsible for implementing the project would
11 have formal responsibilities vis-a-vis being responsive to the
12 committee. If he does not agree with a committee
13 recommendation, for example, he would be obligated to respond
14 in writing the reasons why not. If they didn't like those
15 reasons, for example, they would have recourse to appeal
16 through the Operations Manager, to Washington, if that is not
17 suitable.

18 We proposed and identified several subcommittees
19 that could be established under this that would have
20 particular responsibilities for oversight, facility
21 operations, and oversight of the public information and
22 implementation of the financial assistance provisions, and in
23 the transportation area.

24 It is all in recognition that the committee and
25 subcommittees would have full access to all data information

1 available to the Project Manager. The whole process for
2 basically implementing the MRS would be very much open, in
3 ways that are perhaps precedent setting in terms of the way
4 business has been done by the Federal Government in the past,
5 and it has been very well received in the local area. We
6 think if MRS is to proceed in Tennessee, that the state would
7 be similarly inclined to favor this approach to implementing
8 the project.

9 COMMISSIONER BERNTHAL: I must say you guys had
10 extraordinary foresight. You even managed to get two
11 residents of Tennessee on the Licensing Committee before the
12 Nuclear Waste Policy Act really began to be implemented.

13 MR. RUSCHE: We have tried to exercise clairvoyance
14 at every stage we could.

15 [Laughter.]

16 COMMISSIONER ASSELSTINE: We don't know which way it
17 cuts, though, do we?

18 MR. RUSCHE: I would want to add one comment to
19 Keith's expression on the Steering Committee, just to be
20 sure. This is a committee that would be organized and would
21 function under the Federal Advisory Committees Act, and it's
22 important that we understand that and you folks both.

23 MR. KLEIN: The last thing that I would point out is
24 the provisions for consultation and concurrence agreement with
25 the state. This is something that is called for in the Waste

1 Act. It applies also to the repository program. It would
2 apply here for MRS as well. The C&C agreement would be an
3 umbrella contract between us and the state to provide for the
4 operations of the Steering Committee and a number of other
5 things specified in the Act, including the use of mechanisms
6 for resolving any disputes that may occur down the road to the
7 Mediation Board, other such mechanisms.

8 COMMISSIONER BERNTHAL: Are you going to make any
9 comment on the now obvious fact that the Governor of the State
10 of Tennessee, for whom I have an immense regard, has gone on
11 record already at this point saying that he will veto --

12 MR. RUSCHE: That was the Chairman's question which
13 we have reserved --

14 CHAIRMAN PALLADINO: I was just about to say that
15 this is a good time, maybe, to address it.

16 MR. RUSCHE: Well, you'd like to do it now?

17 CHAIRMAN PALLADINO: I think so, because you are
18 talking about state relations.

19 MR. RUSCHE: We had an opportunity to visit with the
20 Governor on Tuesday morning, and he made us aware of his views
21 and, I think, that you have been provided a copy of his
22 statement. The Governor, I think, as Commissioner Bernthal
23 had said, is a gentleman that we all have a great deal of
24 respect and appreciation for. He, through his cabinet
25 officials, exercised, on behalf of the state, a very extensive

1 study proposal, and if you recall from his statement, he made
2 or drew several conclusions which, I think, will be helpful to
3 the Congress and were helpful to us and perhaps to you to.

4 With respect to the short-term nature of the
5 facility, with respect to the fact that other MRS's, there are
6 not -- the location of a lot of activity by virtue of shipment
7 and otherwise, as well as the origin of fuel from facilities
8 in the state and his recognition that the facilities do not
9 present new or novel technical questions and, therefore, he
10 has high confidence that both the shipping, transportation
11 handling and the facility, itself, can be done safely.

12 He then turns to two other issues with respect to
13 his view of the need and his view of the appropriateness for
14 it's location at Oak Ridge, primarily from an industrial
15 development standpoint.

16 I think that we must respect the Governor's view in
17 that regard. I think it is clearly a question in which the
18 Governor has stated this issue in a form that will make it
19 much more attractive for the Congress to consider whether the
20 facility, as we have proposed, is worthwhile and ought to
21 proceed. The Governor's response presumably will be a part of
22 our package to the Congress.

23 Our expectation is that he will provide that
24 response in a formal way to us and to the Congress at about
25 the time the proposal is to go up, and the Congress will have

1 the opportunity to consider the proposal in the light of that
2 information.

3 And he recognizes that and, I think, it's not
4 without some value to note that this somewhat compressed
5 interaction with the state has produced, I think, one of the
6 best Federal/State interactions and relationships that we've
7 seen, and he as much as said that to us. But I would not want
8 to put too many words in his mouth.

9 So, I think, the short answer is: We regret that he
10 doesn't agree with us in full. We are pleased that a number
11 of his conclusions are in agreement with our view and we will
12 plan to proceed with the proposal to Congress.

13 COMMISSIONER ROBERTS: I can't resist asking, in his
14 press release the very last two sentences: "The law requires
15 the U.S. Government to consult with the state before it
16 decides where to put it's -- his terminology -- repackaging
17 plant. They did not do that, and if they had, this is what I
18 would have told them about Oak Ridge as a site."

19 What is your response to that statement?

20 MR. RUSCHE: His question or his comment, I believe,
21 derives from the fact that the process of site selection,
22 which was documented in the April document that I referred to
23 earlier, was not conducted in the same manner as we have done
24 for the repository sites. It was not so conducted because,
25 one, it didn't lend itself to that procedure, nor was it

1 required by law.

2 There is a debate on that subject. In fact,
3 the state filed a lawsuit which is before the courts that
4 bears to some extent on that subject. I think what he says
5 there is that if we had asked him in April whether he liked
6 Oak Ridge he would have said then that he didn't like Oak
7 Ridge.

8 CHAIRMAN PALLADINO: For the site?

9 MR. RUSCHE: Excuse me, yes. He didn't like --

10 [Laughter.]

11 COMMISSIONER ROBERTS: Oh, he loves Oak Ridge.

12 CHAIRMAN PALLADINO: Oh, I just want to make sure
13 that the record comes out right.

14 MR. RUSCHE: Mr. Chairman, I really do appreciate
15 that. I would not want to put those words in the Governor's
16 mouth. There may be views in Oak Ridge that would like to be
17 expressed, but they certainly should come from Oak Ridge.

18 Does that address the issue? I don't know what
19 else we can say.

20 CHAIRMAN PALLADINO: I will extend the question just
21 one more step. Do you think it is going to impact on the
22 ability to get Congressional approval or action on this?

23 MR. RUSCHE: Oh, I don't think there is any question
24 but that the Governor's view will be weighed heavily by
25 Congress. I think if his view had been positive, it certainly

1 would have increased the prospects of affirmative action by
2 Congress. So there's no question about it.

3 CHAIRMAN PALLADINO: Well, I'm trying to think what
4 possible outcomes might be, and I know we are speculating, but
5 there is one more step, and then I will stop.

6 If they don't approve Tennessee, then where are you
7 left or what options do we have, if you try to get another
8 state and, you know, have the same problem?

9 MR. RUSCHE: Our charge under the Act is to bring a
10 proposal to Congress, and our proposal will identify eleven
11 sites that we thought were suitable, three of which we thought
12 were preferred and one which we thought was the site of
13 choice.

14 Congress could very easily tell us that we don't
15 need an MRS. Go home and do the rest of the work. Congress
16 could tell us we need an MRS, but we don't need it at this
17 site. Go look for another site, but when you find it, it will
18 be an authorized facility then. Congress could choose one of
19 the other sites other than Oak Ridge, either one in Tennessee
20 or one of the eleven.

21 You'll recall that under the Act, when we filed our
22 application with you, we provided an environmental impact
23 statement whose only difference would be that we don't have to
24 consider the need for the facility. The Congress might choose
25 another site that we haven't identified. Congress is by no

1 means constrained to the sites that we might propose. There
2 are possibilities that someone might come forward and say, "We
3 really would like to have this." Whether that's more than a
4 gleam in somebody's eye I can't say, but those are all options
5 that, I think, Congress has before it.

6 The law clearly was not written in a way to
7 constrain Congress, but rather to give the broadest latitude
8 that I can imagine.

9 CHAIRMAN PALLADINO: Just the last one on this.
10 Moving over to the need question, are you going to try to
11 respond to his need question?

12 MR. RUSCHE: Oh, we think our documents do. We just
13 have a different view from his view. He did not introduce any
14 new information.

15 CHAIRMAN PALLADINO: I think you showed that it was
16 desirable. It was a beneficial thing. I think he is going to
17 maybe -- he is extending your question and saying, "Is there a
18 need for it?"

19 MR. RUSCHE: No, I believe, he said we -- and we did
20 clearly state that it is not absolutely essential. I think
21 Keith's opening comment was to that effect. We believe the
22 need is high because it has high value. I think the documents
23 we have show that, but I think I would not want to mislead
24 you, and I certainly would not want to mislead anyone at
25 Congress and try to make the case that without it, there can

1 be no waste disposal system.

2 We think it would be less effective, less
3 cost-effective, less reliable for the reasons that we have
4 described here. But it is clearly a discretionary or optional
5 facility, and for that reason we called it the enhanced or
6 improved system.

7 COMMISSIONER BERNTHAL: Then Congress is the
8 deliberative body -- I think that's putting it mildly -- and I
9 can't help but point out that Governor Alexander's term ends
10 in November, and none of that would be of particular interest
11 or consequence or the responsibility of the Commission, except
12 as it may effect the schedule of this whole thing, and one
13 wonders whether, with the veto apparently in the offing and
14 presumably whatever Congressional deliberations might be
15 associated with that veto, is it realistic that this thing is
16 going to get settled this year?

