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3	NUCLEAR REGULATORY COMMISSION
4	ATOMIC SAFETY AND LICENSING BOARD HEARING
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6	In the Matter of
7	U.S. Department of Energy
8	High-Level Waste Repository
9	Docket No. 63-001
10	ASLBP No. 09-892-HLW-CAB04
11	September 14, 2009
12	9:00 a.m. PST
13	
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15	TRANSCRIPT OF PROCEEDINGS
16	Pre-Hearing Conference
17	Before the Administrative Judges
18	CAB-04
19	
20	
21	Judge Thomas Moore, Chairman
22	Judge Paul S. Ryerson
23	Judge Richard E. Wardwell
24	
25	

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1		APPEARANCES
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5	For the	Nuclear Energy Institute:
6		Michael Bauser, Esq. Rodney J. McCullum, Esq.
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22		Rovianne Leigh, Esq. Scott Williams, Esq.
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25		Richard Sears, Esq. Michael Baughman, Esq.

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2	APPEARANCES (Continued)
3	For the Nevada County of Clark:
4	Al an Robbi ns, Esq.
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19	Di ane Curran, Esq.
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1	P-R-O-C-E-E-D-I-N-G-S
2	>>JUDGE MOORE: If I could have everyone's
3	attention, please, before the hearing begins.
4	We would like to come to order. On behalf
5	of the Nuclear Regulatory Commission, we would like
6	to welcome you for this prehearing conference this
7	morning.
8	Before it begins, I would like to go over a
9	few emergency procedures. In the event that we did
10	have a building evacuation, we would ask that you
11	leave through the emergency exit located here on the
12	west side of the room.
13	You have an emergency exit door immediately
14	to the to the rear of the hearing room of the main
15	lobby, as well as through our lobby door.
16	Our restrooms are located on the east side,
17	immediately to your right upon leaving the room.
18	We would ask that you only bring water into this
19	room.
20	Should you have any questions, you can see
21	me, or the facility manager, or our security staff,
22	and we would also ask that you follow the instruction
23	of our security staff while here in the facility.
24	Thank you, and the hearing will begin
25	shortly.

>>JUDGE MOORE: Good morning. Please be
 seated.

I'm Judge Thomas Moore. On my left is -is Judge Richard Wardwell. On my right is Judge Paul
Ryerson.

The Licensing Board has convened this
prehearing conference pursuant to our order of
August 25<sup>th</sup>, 2009, to address, among other things,
the questions to the parties set forth in that Order.

The conference this morning is being
recorded, web-streamed and broadcast on the agency's
broadband network.

In addition, counsel for Eureka County, is
participating by video conference from the Rockville,
Maryland Hearing Facility.

16 So that the court reporter has some chance 17 of compiling an accurate transcript, I remind counsel 18 to first identify themselves and the party they 19 represent each time they speak. With this number of 20 parties, she has no opportunity to get it right with 21 any other system.

So we will start with NCA, clear in the back to my left, and work our way around the well ending with the NRC staff. And if counsel now, would each identify yourself for the record by stating your

name, affiliation, and the party they represent, we 1 2 will start that way. 3 >>MR. WILLIAMS: Scott Williams for the 4 Native Community Action Council. 5 >>MS. LEIGH: Good morning. Rovianne Leigh 6 on behalf of the Native Community Action Council. 7 >>MR. VANNIEL: Jeff VanNiel on behalf of 8 Nye County. 9 >>MR. ANDERSON: Good morning, Your Honor. 10 My name is Robert Anderson, Akerman Senterfitt, on 11 behalf of Nye County. 12 >>MR. ROBBINS: Good morning, Your Honors. 13 Alan Robbins on behalf of Clark County, and also 14 accompanied by my partner, Deborah Roby, on behalf of 15 Clark County. 16 Morning, Your Honor. >>MR. JAMES: Grea 17 James with Inyo County. 18 >>MR. BERGER: Morning, Your Honor. 19 Michael Berger with Inyo County. 20 Good morning, Your Honor. >>MR. POLAND: 21 Doug Pol and, counsel with Shoshone Council. 22 >>MS. HOUCK: Good Morning, Your Honors. 23 Darcie Houck. I'm attorney for Joint Timbisha 24 Shoshone Group. >>JUDGE MOORE: Stop right there for a 25

1 moment.

2 As you can see, if you speak into the microphone, we can all hear. If you don't speak into 3 the microphone, we can't hear. So, please, counsel, 4 speak into the microphone directly when you speak. 5 6 Please continue. 7 >>MR. BEANAN: Ed Beanan, Shoshone Tribe Counci I. 8 9 >>MR. SEARS: Richard Sears, White Pine 10 County. 11 >>MR. BAUGHMAN: Mike Baughman, White Pine 12 County. 13 >>MS. GORES: Jennifer Gores with the Four 14 Nevada Counties. 15 >>MR. LIST: Robert List, Armstrong 16 Tinsdale, on behalf of the Four Nevada Counties. 17 >>MR. BELL: Good morning, Your Honors, 18 Kevin Bell, State of California. 19 MR. SULLI VAN: Good morning. Tim Sullivan 20 for the State of California. 21 MR. MALSCH: Martin Malsch, along with 22 Charlie Fitzpatrick and John Lawrence, for State of 23 Nevada. 24 >>MR. POLANSKY: Good morning. Alex 25 Polansky, Department of Energy.

>>MR. SCHMUTZ: 1 Good morning, Your Honor. 2 Thomas Schmutz, Department of Energy. 3 >>MR. SHEBELSKIE: Good morning, Your Honors, Michael Shebelski, Department of Energy. 4 5 >>MR. BAUSER: Good morning, Your Honors. 6 Mike Bauser on behalf of the Nuclear Energy Institute. I'm accompanied by Rodney McCullum, also 7 8 of NEL. 9 >> MS. BUPP: Good morning, Your Honors. 10 Margaret Bupp. I'm accompanied by Christopher 11 Chandler with the NRC staff. 12 >>JUDGE MOORE: Thank you. 13 We will begin this morning with addressing 14 several questions by the Board, then we will turn to the 23 questions in our August 25<sup>th</sup> Order. 15 16 We will take at least one short break this 17 morning, then recess at lunch at a convenient time, 18 somewhere between roughly 11:30 and 12:15 for 90 19 minutes because of what is necessary in this location 20 for you all to be able to find a place to obtain 21 lunch, a 90-minute lunch recess is necessary. 22 Well, immediately upon the conclusion of 23 the lunch recess, we will hear brief oral argument 24 from the State of Nevada and the NRC staff on the 25 motion to compel and a motion to amend privilege

1 logs. And we will then resume immediately thereafter with the remaining -- the 23 questions and any 2 3 additional questions that the Boards have and address 4 any matters that the parties have for us. We will 5 take at least one brief afternoon break. And after 6 that break, we will be in a position to assess 7 whether we will be able to conclude today or whether 8 it will be necessary to reconvene at 9:00 a.m. 9 tomorrow.

Judge Ryerson, do you have anything?
>JUDGE RYERSON: No, thank you, Judge.
>MS. CURRAN: Judge Moore, this is Diane
Curran. I was wondering if I should introduce
myself --

>>JUDGE MOORE: Yes, Ms. Curran ->>MS. CURRAN: -- for the court reporter.
>>JUDGE MOORE: -- I apologize. I meant to
get to you at the end but my memory is short, and the
number of counsel list is long.

20 Please do so now.

21 >>MS. CURRAN: Thank you. My name is Diane
22 Curran. I am here representing Eureka County.

JUDGE MOORE: And Ms. Curran, I will try, and probably fail over the course of the day, to call on you. But if I fail, would you please speak up so that you are not left out. I know you are
 participating by video conference.

MS. CURRAN: Thank you. I will.
JUDGE MOORE: In the past, groups of
parties have agreed among themselves to have one
counsel speak for a group where there was consensus
on an issue.

8 Recognizing that at the end of last week, 9 only six filings were filed but there did seem to be 10 a general breakdown in agreement and disagreement on 11 the -- on the issues that we had previously posed. 12 But to start, is there -- has there been any further 13 progress and does counsel have anything to report 14 that they will have a spokesman for some group or 15 groups that will limit the number of counsel that 16 will need to respond?