17 MR. RUSCHE: Commissioner, I think it would be very
18 unwise for me to try to guess on that. I think it's purely a
19 matter -- I think it will be the first opportunity for
20 Congress to exercise its judgement and prerogatives under the
21 Act, as it clearly recognizes that it needs to be done for
22 such facilities. And I think our objective is to get the
23 proposal there, to make the content of the proposal as
24 clearly available as we can. And then we serve -- I guess, we
25 all serve --

1 COMMISSIONER BERNTHAL: Let me ask the question a
2 better way. What happens if this thing sort of sits there
3 this year and then -- as you know, this current Governor
4 cannot succeed himself -- there will be a new Governor -- what
5 kind of delays then might that throw into the program here and
6 how might that effect the entire program if that should
7 happen?

8 MR. RUSCHE: Well, I think the value of this
9 facility, which is the basis on which we state the need, as
10 the Chairman and I were discussing a minute ago, changes if
11 you delay the facility for a large amount. If it is 6 months
12 it's relatively minor. If it's 5 years, then the 5 years that
13 we gain is no longer there to be gained, and so you would then
14 have to evaluate the need and the value in the light of that
15 diminished return.

16 I think from a purely logistics standpoint, even a
17 long time down the road, it is warranted. But it's clear that
18 some of the advantages that we identified diminish as the time
19 of the MR3 coming online approaches the time of the
20 repositories coming on line, and all I know to do is stand by
21 and be sure that the best available information is at hand for
22 Congress and for you and for all of us who have to visit the
23 issue.

24 CHAIRMAN PALLADINO: Ben, did you have more
25 presentation?

1 MR. RUSCHE: I think that Keith has about three or
2 four more slides at the end or sheets that would be worth
3 turning to where we have taken a quick look at the licensing
4 plan. I don't think that we have to go through every one of
5 these, but if you might just direct your attention there and
6 let him just lead you through.

7 In fact, he brought a document which I'm very
8 pleased with and I want you to know does exist with respect
9 to what we have done, both alone and in consort with the Staff
10 with respect to looking at the licensing.

11 MR. KLEIN: Let me start just by saying that the Act
12 requires that the facility be licensed by the NRC and that the
13 National Environmental Policy Act shall apply with respect to
14 the construction of any facility.

15 There are two exceptions to both the NRC licensing
16 review and the preparation of any environmental impact
17 statement regarding the construction of an MRS, and those two
18 exceptions are that the Commission may not consider need and
19 that the EIS shall not consider -- well, the Commission may
20 not consider need or alternatives to the design criteria
21 specified in the Act for the facility, nor the environmental
22 impact statement shall not consider need or alternatives to
23 the design criteria.

24 COMMISSIONER ASSELSTINE. Maybe we can go ahead and
25 do the slides, but I want to come back to the NEPA question

1 later on, though, then and ask at least about some of the, I
2 think, concerns that some of our Staff has about how the Act
3 is structured and how this will all work and what we need to
4 do to get it sorted out.

5 CHAIRMAN PALLADINO: I think we all have a similar
6 interest in that.

7 MR. KLEIN: I'll be able to go through the rest of
8 these very quickly. We have just shown what are required in
9 the licensing application and I think those are
10 self-explanatory.

11 I wanted to make a point about the licensing-related
12 documents that have been prepared to date. There have been
13 functional design criteria. We have a conceptual basis for
14 design. Of particular significance is something called a
15 Conceptual Design Report, which actually consists of four feet
16 of documents; 36 volumes. One of those volumes is this
17 document that's called, "The Regulatory Assessment Document"
18 and what this does in this document is take the requirements
19 of part 72 of the NRC Regs and shows how the design -- in the
20 conceptual design phase, at least -- would comply with the
21 requirements of the regulations.

22 So, in some respects, it's almost like a mini-SAR
23 but on a very -- on a less detail scale, and we basically
24 provided these documents to the NRC Staff in late October.
25 Prior to that there have been a number of design reviews that

1 the NRC Staff have participated in and have been extremely
2 helpful to us.

3 In the program plan itself of your proposal -- it's
4 in Volume 3 -- there is an appendix entitled, "The Licensing
5 Plan," and that is a forward-looking document that proposes
6 specific procedures for proceeding hereon.

7 The first of those -- and actually those are in the
8 next to the last viewgraph or slide or illustration -- lays
9 out, basically, the proposed processes largely drawn from the
10 NRC regulations.

11 I would just point out that we would tend to
12 start by developing a procedural agreement with the Commission
13 that could either be an add-on to the procedural agreement we
14 already have with respect to the repository or be a separate
15 agreement in which we would seek to resolve a lot of these
16 issues, as far as proceeding on down the road whether DOE
17 should do an EIS in addition to NRC doing one.

18 I might just say that our judgement on that will be
19 swayed by the form of Congressional authorization. For
20 example, if the authorization were to specify particular sites
21 -- recommended sites -- then I think that would play a part in
22 the terms of the scoping of what would be required under
23 NEPA -- I mean Federal NEPA -- and then how we would delineate
24 that between the NRC and the DOE.

25 The regulations require that we submit an

1 environmental report. The process schedule we have laid out
2 for preparation of that environmental report lends itself to
3 that document becoming an EIS if that is, in fact, the
4 appropriate thing to do to satisfy our NEPA obligation.

5 With that, I would say it is basically open to
6 questions.

7 CHAIRMAN PALLADINO: Thank you. Jim, do you want to
8 start with NEPA? I have some other questions. Those are
9 timely now, I think.

10 COMMISSIONER ASSELSTINE: Yes, since we ended on
11 that note. I guess one of the questions that I think our
12 Staff has, in fact, both of our legal offices have, is we are
13 in sort of an unusual situation here, because you are going to
14 have a proposal to the Congress that identifies a number of
15 things, including the site, for example. You are going to
16 have an environmental report or assessment that goes up with
17 the proposal. Yet, it appears that we still have
18 responsibilities underneath, if we are looking at such things
19 as alternate sites, doing the cost benefit analysis, even
20 though the need question may be out and the design criteria
21 may be out.

22 I guess one of the questions I have is to what
23 extent would it be useful or make sense at this point to ask
24 the Congress, as part of this proposal, to spell out in some
25 detail what it is they expect us to do, you and us, in terms

1 of doing EIS's, what the EIS's should address, and to what
2 extent we should rely on the work that you do, if you do an
3 EIS on some of these aspects?

4 Otherwise, it looks to us like there is some
5 uncertainty about some of these questions that wouldn't get
6 resolved for some time to come. For us, at least, it seems to
7 put us in somewhat of an awkward situation. The alternate
8 site, for example. If Congress comes back and says, you still
9 have your NEPA responsibilities, other than the two areas we
10 outlined in the Waste Policy Act, but we are saying this is
11 where it ought to be. It puts us in somewhat of a difficult
12 position.

13 MR. RUSCHE: I would think that the opportunities
14 that we will have for extensive discussion with Congress will
15 provide many occasions for us to ventilate this issue. I
16 can't help to believe that Congress were to act in the
17 affirmative, that the matter would be clarified in whatever
18 final form it appears. We certainly will want to visit the
19 issue. I believe it is not only appropriate but it would be
20 valuable for you and your comments to identify this as an area
21 of uncertainty. We will certainly see that gets expressed on
22 our own initiative.

23 I think that is exactly the right way to do it. I
24 believe no valuable purpose would be served at all to leave a
25 mystery down the road.

1 COMMISSIONER ASSELSTINE: Yes.

2 CHAIRMAN PALLADINO: You are proposing or you have
3 in the back of your mind eleven different sites. You have a
4 recommended one. Are we excluded from evaluating your eleven
5 different sites and saying number nine is better than number
6 three or whatever?

7 MR. RUSCHE: I think that my own opinion would be
8 that if Congress accepts our proposal, you probably would be
9 excluded, and then Congress would say they have agreed this is
10 the site on which we should put it, and these are the
11 alternatives we have looked at, and that's valid.

12 COMMISSIONER ASSELSTINE: If that is what they want,
13 they ought to tell us about it. It is one thing we ought to
14 ask them, to make that clear. If they want to pick the site
15 and they don't want us to look alternatives, they ought to
16 tell us that.

17 MR. MALSCH: Let me just add to that. Our concern
18 was heightened by the fact that there was a wealth of NEPA
19 case law which says that Congress has authorized and
20 appropriated funds for a specific project at a particular
21 site. It does not in any way affect the scope of the
22 subsequent NEPA review.

23 If all we got was a congressional authorization for
24 appropriations with nothing said about NEPA, it wouldn't be so
25 clear.

1 MR. RUSCHE: I think you are right. We want to be
2 sure. I think your comments to us should make that point. We
3 would want to be sure that in the numerous discussions that we
4 are going to have, we seek that guidance. In fact, I would
5 think it might be worthwhile as the process unfolds on the
6 Hill, that we stay in close touch and we may find a set of
7 language example that we would have an opportunity to suggest
8 to Congress that would serve to clarify the matter.

9 COMMISSIONER ASSELSTINE: Or conversely, if the
10 Congress wants to treat it like they did the Corp of Engineer
11 cases and say we are authorizing for this site but we want an
12 independent review of the alternatives, that is fine, too. We
13 ought to ask them to tell us what they want us to do.

14 MR. RUSCHE: I couldn't agree more.

15 COMMISSIONER ASSELSTINE: I have a few others on
16 some other subjects. One was emergency planning. I noticed
17 that on the licensing plan part, I think you had indicated on
18 the NRC requirements for the license application, an emergency
19 plan was one of the items. Looking at the present or proposed
20 rules that we now have before us, and I don't know whether you
21 all have seen them or not, perhaps not --

22 MR. RUSCHE: We have not been privy to those.

23 COMMISSIONER ASSELSTINE: I think emergency planning
24 is not included in there now. It seems to me it would be
25 prudent to have that in. I wondered whether that was your

1 judgment as well.