Hearing none, then, we will go around the room when we hit the 23 questions, so that all parties will have an opportunity to speak.

We would remind counsel to keep their answers brief. Please state your reasons for your position so that we understand why you are taking that position.

No counsel, of course, is obliged to respond if they agree with other parties.

And I would also remind all counsel that the weather report today is for a hundred degrees, and if we slow this down, we're going to move this proceeding to the courtyard, and I'm sure it will speed up.

6 With that, I would like to ask the Staff, 7 do you have anything further to report from the last 8 time you set a schedule for when the Staff would be 9 issuing the SER serially as to when Volumes I and III 10 will be issued?

Previously you informed us of, I believe it
was March of 1010 -- 2010 and September of 2010 for
Volumes I and III respectively.

14 >> MS. BUPP: At present, we have no change
15 to the schedule, however, depending on what the
16 discovery schedule is set, we may have to notify the
17 Board of a change in schedule.

18 >>JUDGE MOORE: And have you any additional 19 information to shed light on Volumes II, IV, and V of 20 the SER?

21 >> MS. BUPP: Not at this point, Your
22 Honor.

23 >>JUDGE MOORE: Okay. Thank you.

There is mention in the various filings of a general agreement that the parties wish to roll up their sleeves and -- and start a briefing schedule
for the legal issues, legal issue contentions that
were admitted by the Board and by the Commission in
their respective decisions this Spring.

5 There was mention, at least in Nevada's 6 pleadings, that DOE may be coming forth with such a 7 schedule after having consulted with the various 8 parties.

9 Is there any movement in that regard and 10 anything you would like to announce?

11 >>MR. SCHMUTZ: We've spoken to Nevada -12 this morning -- this is Thomas Schmutz from DOE.

We've spoken to Nevada this morning. We don't have any agreement on either the schedule or on the -- the way that the English would be described.

What we spoke to Nevada about, and it was quite a good one, would be to take time tomorrow for the parties, since we're all here, assuming that we don't have to go too much into tomorrow, and use that possibly to discuss those issues, come up with a schedule and then propose that to the Board.

The issues are quite complex in terms of the way they would be described, so I don't think it will serve anybody's purpose to try to go through those with the Board during this two-day period. But we do think we have a process of -assuming the other parties agree -- that will get us there fairly quickly.

3 >>JUDGE MOORE: I have a couple questions
5 that have puzzled me about just the general
6 statements in the filings today.

And I'll have to apologize because I don't have the precise numbers in front of me, and won't take the time to dig them out. But there were approximately 29 legal issues at the end of the appeal process. I believe the Commission had a couple of different -- additional ones, call it 30 for discussion purposes.

14 In the various charts that you have broken 15 out and provided us, only, I believe, 11 of those 16 legal issues are tied to the SER volumes that the 17 staff will be producing under their current schedule 18 in 2010. The rest of those issues go to volumes that 19 will be issued subsequent.

In your approach to this, why is it sensible to brief those legal issues that are tied to SER volumes that are far distant in the future and not just focused on what I believe are 11 issues that are tied to SER Volume III?

25 There are none, I believe, tied to SER

1 Volume I.

2 Would you care to speak to that? 3 MR. SCHMUTZ: Surely Judge Moore. I don't 4 think we are tied to litigating all of them now. We think that they can be, because of the nature of the 5 6 issues, that they could be litigated now on the paper 7 and they're not -- it isn't necessary, most of those 8 cases, I don't believe, that the SER is going -- to 9 have been issued.

Having said that, the Department of Energy certainly would not object to a process that said, we will brief the legal issues relating to SER Volumes I and III initially, and the others as those SERs are issued.

15 So we're not -- we're not tied to that 16 What we think -- we think that the process. 17 Commission -- one of the things that drove us, I'll 18 make this very quick. One of the things that drove 19 us was that the fact that the commission seemed to be 20 saying that the legal issue should be dealt with 21 And so we came up with a process, and expeditiously. 22 we circulated some to the parties that did that. 23 haven't spoken to any of the parties about the 24 proposition that you just made but I don't think it 25 is one that we would object to.

>>JUDGE MOORE: With regard to the language
in the Commission decision that preceded the -certainly, the public announcement by the Staff that
the SER would be issued serially and that Appendix E
would not be followed. And I think that's a very
significant fact.

And secondly, the language that the
Commission chose to use in its decision, if I'm
remembering it correctly, was not without some
qualification that would take that kind of
circumstance into account.

12 So, Mr. Malsch, do you have anything to add 13 to that?

14 >>MR. MALSCH: Yes, Judge Moore.

15 We are in agreement, I think then, to the 16 approach with the brief legal issues associated with 17 SER Volumes I and III, and with the intent to resolve them by early next year. I think our only difficulty 18 19 would be, as you can see from what we filed, is that 20 Nevada Safety 161, where we think the Commission had 21 signed that past issue dealing with multiple 22 barriers, would need to develop a more complete 23 adjudicatory record before it could be resolved. So 24 we may have a disagreement over that particular one but on the concept, we agree with DOE that it would 25

1 be a good idea to confine the briefing to legal

2 issues associated with SER Volumes I and III.

3 JUDGE MOORE: Does any other party wish to 4 be heard on this before we move on, recognizing that 5 you all may be conferencing and coming up with a 6 schedule?

7 >> MS. BUPP: This is Margaret Bupp,
8 counsel for the staff.

9 Just to reiterate, in the staff's proposed schedule for the briefings, we assume that we would 10 11 do all of the briefings serially before doing any 12 discovery on any of the safety issues, regardless of 13 which volume SER they're associated with because of the legal contentions, by their very nature, do not 14 15 require discovery, and so they could, regardless of 16 when the SER volume is going to be published, could 17 be dealt with now. And that was the reasoning for 18 the past proposal, that we do all of the briefing for 19 all of the legal contentions at the outset.

JUDGE MOORE: Ms. Bupp, would you agree with me that, what comes to mind is that old adage that life is uncertain, eat dessert first, but that because of the nature of this proceeding and the enormous uncertainty that surrounds the future of this proceeding, that we have a roadmap that can get

us through perhaps the first couple volumes of the
SER and that that ought to be the focus as opposed to
things that could be markedly different, changed in
any number of ways and especially with legal issues,
if those changes take place, we will have all spent
an enormous amount of time and energy on things that
may have to be done in part or in whole again.

8 >> MS. BUPP: I understand your point, Your 9 Honor, and I think it's a good one. However, also 10 weighing on the other side is because these are legal 11 issues and because this is the first time that anyone 12 has ever interpreted many of the regulations that 13 are at issue here. It could give us, give all the 14 parties a good ground work if we were to have to 15 start all over again on another site, that we would 16 have interpretations of regulations that had already been in issue. So, I think, you know, you have to 17 18 weigh the two questions.

19 >>JUDGE MOORE: Okay.

>>JUDGE RYERSON: Just to clarify the
staff's position on this: Your position is there
should be no discovery, is that correct, until the
legal issues are all resolved?

24 >> MS. BUPP: That is our suggestion, yes.
25 >>JUDGE RYERSON: Which would basically

1 mean that discovery would start next year or so.

2 >> MS. BUPP: Early in calendar year 2010,
3 yes.

4 JUDGE RYERSON: Thanks.

5 JUDGE MOORE: Let's then turn to question one of the questions in our August 25<sup>th</sup> Order and 6 begin to work through those questions to lay the 7 8 groundwork for a case management order, and then we 9 will, I'm sure, when we get through with all of 10 these, whenever that is, we need to address the areas 11 of agreement and areas of minor disagreement and the 12 previously filed joint proposed case management 13 orders.

Question one in our August 25<sup>th</sup> Order, In light of the NRC staff's plans to issue the SER serially, and associated schedule uncertainties, will it be appropriate to proceed with the adjudication contentions on multiple tracks.