2 MR. RUSCHE: I think the purpose of Keith mentioning
3 it there, and I mentioned that it would be in our proposal, is
4 clearly from an operational standpoint, you need to have a
5 procedure for handling upsets in operation in the facility. I
6 think until we do the analysis to determine what the potential
7 is for off-site, the need for an emergency plan, such as an
8 evacuation plan or a community response plan, I would want to
9 reserve it until we see what the potential is. We are having
10 some additional studies done with respect to transportation,
11 all of which will become available to both of us during the
12 period of our generation of this thing.

13 Clearly, if there is a potential, we would want to
14 address it. I think our intent in mentioning it there was
15 that we are not unaware of the obligation to look, and we will
16 take whatever course seems to be prudent.

17 COMMISSIONER ASSELSTINE: Good. It does seem that
18 the proximity to population is a little bit different for the
19 MRS sites than say for a repository.

20 MR. RUSCHE: The potential for release in transport
21 is a very different kind of thing. I would not want to let
22 the implication be received by these comments that we think
23 there is a great emergency potential, so to speak. There is
24 not from what we can tell from the outset. I think the
25 obligation we would feel is to analyze that carefully and show

1 it. If it is not, we don't need it. We ought to be able to
2 do that.

3 CHAIRMAN PALLADINO: I think it does need careful
4 attention. It is an item where, for example, in Oklahoma, we
5 could have perhaps benefited by more thought on emergency
6 planning.

7 MR. RUSCHE: We certainly need to give that kind of
8 forethought. Unfortunately, we don't have the kind of
9 potential for distribution and dispersion that existed in that
10 facility. We need to evaluate it. I can assure you that is
11 our intent.

12 COMMISSIONER ASSELSTINE: I also had another
13 question about the tie-in. You have linked the MRS with
14 issuance of a construction authorization for the repository.
15 You have said the MRS should not start operation until the
16 construction authorization is issued.

17 What happens if something goes wrong with the first
18 repository? What if the Commission reaches the conclusion
19 that for whatever reason, the construction authorization
20 should not go forward, we have to wait a few years and look at
21 the second round of sites or whatever? What happens to the
22 MRS? Does it then just sit there and it won't be used?

23 MR. RUSCHE: If the action of Congress is what we
24 proposed, and Congress does nothing further, it will just sit
25 there. I can't believe that Congress would be oblivious to

1 such a situation and if it arose, I think Congress would have
2 to make its own determination as to whether that original
3 linkage was appropriate. We believe from the standpoint of
4 this being a part of an integrated system, unless Congress
5 made a revolutionary shift in the national waste disposal
6 system, I think that is probably the right course, it should
7 just sit there. We don't propose more than 15,000 tons. You
8 can't go very far with 15,000 tons at 120 50,000 tons
9 inventory. I don't think we ought to start down that road
10 until we know where we are going, unless Congress chooses to
11 just make an entirely different consideration.

12 COMMISSIONER BERNTHAL: It is an important question
13 though. It almost seems like if something goes wrong with the
14 first permanent repository, you would want the opposite
15 effect. The need for the MRS would be very plain and very
16 great. It seems to me it is unquestionable. I am just not
17 sure why you would want to start out to begin with having it
18 linked to the approval of construction for the repository.

19 MR. RUSCHE: We thought it was appropriate to link
20 it by Congress, to provide competence to the community, the
21 state and to the country, that we did not visualize the MRS
22 being a substitute for the repository. I think if it is to
23 become a substitute for the repository, it deserves a
24 conscious action by Congress to set that course. We believe
25 Congress made the right choice in choosing repositories as the

1 final disposition.

2 This appeared to us to be a way to honor that view
3 and provide a clear cut impression to the public that we
4 didn't have something up our sleeves. We visualize this thing
5 being a part of an operating system, which has a repository as
6 its end point. If it is to be changed, then the public and
7 Congress ought to do that with very conscious thought.

8 It is true that you could open up more options
9 another way. We believe it is better to tie the two together
10 and assure or give added confidence that the future will be
11 consciously chosen rather than by default.

12 COMMISSIONER BERNTHAL: If you will allow me to
13 continue a moment

14 COMMISSIONER ASSELSTINE: Sure.

15 COMMISSIONER BERNTHAL: The thought may be a good
16 one. It forces Congress then to take a positive action and to
17 consider the issue if that situation should arise. It's
18 probably not a bad idea.

19 MR. RUSCHE: We believe we have a high confidence
20 approach, and that's the one we ought to hold on to.

21 COMMISSIONER ASSELSTINE. On the 15,000 metric tons,
22 you point out it is fairly limited storage capacity. Do you
23 have a plan for how you are going to allocate that? Is it
24 going to be every utility gets a little bit or allocated to
25 those that really need the storage capacity and are not able

1 to provide it on their own?

2 MR. RUSCHE: We do not have a plan at hand. In the
3 mission plan, we have indicated an alternative acceptance
4 schedule. You will recall that under our contracts with the
5 utilities, we are obligated by 1991 to have in place a
6 detailed acceptance schedule. We are working with the
7 contract holders to develop strategies for evaluating those
8 kind of questions, how you make the trade-offs between who
9 needs it and whose time it is and so forth. I believe the
10 utilities will be very useful and very helpful in us arriving
11 at a mutually understandable and workable plan.

12 COMMISSIONER ASSELSTINE: Are you going to allocate
13 costs according to how that plan is set up? I'll give you a
14 couple of examples.

15 MR. RUSCHE: I think the answer is no.

16 COMMISSIONER ASSELSTINE: You aren't?

17 MR. RUSCHE: No.

18 COMMISSIONER ASSELSTINE: Reactors in the west that
19 are not going to use this thing at all would still pay for
20 part of it?

21 MR. RUSCHE: Reactors in the west may use it. In
22 fact, a slight clarification that we will make is it is not
23 our intent for the reactors in the west to use it, just
24 because of the logistical value. On the other hand, if we
25 found that for schedule reasons or contractual obligations we

1 needed to do it, there is no reason why reactors in the west
2 could not use it except for the distance and cost

3 CHAIRMAN FALLADINO. Could you expand a little more
4 on that, the western usage? I didn't mean to interrupt your
5 questions. That's one I still have as a residual.

6 COMMISSIONER ASSELSTINE: Yes. The impression I had
7 from reading the thing is you were going to have some
8 packaging capacity at the repository and the western reactors
9 basically would just ship their spent fuel right to the
10 repository and would not use this facility

11 MR. RUSCHE: That is the preferred course, but
12 whether we would actually do the same kind of things at the
13 repository packaging facility that we do at the MRS, I think
14 remains to be determined. From a pure management and
15 logistical standpoint, it would say don't haul the fuel back
16 across the country. That is what we would expect to do.

17 On the other hand, I think western reactors and
18 western reactor owners would insist upon having access to the
19 MRS, if for example, in our 1991 determination of acceptance
20 rate and acceptance provisions, we incurred an obligation to a
21 plant in 1997, let's say, in the west, or in 1999, in the
22 west, and the repository in 1999 was not prepared to accept
23 that fuel, there was going to be another year down the road,
24 MRS was operating. We would believe and expect we would use
25 the MRS to meet that obligation. We will have language in the

1 proposal when it goes up that will acknowledge that.

2 CHAIRMAN PALLADINO: You are not going to exclude
3 western states?

4 MR. RUSCHE: No, sir. We did not intend to exclude
5 it here. I think the language probably came out a little bit
6 sharper than we intended. We have had several comments to
7 that effect, as others have read it. We certainly will --

8 COMMISSIONER BERNTHAL: Yes. I had a similar
9 question. My staff informs me that the 100th Meridian, in
10 fact, was the point beyond which supposedly or at least the
11 impression was gathered, spent fuel would be shipped directly
12 to the first repository.

13 MR. RUSCHE: We did say that.

14 COMMISSIONER BERNTHAL: The 100th Meridian, I am
15 informed, runs through Pierre, South Dakota. I am probably
16 the only one at this table that knows where Pierre, South
17 Dakota is, and I am probably the only one that knows how it is
18 pronounced.

19 CHAIRMAN PALLADINO: You win on both counts.

20 MR. RUSCHE: We wanted something for everybody's
21 backyard.

22 COMMISSIONER BERNTHAL: That goes on down south
23 through the middle of Kansas, Nebraska, West Central Kansas.

24 The point is, as I look at the map, what we are
25 really talking about here, if I recall our construction

1 projects correctly, are Arizona, California, and the West
2 Coast basically.

3 MR. RUSCHE: That's correct.

4 COMMISSIONER EERNTHAL: Anything is possible. It
5 does seem unlikely you would be shipping all that back to
6 Tennessee.

7 MR. RUSCHE: We did not plan to do that. I want to
8 make clear that if our contractual obligations, which are
9 established or will be established and put in place, were to
10 require moving the material back to the MRS in order to meet
11 those, we certainly will not preclude the use of the MRS for
12 that purpose.

13 COMMISSIONER ASSELSTINE: Would it make sense to
14 also, to the extent that utilities make an effort -- I will
15 put on my ratepayer hat at the moment -- make an effort to
16 meet their own needs until the repository is in fact
17 available, to either exclude or reduce the burden they would
18 have to pay for the cost of this facility? Why not have the
19 burden fall predominately on the utilities that don't make
20 their own arrangements and that have to use the storage
21 capacity, still allocate the cost of the packaging, but at
22 least as far as storage, make those who use it pay for it?

23 MR. RUSCHE: I think the logic is reasonable. We
24 have had some discussions that would suggest that if we don't
25 meet the contractual obligation of 1998, which is our

1 contractual obligation, to begin receiving fuel, that we might
2 then want to go back and consider such a thing.

3 I think prior to 1998, it is clear that Congress
4 intended that the costs be spread according to the amount of
5 material generated, and Congress directed us to put a system
6 in operation. If we get to that point, I will certainly
7 remember this suggestion along with at least 75 of the
8 utilities who have made the same suggestion.

9 COMMISSIONER ASSELSTINE: As a ratepayer of an
10 utility that seems to be making a lot of efforts to try and
11 meet their needs from a variety of standpoints, I would wonder
12 whether I should pay for an MRS as well.

13 MR. RUSCHE: We welcome you to the club for now and
14 will certainly take it into consideration in the future.

15 MR. KLEIN: I might add that the MRS we estimate
16 would only add as much as ten percent to the overall cost of
17 the system, and of course, as an integral part of the system,
18 if an MRS is implemented, it would result in certain
19 offsetting savings out of the repository. By the same token,
20 they would be saving some costs as well. The people may not
21 be benefiting it from a storage standpoint.

22 I might also point out in a scheme of allocating the
23 acceptance rights of all this fuel first, that an utility
24 maybe in the west that might have an early allocation could
25 barter that allocation to another utility and would get some

1 value back from that. There are a lot of considerations.

2 COMMISSIONER ZECH: Could you elaborate briefly on
3 why the capacity of 15,000 tons was selected?

4 MR. RUSCHE: 15,000 tons is purely a judgment
5 value. It has the attribute of being about five years worth
6 of acceptance or of generation at the time the system is in
7 full operation. I think the thing we wanted to do was provide
8 some latitude, some flexibility and not provide an alternate
9 for the repository. I would not mislead you. There is no
10 magic. It was purely a judgment factor on our part.

11 COMMISSIONER ZECH: I appreciate the fact that you
12 don't want to infer that the MRS is going to take the place of
13 the repository. I think certainly none of us want to come to
14 that conclusion, certainly at this time.

15 It seems to me that the 15,000 figure may or may not
16 be -- I guess you are calling it a judgment number. I
17 appreciate the fact that you have to come up with some
18 capacity. What you are saying is it really is not a magic
19 number.

20 MR. RUSCHE: It is not.

21 COMMISSIONER ZECH: It could be changed up or down a
22 little bit?

23 MR. RUSCHE: It could, indeed.

24 COMMISSIONER ZECH: Or considerably?

25 MR. RUSCHE. In fact, Keith made the point that one

1 of the values of this kind of storage system is that it is
2 modular, and if you need more, you make more. If you don't
3 need it, you don't make it. I think very much like the
4 comment Commissioner Bernthal turned to, of linkage. We would
5 think if we were going to use more than 15,000 tons, it would
6 be important for Congress to make a conscious choice if that
7 is what we were going to do and that's the only value.

8 MR. KLEIN: I also note that 15,000 tons would
9 amount to about a three or five year cushion at acceptance
10 rates of about 3,000 tons per year. In the event of a
11 repository delay, for example, or something like that, that
12 would still allow us that sort of cushion in terms of
13 accepting fuel.

14 COMMISSIONER ZECH: Thank you.

15 COMMISSIONER ASSELSTINE: I had one or two others.
16 Why don't I let you go ahead and come back to mine.

17 CHAIRMAN PALLADINO: I have two more questions that
18 have not been answered so far.

19 Does DOE intend to follow all applicable NRC
20 transportation regulations for shipping commercial waste?

21 MR. RUSCHE: Yes, sir.

22 CHAIRMAN PALLADINO: That isn't all clear. It is
23 just one of the Staff comments.

24 MR. RUSCHE: We plan to meet all regulations, NRC
25 regulations.

1 CHAIRMAN PALLADINO: I can accept yes for an answer.

2 [Laughter.]

3 CHAIRMAN PALLADINO: Another question that I found
4 was not discussed in the report, questions of security, both
5 with regard to the facility and transportation. I started off
6 by thinking of the facility particularly.

7 MR. RUSCHE: We did not attempt to conduct what I
8 would call a licensing evaluation. We would expect we would
9 meet all the requirements that are related to safeguards,
10 security and to Part 72, and those related to transportation.
11 There may be others that we need to look at. I think that's
12 more an indication of the state of the evolution of the
13 matter, rather than that we did not attempt to make an
14 exhaustive statement of every item to be considered.

15 I would assure you that we will indeed give full
16 consideration to and develop the necessary systems and
17 provisions.

18 CHAIRMAN PALLADINO: I think you have to decide what
19 it is you are trying to protect against.

20 MR. RUSCHE: I'm sure you will help us on that.

21 CHAIRMAN PALLADINO: We could also use help.

22 MR. RUSCHE: Perhaps we can work together.

23 CHAIRMAN PALLADINO: Perhaps this is an item that
24 should be factored in early in the design, because it may
25 influence --

1 MR. RUSCHE: I could not agree more. We look
2 forward to work closely with you.

3 CHAIRMAN PALLADINO: I think those are the only two
4 I have left. I guess a similar consideration would have to be
5 given to security and sabotage and transportation.

6 MR. RUSCHE: Yes, sir. We take care of that to some
7 extent now.

8 CHAIRMAN PALLADINO: Security, I should also extend
9 to safeguards, even though this may not be the most attractive
10 material for diversion, it is not immune.

11 MR. RUSCHE: My comment a moment ago I believe
12 included safeguards and security.

13 CHAIRMAN PALLADINO: Thank you.

14 COMMISSIONER ASSELSTINE: I think one of the biggest
15 concerns that people have expressed about the MRS, whether it
16 is people on the Hill or even some actually within the
17 industry as well, is what is the danger this would detract
18 from succeeding in the repository program. I think your draft
19 proposal acknowledges that is a perception and it is a
20 potential problem.

21 I would be interested in how you plan to try and
22 deal with that, both the perception and the reality, if you
23 have a major effort here, it is going to cost about \$1
24 billion, how are you going to make sure that effort does not
25 in any way detract from the goal I think we all have, which is

1 the successful repository program, as well as the permanent
2 solution?

3 MR. RUSCHE: There may be several elements to what
4 detraction means. Let me try to address a couple of them.

5 One of them is whether it becomes a substitute for
6 it. The two statements we have already discussed with respect
7 to linkage, an amount of storage capacity, clearly are aimed
8 at providing assurance that the facility will not be
9 authorized, but congressional action per se, affirmative
10 congressional action, would be required for the facility to
11 function as a substitute.

12 In fact, that is the same confidence, the same basis
13 that we have that we are going to have a repository. In my
14 mind, that is about as good as you can do.

15 The other aspect of detraction is how do we manage
16 the operation with respect to manpower, contractors and so
17 forth. There are two elements of that. We have committed to
18 the Congress that during this period of review, we will
19 conduct no work in anticipation of a congressional action,
20 that is a possible affirmative congressional action, that we
21 will only remain available and provide interaction with the
22 Congress until a decision is made.

23 There is no question about any diversion of manpower
24 during this period. Should Congress approve the proposal, we
25 would be using different contractors in different places and

1 different circumstances. These would be in addition to what
2 we were doing rather than a diversion or re-distribution of
3 what we are doing.

4 As you recall from the financing standpoint, we are
5 obligated to annually review for Congress the fee adequacy by
6 estimating the total life cycle cost and the revenue stream
7 that flows from the current one mil per kilowatt hour. That
8 report will go to Congress in the next six weeks or so. It
9 will show that based on the current circumstances, we still
10 have several years of expectation of fee adequacy, and if the
11 addition of MRS were to call that into question, what we would
12 do is advance the time in which the revenue stream might not
13 be adequate, and we would, as law provides, ask Congress to
14 raise the fee. We do not believe that would be necessary
15 now. I think that provides about as good a basis as you can
16 that we would not divert manpower and thereby slow down or
17 otherwise compromise our internal effort.

18 COMMISSIONER ASSELSTINE: One last question. I had
19 the opportunity last October to visit the Swedish spent fuel
20 storage facility. I think you have visited it, too. It is a
21 very impressive facility. I was wondering whether you
22 considered an option like that. Second, my recollection was
23 that both the capital cost to build it and the operating cost,
24 in terms of number of people involved, were substantially
25 lower than what you are talking about.

1 I wondered if you had looked at both -- they
2 complained, by the way, about the costs. The utilities
3 thought the costs were excessively high. I wonder if you have
4 looked at that option and how it compared with what you have
5 in mind. It is underground and in granite.

6 MR. RUSCHE: We did look at it. If you recall, and
7 before I arrived, I think Keith was involved, one of the very
8 early things done under the Act was to conduct a design
9 analysis for MRS. We looked at things in mountains, in holes,
10 wet, dry and so forth. That report was presented to Congress
11 about two years ago, maybe three years ago.

12 MR. KLEIN: It was about six months after enactment,
13 about two years ago.

14 MR. RUSCHE: We did look at several designs. At
15 that time, I'm not absolutely certain that CLAB was sort of
16 racked up against a particular design. CLAB is also a lower
17 receipt rate and a lower storage capacity, as I recall.

18 COMMISSIONER ASSELSTINE: Yes, about 10,000 metric
19 tons, I think, a total of 50 in 10,000 increments.

20 MR. RUSCHE: Right. I believe the receipt rate is
21 considerably lower than 3,000 tons per year.

22 COMMISSIONER ASSELSTINE: It could be.

23 MR. RUSCHE: I think that receipt rate is under
24 1,000 tons per year. I think just to be perfectly frank, it
25 is probably cheaper to build something in Sweden than it is in

1 the United States for a number of reasons, which we could
2 spend the rest of the afternoon on.

3 COMMISSIONER ASSELSTINE: Yes.

4 MR. RUSCHE: We could build the MRS cheaper than
5 this under other conditions.

6 COMMISSIONER ASSELSTINE: I recall the price tag was
7 something like \$300 million for the facility.

8 MR. RUSCHE: I think it may be a little more than
9 that, but it is of that order. That's a capital cost. The
10 capital cost for this facility is about \$700 million.

11 MR. KLEIN: They are not doing any packaging there
12 either. It is just being stored there.

13 MR. RUSCHE: It is an impressive facility.

14 COMMISSIONER ASSELSTINE: Yes, it is; very nice.

15 CHAIRMAN PALLADINO: Any other questions?

16 COMMISSIONER ZECH: Just one quick one. I
17 understand from the Staff that they had been working very
18 closely with you in trying to keep up with the movement that
19 has been taking place in the MRS as well as the repository.
20 Could you just comment, are you keeping us entirely informed
21 and are we getting what we need to know and is the Staff
22 working with you closely?