19 That is, for the parties to conduct 20 discovery on certain related groups of contentions 21 while simultaneously participating in hearings on 22 other related groups of contentions that are ready 23 for adjudication.

Now, in the six filings that we received at the end of last week, the parties, some of the parties and the groupings of parties have put forth
 their positions.

I think it probably still makes sense for us to plow through this and identify the specific areas of disagreement so that we can iron those out or attempt to reach full consensus.

I think the easiest way to start is, let's
start with Nevada, DOE, and the staff as the major
authors of the filings that were -- that came in,
then we will turn to the Four Counties and then go
around the room on the rest.

12 Is that acceptable?

13 >>MR. SCHMUTZ: Yes, Your Honor.

14 >> MS. BUPP: Yes, Your Honor.

15 >>MR. MALSCH: Yes, Your Honor.

>>JUDGE MOORE: Mr. Malsch, would you
start, please.

18 MR. MALSCH: The State of Nevada -- Marty19 Malsch for the State of Nevada.

Nevada's proposal in its Answer was to proceed with discovery on safety issues associated with SER Volumes I and III, and those few deeper questions that are safety related associated with Volumes I and III, and we could begin the discovery process for those promptly after the Board issues its 1 order, which would be around October 1<sup>st</sup>.

And then we would proceed, following completion of discovery and following issues of the staff's SER on Volumes I and III, to discovery against the staff, preparation for hearing and hearing on those issues. And that is basically our proposal to get things going with this proceeding in response to question one.

9 >>JUDGE MOORE: Let's back up just a moment
10 and try to clarify something.

11 In the -- I believe it was March telephone 12 conference, in which CAB-01 had the first prehearing 13 conference with all of the parties, in response to 14 your question, Mr. Malsch, posed as to the Board's 15 enforcement of 2.1018 regarding Interrogatories, it 16 appears that, contrary to my recollection of what was 17 said, that the Board basically said, it is the 18 regulation, it must be complied with, that 19 interrogatories have been, in your thinking, taken 20 off the table.

It strikes me that you have all pledged in the filings we've received to date to fully cooperate with the exchange of information, and for that we commend you.

25 That appears to have been happening, and

you all profess that you believe it will continue.
 But would not the use of interrogatories serve a
 useful purpose in helping narrow these issues in
 getting out the views of the experts on both sides
 before depositions?

6 I believe I can speak for the Board that 7 such motions, if cooperation does not provide it 8 voluntarily, which is the premise of the rule, that 9 the Board would look favorably upon granting such 10 motions because we believe it could be an invaluable 11 tool to helping this process along.

12 >>MR. MALSCH: Again, Marty Malsch from the13 State of Nevada.

We would certainly not object to that. I mean, frankly, we had thought that interrogatories would be not usually useful, but they could be useful and so, we certainly would not object to a provision whereby there could be some interrogatories before depositions.

I must say, I don't think we feel stronglyabout it.

>>JUDGE MOORE: DOE?

22

>>MR. SCHMUTZ: Having been settled in
 federal court discovery for about 30 years now, I'm
 not real happy about interrogatories anyway. I mean,

I don't think they serve much purpose to settle
 district court litigation, and I don't think it will
 serve much purpose here.

I think that, if I'm reading -- hearing you 4 5 right, you're saying that the interrogatories somehow 6 will serve for expert reports, which we don't agree 7 with. The answers to those interrogatories will be 8 caveated to the point where they're not worth 9 anything until the expert's have -- until discovery's 10 been conducted and DOE's experts fully understand the 11 basis for the contentions that have been proffered.

And so I don't think that you would get very much out of interrogatories to our experts with regard to their opinions about contentions until they learn more.

16 >>JUDGE MOORE: But if you jump to 17 depositions, aren't the answers going to be equally 18 qualified and equally restricted for that very same 19 reason?

>>MR. MALSCH: It may or may not be so. It
depends on the questions. A lot of the questions, I
would expect, for example, of our experts, will be
about the SER analysis, and the SER, which is,
indeed, what the -- the case is about and with the
contentions directed, I would expect that our

deposition questions would be directed as to learning
 precisely what the contentions mean in the mind of
 the experts. So, no, I don't think that's of value.

4

>>JUDGE MOORE: Staff?

5 >> MS. BUPP: Well, the staff certainly 6 appreciates that the Board is open to hearing 7 interrogatories but I agree with the other parties 8 that given the amount of informal information that 9 has already been exchanged and our commitment to 10 continue to exchange such information, they may be 11 of limited use.

12 I would also note that since discovery 13 won't be able to begin against the staff until after 14 each volume of the SER is published and under every 15 schedule, we left approximately two months for 16 discovery against the staff, interrogatories of staff 17 expert witnesses may not be practicable given the 18 time constraints.

>>JUDGE MOORE: Well, since the rules for
discovery of the staff are totally different, you
have a shield to most of this.

22

>> MS. BUPP: Yes.

23 >>JUDGE MOORE: Four Counties? Mr. List.
24 >>MR. LIST: Yes, Your Honor.

25 Our -- our position, I think, is as

follows: Our contentions are relatively few and
 relatively simple compared to many of the more
 scientifically-driven contentions that are -- that
 are before you.

5 From our perspective, just on thinking of 6 our contentions alone, I don't believe that 7 interrogatories would be particularly helpful.

8 I think we -- we'd prefer in our case to go 9 straight to the deposition stage. But for the other 10 -- the other parties in more complex contentions, it 11 may very well be that they'd be well-served to 12 proceed with interrogatories.

13 >>JUDGE MOORE: Now, let's just start with
14 NCA in the back.

You have any comment on the first question
or my questions about interrogatories in response?
>MR. WILLIAMS: No, sir. Thank you.
>MR. LIST: Judge -- Judge Moore?
>JUDGE MOORE: Yes.

20 >>MR. LIST: Over here.

I didn't realize you were asking for
comments on -- on the first question as well. I
thought you were addressing simply the interrogatory
issue.

25 If I may, on the first question, we do

1 believe that -- that we ought to proceed 2 simultaneously on the various groups of contentions 3 and as we set forth in our response, our filed 4 response, we particularly urge that the purely NEPA 5 contentions and nonsafety-related contentions ought to be at the -- ought to be taken up in early stages. 6 7 It appears that question number one is a rather generic one. And I'm prepared to address the 8 9 NEPA question now or at a later point in time if 10 that's your wish. 11 >>JUDGE MOORE: You raise a very 12 interesting question, Mr. List. 13 With the NEPA contentions, the three licensing Board's decision issued on May 11<sup>th</sup>, 14 15 found it unnecessary to address the standards which 16 would be applicable for adjudicating the NEPA 17 contentions at that time. We are well aware that that question will 18 19 have to be addressed. We're also well aware of how

those NEPA questions, issues, are answered, will
determine and shape any litigation and any discovery
on those.

Should we jump into that at this point?
Mr. List, back up and repeat your answer.
Let's go ahead and answer Question One and then we'll

1 detour into the subquestion of NEPA.

2 So -- and we'll make sure everyone gets an 3 answer on Question One.

4 >>MR. LIST: Very well.

5 Well, we do believe that the answer to 6 Question Number One is yes.

>>JUDGE MOORE: Back to you, Mr. Malsch,
because you got detoured as well on answering
question one.

10 Do you want to do it, to take them all on 11 for Volumes I and III? Is that fairly stated?

12 >>MR. MALSCH: That's fairly stated. I'm
13 Marty Malsch for the State of Nevada.

We would propose that discovery begin this fall, on safety issues associated with SER Volumes I and III, and a subset of NEPA questions that are also associated with safety issues in Volumes I and III.

18 Subject only to a caveat that we still have 19 to hear from the staff about their plans with respect to what was to be DOE's SELS supplement; I think it's 20 fair to say that the contentions we have related to 21 22 that, and the NEPA contentions we have related to 23 that are SER Volume III related kinds of contentions. 24 And so, that would be part and parcel of our 25 proposal.

But we need to hear from staff about what its plans are first before we get very concrete about those.

We don't see any -- any need or benefit and would prefer not to proceed now with discovery and then a hearing on the so-called pure NEPA contentions that have no safety component.