23 MR. RUSCHE: Commissioner, I think you would have to
24 make the judgment about whether you are getting all you need
25 to know.

1 COMMISSIONER ZECH: I would like to hear what you
2 have to say.

3 MR RUSCHE: I think you are. You have been very
4 considerate and I think very cooperative, and I hope to have
5 an opportunity in another short period to have a more general
6 session in which we can talk about that. I can say without
7 reservation that the work between our two staff's has been and
8 I think continues to be a very effective and appropriate
9 interaction. As far as I know, we do not stand in any state
10 of deficit of transfer of information either way. We are very
11 grateful for that.

12 Maybe next month when we have a chance to get
13 together, we can talk about what I think is some real progress
14 that we are making in a number of areas that have great
15 potential for the future.

16 COMMISSIONER ZECH: That is good. I think it is
17 important that we do that. We are working on it together on a
18 very controversial issue, and it is a very important issue
19 involving public health and safety. It does involve the best
20 judgments that we can make and you can make and others can
21 make to help us in this regard.

22 Although we are talking dates in the future, 1996,
23 1998, 2003, and so forth, time moves by fairly quickly. I
24 think we should not feel that we are not in some sense of
25 urgency, because I think we are, frankly. We cannot wait

1 until the last minute to face some of the hard problems. I
2 hope we are facing them now. It seems to me we are.

3 I think your briefly frankly has been very helpful
4 I appreciate the hard responsible work you are doing. I just
5 want to make sure that we are working very closely with you,
6 all doing everything we can to make sure that the public is
7 informed, that the states are at least involved, every bit as
8 we are and you are. I think it is important. I appreciate
9 the fact that you are involved in a very important endeavor,
10 and appreciate the briefing very much.

11 MR. RUSCHE: Thank you, sir. We will continue to
12 work together. We can't do it unless we are in that mode. I
13 look forward to our next occasion to get together. I believe
14 we will have some interesting things to talk about.

15 CHAIRMAN PALLADINO: Let me make one comment. We as
16 a commission have before us the comments of the Staff and the
17 recommendations to go ahead and approve it, and we do have an
18 urgent request from DOE to act promptly. I would encourage
19 Commissioners to give this matter attention and vote as soon
20 as possible.

21 MR. RUSCHE: I would certainly appreciate that. The
22 Secretary would join me, I know, in being able to note the
23 Commission's prompt response, when we send the matter to
24 Congress

25 CHAIRMAN PALLADINO: Once in a while, we like to set

1 milestones.

2 MR. RUSCHE: And even meet one.

3 [Laughter.]

4 MR. RUSCHE: We thank you and we do appreciate the
5 opportunity of visiting with you this afternoon.

6 CHAIRMAN PALLADINO: Commissioner Bernthal had one
7 more question, I think.

8 COMMISSIONER BERNTHAL: Just a quick one. It won't
9 take long. Is low level waste a trivial consideration from
10 this facility or not? It is a big issue as you know right
11 now. Is it small?

12 MR. RUSCHE: We have indicated that low level waste
13 will be generated by the facility, some of which might be
14 incidental to the operations per se, will be a part of the
15 packages that go to the repository. For example, hardware and
16 things like that which might come. Ordinarily, low level
17 operational waste, we are obligated to dispose of in a low
18 level site, either of our own or another one, but would be
19 fully licensed. It is not necessarily --

20 COMMISSIONER BERNTHAL: It is not a very large
21 volume?

22 MR. RUSCHE: We do not expect it to be a large
23 volume generator, but it is not a matter that we can dismiss
24 as well.

25 COMMISSIONER BERNTHAL: Thank you.

1 CHAIRMAN PALLADINO: I would like to ask the
2 indulgence of everyone in the room to bear with us for another
3 three minutes. I propose, after thanking our presenters, and
4 commending them on their fine work, I would like to adjourn
5 this meeting and immediately convene what we call an
6 affirmation discussion meeting. It is a pro forma meeting in
7 which we will vote on one item on the agenda and then
8 immediately adjourn, and then we can all leave.

9 Let me go to my first task, pleasant task. We very
10 much appreciate your coming and making this presentation to
11 us. I think it has been helpful. You have been very
12 forthright in answering our questions. We commend you for the
13 fine work you have been doing in this area. Thank you very
14 much.

15 We will adjourn.

16 [Whereupon, at 3:50 p.m., the Commission meeting was
17 adjourned.]

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CERTIFICATE OF OFFICIAL REPORTER

This is to certify that the attached proceedings
before the United States Nuclear Regulatory Commission in the
matter of. COMMISSION MEETING

Name of Proceeding: Briefing by DOE on Monitored Retrievable
Storage (Public Meeting)

Docket No.:

Place: Washington, D. C.

Date: Thursday, January 23, 1986

were held as herein appears and that this is the original
transcript thereof for the file of the United States Nuclear
Regulatory Commission.

(Signature)

(Typed Name of Reporter) Suzanne B. Young

Ann Riley & Associates, Ltd.

U. S. DEPARTMENT OF ENERGY

**MRS PROPOSAL TO CONGRESS
BRIEFING FOR THE
NUCLEAR REGULATORY COMMISSION**

JANUARY 23, 1986

**BEN C. RUSCHE, DIRECTOR
OFFICE OF CIVILIAN
RADIOACTIVE WASTE MANAGEMENT**

**KEITH A. KLEIN, DIRECTOR
STORAGE DIVISION**

MRS PROPOSAL PACKAGE

- COVER LETTERS**
- PROPOSAL**
- ENVIRONMENTAL ASSESSMENT**
- PROGRAM PLAN**
- NRC COMMENTS**
- EPA COMMENTS**
- STATE (AND LOCAL) COMMENTS**

MRS PROPOSAL

FACILITY FUNCTIONS, ADVANTAGES AND COSTS

- **SYSTEM CONFIGURATION**
- **MRS FACILITY AND OPERATIONS**
- **ADVANTAGES AND BENEFITS**
- **COSTS**

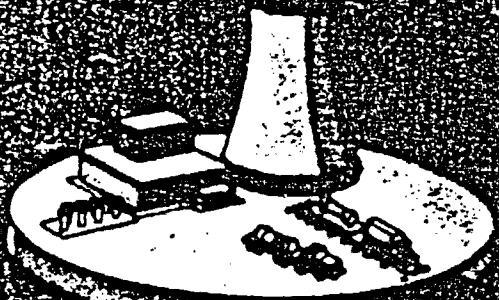
INSTITUTIONAL PROVISIONS

- **STATE AND LOCAL INVOLVEMENT**
- **ASSURANCES OF SAFETY AND ENVIRONMENTAL QUALITY**
- **FINANCIAL ASSISTANCE**

MRS PROPOSAL

- **Approve construction at the Clinch River site (Oak Ridge, Tennessee)**
- **Limit storage to 15,000 MTU**
- **Preclude waste acceptance until a construction authorization for a first repository is received from the NRC**
- **Direct measures to be responsive to State and local government concerns and recommendations as specifically outlined**
- **Direct implementation of the program plan submitted as part of the proposal**

Distribution of Waste Management Functions in a System With an Integrated MRS Facility



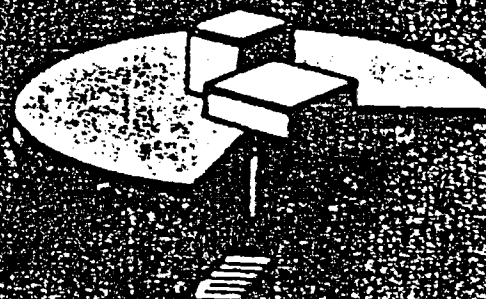
Reactors

- Storage Until Waste System Begins Operation
- Packaging for Transport to MRS
- Federal Acceptance



MRS Facility

- Managing At-Reactor SF Acceptance
- Scheduling and Controlling Transport to MRS
- SF Receipt, Inspection and Accounting
- Consolidation, Packaging and Conditioning for Disposal
- Monitored, Retrievable Storage
- Controlling Transport to Repository
- Special Packaging, Repair and Testing

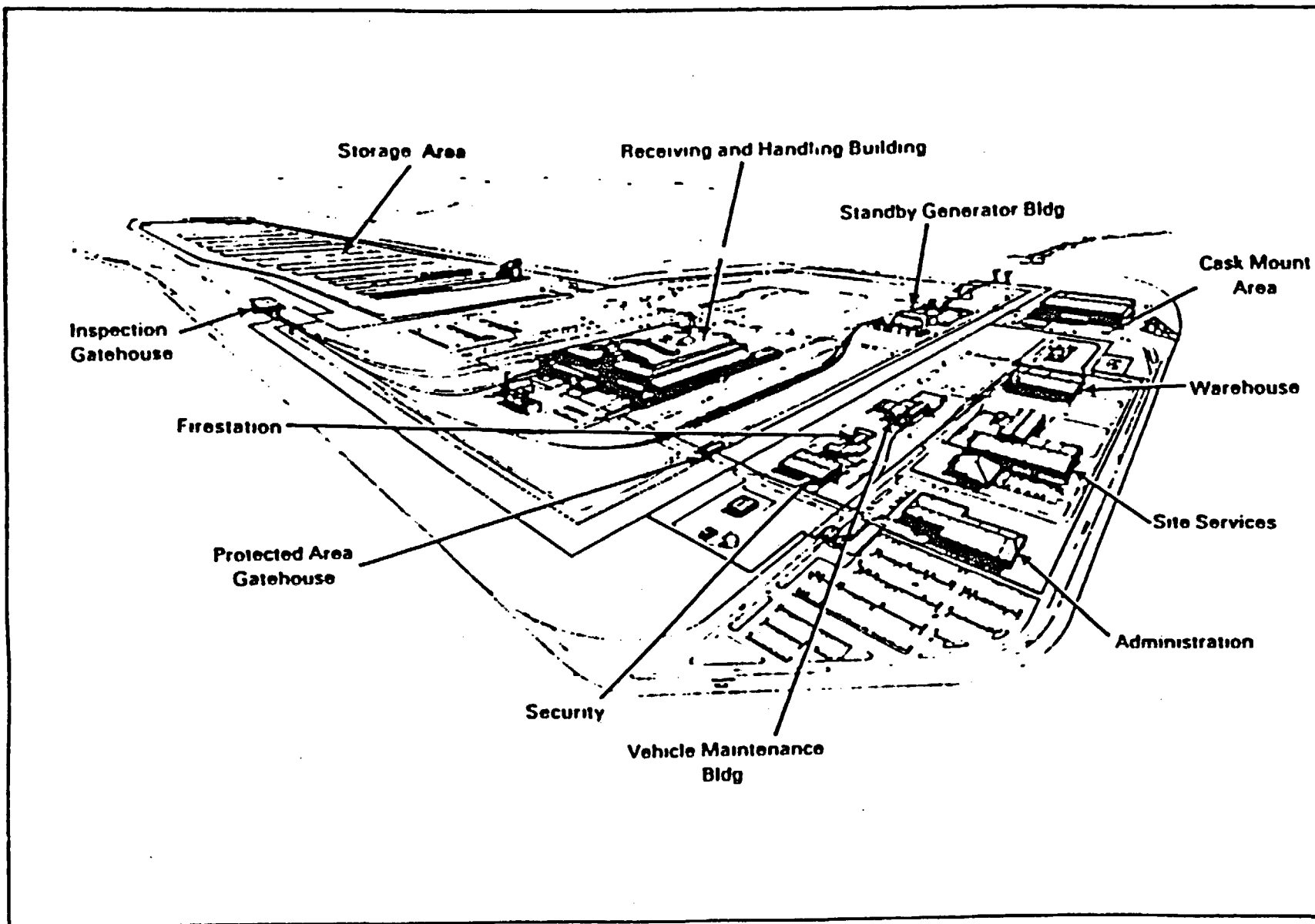


Repository

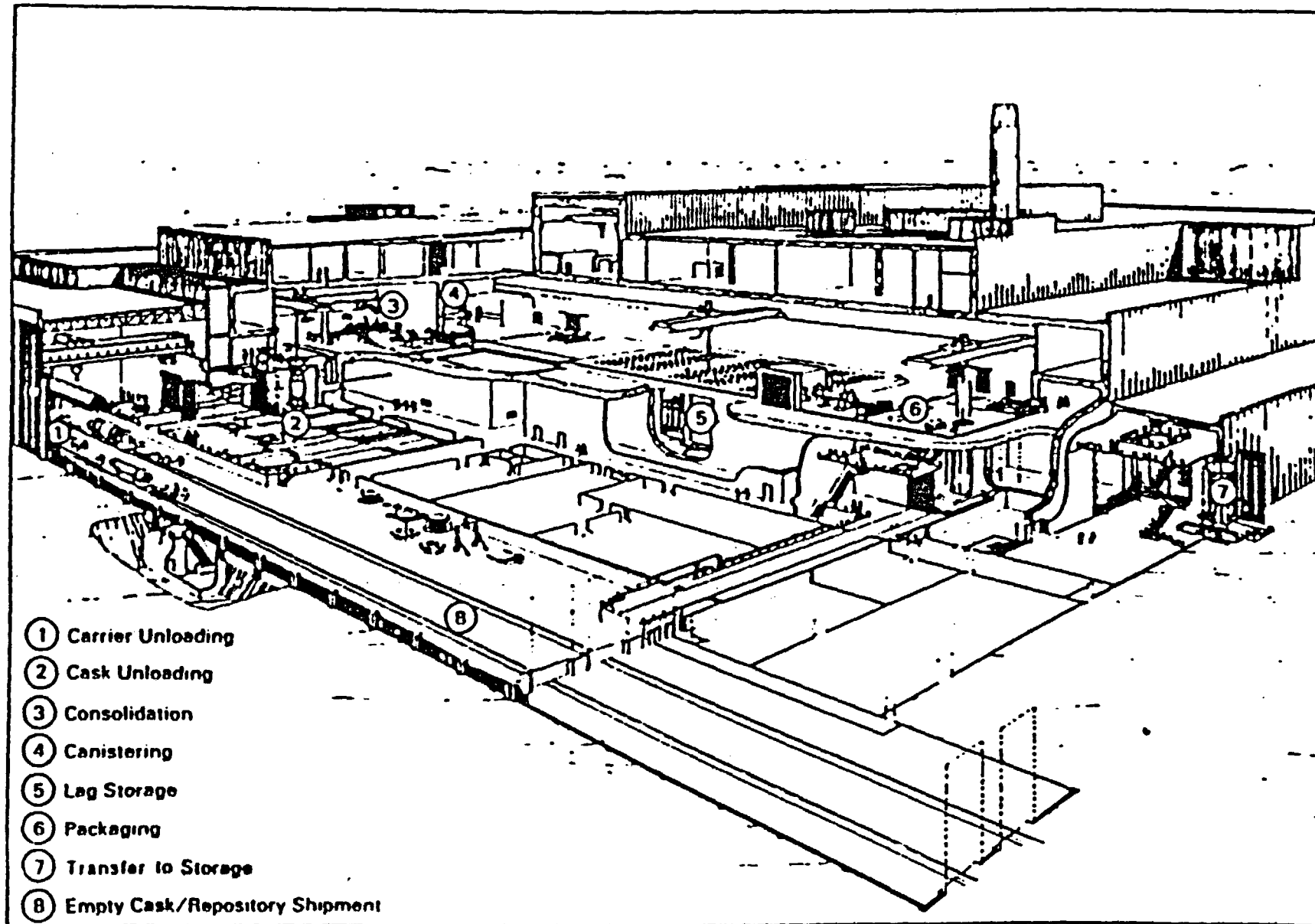
- Emplacement
- Long-Term Containment

Legend:

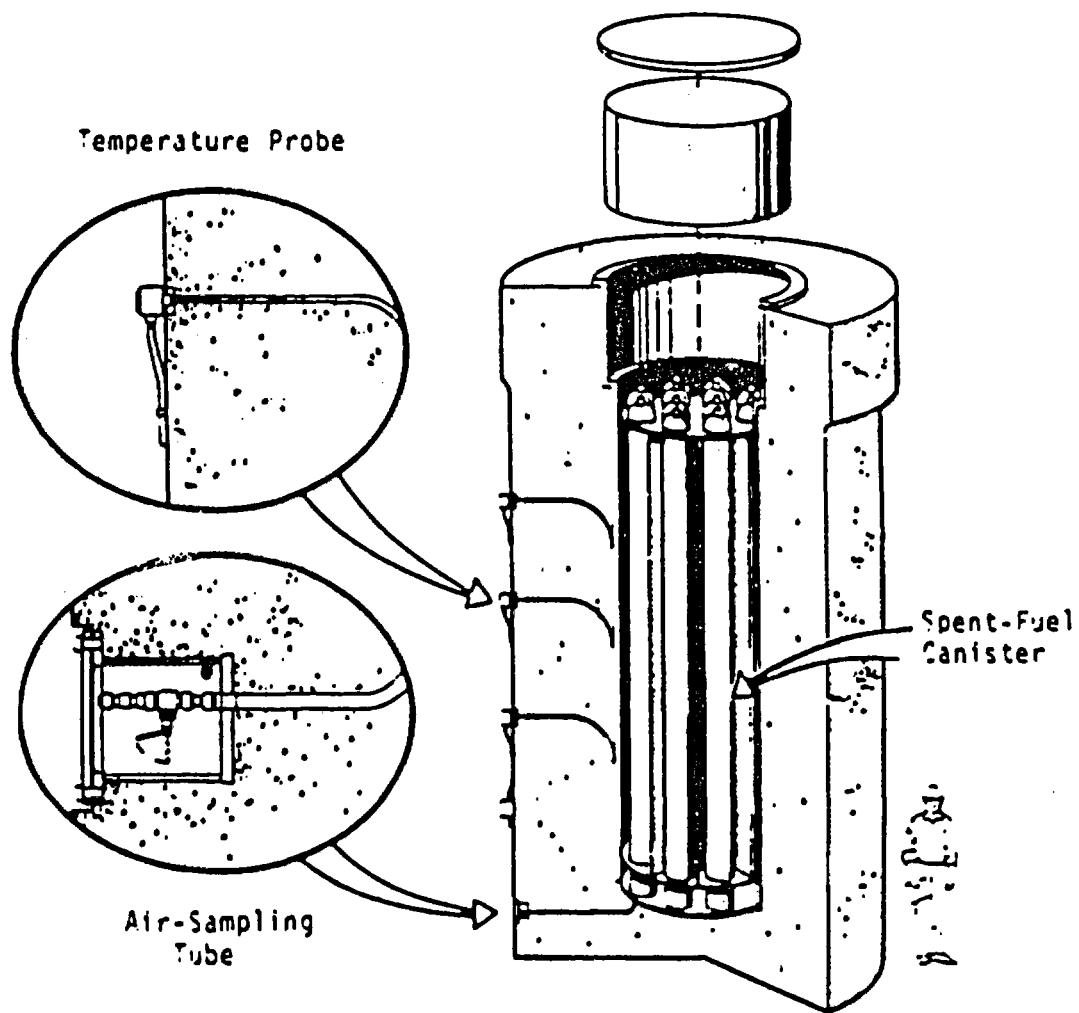
MRS - Monitored Retrievable Storage
SF - Spent Fuel