8 >>JUDGE MOORE: Could you say that again, 9 Mr. Malsch. You don't want to proceed on pure NEPA 10 issues, is that what I heard you say?

11 >>MR. MALSCH: That -- that's correct.

We -- we -- and I think we have agreement 12 13 with some of the other parties in this as well. 1 14 think these -- these contentions, these NEPA 15 contentions are, we said in response to the question, 16 ripe for discovery and litigation subject only to the staff's announcing its plans with respect to the 17 18 groundwater questions; but that we would prefer to 19 put those off until a later stage in the proceeding 20 and that is because, from our standpoint, while we 21 think these NEPA contentions, for example, 22 transportation contentions are very important in 23 terms of full disclosure, we're also painfully aware 24 of the limitations under remedies available to us under NEPA. I don't think the staff, the Commission 25

1 has ever denied a license on NEPA grounds, and so we 2 would prefer to concentrate our resources on what we 3 perceive to be unique and especially important aspects of this proceeding, which are post-closure, 4 5 which are post-closure questions. And so that is the 6 basis for our proposal to procedure now on SER Volumes I and III, safety and NEPA-related questions. 7 8 >>JUDGE MOORE: DOE? 9 MR. SCHMUTZ: THank you, Your Honor.

10 I find myself in violent agreement with11 Mr. Malsch on this issue.

We agree that we ought to limit ourselves to SER Volumes I and III, those issues including NEPA, that encompasses approximately 2/3rds of all the contentions. From our point of view, we think that's a pretty big bite. That's enough.

17 We don't see that we gain very much by 18 taking on another 40 or 50 NEPA contentions, some 19 related perhaps to Volumes I, II, IV, and V, which are going to come out later, if there are any. 20 Thev 21 ought to be dealt with then. I don't think they're pure NEPA contentions, but precisely the reason 22 23 Mr. Malsch stated, ought to be put off until then. 24 But the ones that are truly related to the 25 safety issues, post-closure safety issues, we ought

to be addressing those now whether they're NEPA orsafety, they're related to SER I and III.

And I also agree that if a supplement comes out, and they're late file contentions, that will have to be dealt with, again for volumes SER I and III issues, this would be groundwork primarily, that those late file contentions would have to be dealt with as well.

9

## >>JUDGE MOORE: Staff?

10 >> MS. BUPP: As we say, in our different 11 views in Nevada's response, we agree with Nevada's 12 proposal, with a rather large caveat, that we would 13 place all of the legal contentions first, have the 14 briefings schedule on those exclusively for the first 15 few months, and then afterward, after that is 16 resolved, we would start discovery with contentions 17 related to SER Volumes I and III. We also agree with 18 Nevada and DOE that we should save the contentions 19 until after SER Volumes I and III have been dealt 20 with. We would do those with SER Volumes II, IV, and 21 V.

>>JUDGE RYERSON: Before we go on to the
other parties, I have a question for both primarily
Nevada and DOE on the scheduling that you propose.
You seem to be in agreement on a two-phase

1 process. But under the first phase, you would have 2 hearings starting less than three months after the 3 close of discovery. And in the second phase, you 4 would have hearings starting two months after the 5 close of discovery. And I wonder whether that 6 reflects some consensus on the role or lack of a role 7 for some disposition consensus after discovery?

8 >>MR. SCHMUTZ: I Think it's four months, 9 but I could be wrong, at the close of discovery in 10 the first phase. Maybe it was three. I thought it 11 was four. We think four months is the right -- the 12 right period of time after the close of discovery.

But on the second -- I just want to make our position clear, on the second schedule for I, II, IV, and V, we don't want to schedule that.

16 We don't think there ought to be any 17 schedule worrying about what we're going to do on the 18 second phase. That can be taken up months from now 19 when we have a schedule for the issuance of those 20 We don't have that schedule. SERs. We want the 21 Board to have a shot at it on one point, sort of an 22 assumed schedule.

But we shouldn't be basing hearing preparation on that. The staff is going to let us know at some point when those volumes will come out

and we will schedule that at that time. That's our
 view.