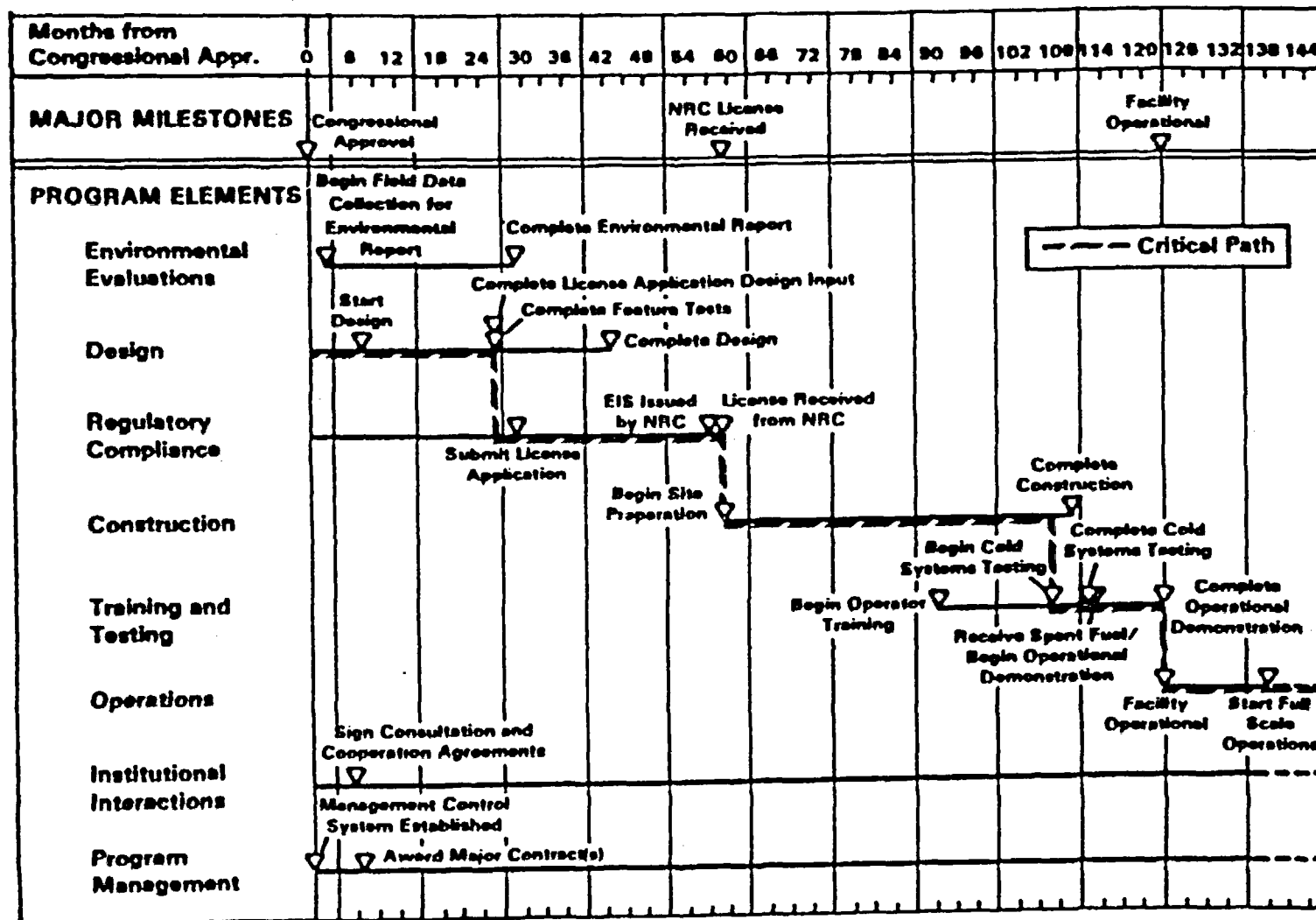
Conceptual drawing of the MRS facility. The principal structure would be the receiving-and-handling building. The storage area is shown to contain a row of upright sealed concrete casks as well as some horizontally stored dual-purpose casks.



Cutaway view of the receiving-and-handling building and the principal operations that would be performed there.



The preferred storage concept for the MPS facility: monitored surface storage in large sealed concrete casks. Each cask would house several spent-fuel canisters; it would be 22 feet high and 12 feet in diameter. The temperature probe and the air-sampling tube would allow continuous monitoring.



Schedule for the design, construction, and operation of the MRS facility.

MRS PROPOSAL

ADVANTAGES AND BENEFITS OF DEVELOPING MRS FACILITY

- **IMPROVE SYSTEM DEVELOPMENT**
- **ACCELERATE WASTE ACCEPTANCE**
- **INCREASE SYSTEM RELIABILITY AND FLEXIBILITY**
- **FACILITATE OPERATIONS OF REPOSITORY**
- **IMPROVE PERFORMANCE OF TRANSPORTATION SYSTEM**
- **PROVIDE SIGNIFICANT INSTITUTIONAL BENEFITS**

MRS PROPOSAL

FINANCIAL ASSISTANCE PROVISIONS

- **ANNUAL PAYMENTS**
 - Beginning with Congressional Approval
 - Impact Mitigation
 - Tax Equivalency
- **REIMBURSEMENT FOR DIRECT EXPENSES**
- **USE OF LOCAL SUPPLIERS**
- **ENCOURAGE EXPANSION AND DIVERSIFICATION OF LOCAL INDUSTRY**
- **CONSIDER EXCESS LAND FOR INDUSTRIAL USE**
- **OTHER ACTIONS**

MRS PROPOSAL

ASSURANCES ABOUT SAFETY AND ENVIRONMENTAL QUALITY

- **PLANT OPERATION**
- **TRANSPORTATION**
- **DECONTAMINATION AND DECOMMISSIONING**
- **OTHER OAK RIDGE FACILITIES**

MRS PROPOSAL

STATE AND LOCAL INVOLVEMENT

- **STEERING COMMITTEE**
 - **Role**
 - **Membership**
 - **Subcommittees**

- **CONSULTATION AND COOPERATION AGREEMENT**

Environmental Assessment

Part I – Need and Feasibility

- **System Requirements**
- **Alternative Systems for Meeting Requirements**
- **Comparison of Alternatives**
 - **Storage Capabilities**
 - **Transportation Effects**
 - **Radiological Exposures**
 - **Operational Effects**
 - **System Development Effects**
- **Feasibility**

Part II – Comparison of Environmental Impacts of MRS Site/Design Alternatives

- **Impacts Common to all Sites**
- **Impacts Unique to each Site/Design**
- **Comparison of Impacts**

Program Plan

- Schedule and Costs
- Management Approach and Responsibilities
- Deployment Plan
 - NEPA
 - Design Activities
 - Licensing
 - Construction
 - Training, Testing, Operations
 - Decommissioning
- Integration Plan
- Funding Plan

LICENSING PLAN

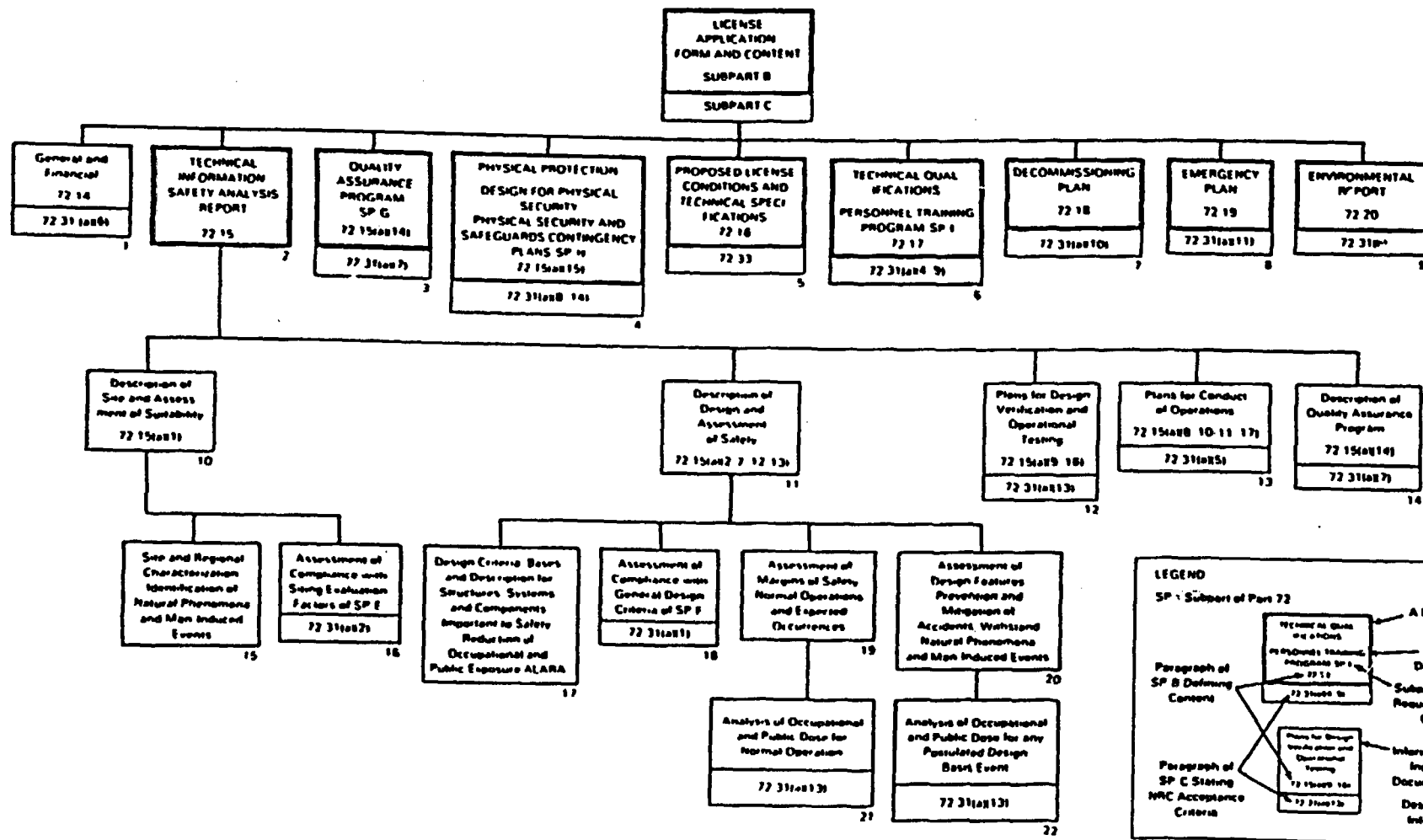
NWPA REQUIREMENTS

- **NRC LICENSING**
- **NEPA APPLIES**
- **TWO EXCEPTIONS**
 - **NEED**
 - **ALTERNATIVES TO SPECIFIC DESIGN CRITERIA**

LICENSING PLAN

NRC REQUIREMENTS

- **LICENSING APPLICATION**
 - SAR
 - QA PROGRAM
 - PHYSICAL PROTECTION
 - CONDITIONS AND SPECIFICATIONS
 - PERSONNEL TRAINING
 - DECOMMISSIONING PLAN
 - EMERGENCY PLAN
 - ENVIRONMENTAL REPORT



Content and Requirements for a Part 72 License Application

LICENSING PLAN

LICENSING RELATED DOCUMENTS PREPARED TO DATE

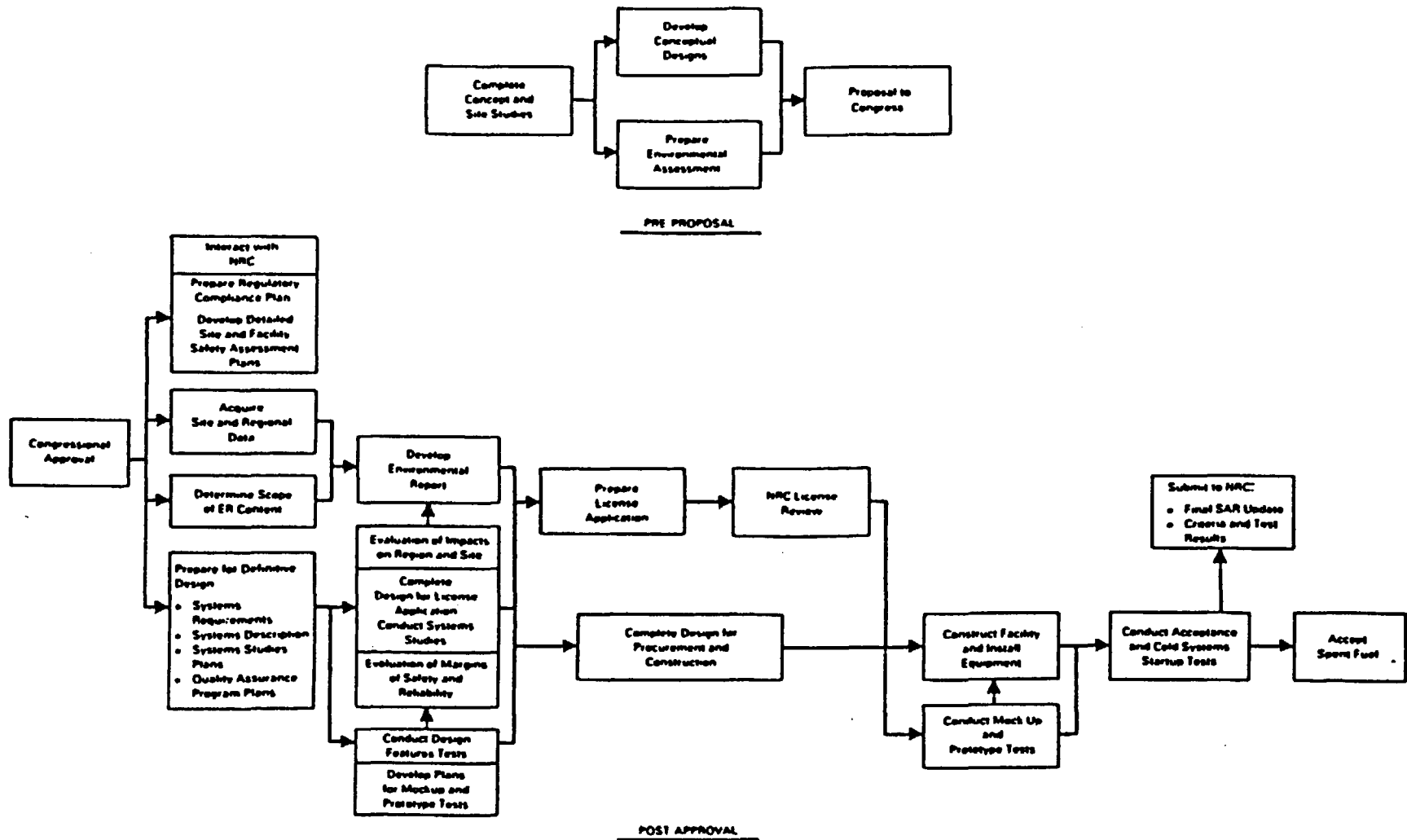
- **FUNCTIONAL DESIGN CRITERIA**
- **CONCEPTUAL BASIS FOR DESIGN**
- **CONCEPTUAL DESIGN REPORT**
 - **VOLUME II: REGULATORY ASSESSMENT DOCUMENT**
 - **VOLUME VII: GEOTECHNICAL DESCRIPTION OF CR SITE**
- **ENVIRONMENTAL ASSESSMENT**
- **PROGRAM PLAN**
 - **DESIGN VERIFICATION PLAN**
 - **LICENSING PLAN**

LICENSING PLAN

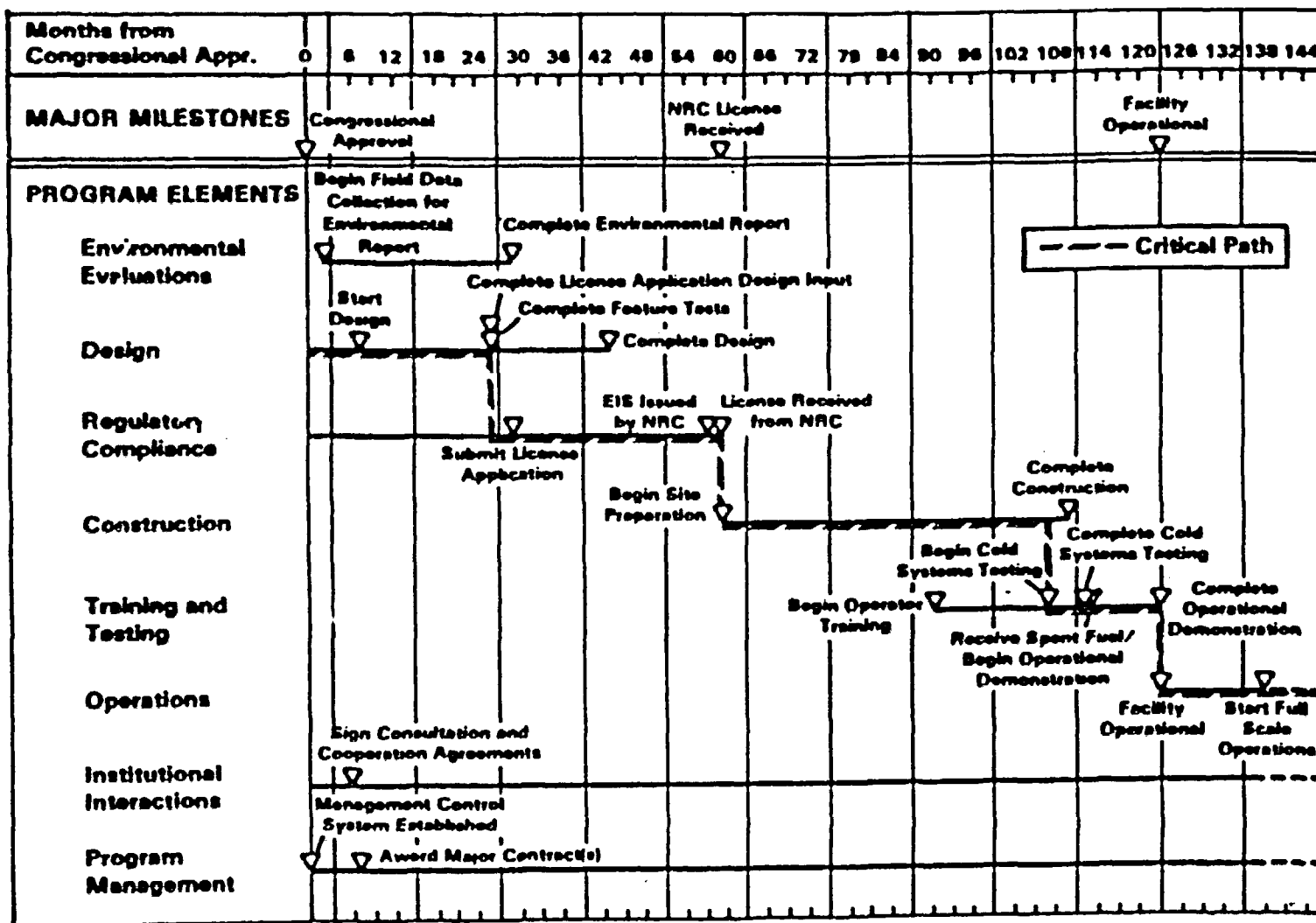
NRC REQUIREMENTS (CONTINUED)

● FINDINGS

- PROTECTION OF PUBLIC HEALTH AND SAFETY AND COMPLIANCE WITH PART 72
- ENVIRONMENTAL PROTECTION
- NOT INIMICAL TO COMMON DEFENSE AND SECURITY



Activities Related to NRC Licensing of an MRS Facility



Schedule for the design, construction, and operation of the MRS facility.

9/85

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Meeting Date: 1/23/86 Open ☒ Closed ☐

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