What we're going to be talking about today and tomorrow, is schedule for the discovery and hearing process for SER Volumes I and III.

>>JUDGE RYERSON: Mr. Malsch, do you have a
comment on setting the second stage schedule and
also on the rule of summary disposition?

9 >>MR. MALSCH: Marty Malsch for Nevada. 10 We are coming from behind. Our proposed schedule is 11 four months from close of discovery to the start of 12 the hearing is not -- because there was little, if 13 any, summary disposition practice in that time frame, 14 because, frankly, we think four months is ambitious 15 in terms of preparing for witnesses and actually 16 preparing for the hearing. So that was our 17 assumption. In terms of the schedule, in the out 18 years and the SER volumes, so -- I mean, we agreed 19 there's no really need to set any schedule dates at 20 this point. Among other things, we don't have any 21 firm dates for the SER Volumes, so it's all pretty 22 much guess work.

23

>>JUDGE RYERSON: Okay.

24 >>MR. SCHMUTZ: Judge Ryerson, may I answer
25 the question on some of your dispositions?

Just a -- we actually would probably have a 1 2 couple of summary disposition motions that we would 3 file but that isn't what's driving this schedule. 4 We would file those well before what -- I 5 think we would file them well before that four-month 6 period --7 >>JUDGE RYERSON: Right. 8 >>MR. SCHMUTZ: And they're limited. 9 >>JUDGE RYERSON: But you would still want 10 the ability to file them after discovery, correct? 11 >>MR. SCHMUTZ: Yes. 12 >>JUDGE WARDWELL: How soon after discovery 13 should they be limited to because we can't handle 14 NSDs up to the point of hearing? 15 >>MR. SCHMUTZ: I don't recall what are the 16 intervals, reply intervals. Alex may be able to 17 address those. 18 But I think you would set a schedule 19 perhaps within a month of the closing of discovery of 20 any disposition motion that the parties that are 21 going to file, have to be filed. We wouldn't object 22 to that at all. I don't think we'll have any at that point. It's very unlikely. 23 >>JUDGE MOORE: Have any of you given 24 25 thought to the lead time for filing prefile direct

testimony? You're talking a four-month interval
from the close of discovery to the start of a
hearing?

Speaking only for myself, because of the 4 way in which the scheduling will need to be done so 5 6 that the requisite expertise on the technical side of 7 this case with the panel -- the Boards that will --8 from the panel that will be hearing various of these 9 groups of issues, I was always inclined to think that 10 we would -- this case would demand an exceedingly 11 long lead time on prefile direct testimony, so that 12 the Boards would have ample time to prepare as would the parties, so that the hearings could be conducted 13 14 most efficiently and continue in that vein because it 15 will be broken into manageable numbers of contentions 16 out of this group.

You've given us a number and, again, I'm
sorry, I'll have to sort through to get your chart,
but the overwhelming number of contentions are on
Volume III --

21 >>MR. SCHMUTZ: Yes.

>>JUDGE MOORE: -- and it's something on
 the order of 155, if I'm remembering correctly.
 MR. SCHMUTZ: Not including the related
 NEPA contentions, I think that's right.

JUDGE MOORE: And they cover literally, the 1 2 spectrum of expertise that's going to be needed in 3 this case. And of course, we have no notion at this point and really won't have a firm notion until we 4 5 see the prefile direct testimony and exhibits, as to 6 how much time -- and this will all be negotiated with 7 the parties for cross examination, et cetera, for 8 this group of contentions and the next group and the 9 next group.

10 So, once the process starts, it's going to 11 be fairly continuous, but work into that, is the lead 12 time on prefile direct testimony.

And when you say testimony starting four months after close of discovery, that's just about the right amount of time that probably should be needed for prefile direct testimony and exhibits on a sensible schedule, so that this can continue a pace.

18 >>MR. SCHMUTZ: I find myself in agreement
19 with you. The four months --

20 >>JUDGE MOORE: Let's not let that be a21 habit.

MR. SCHMUTZ: I promise you it won't. Mr. Silverman will be back soon, and as you know, Judge Moore, he's not the most agreeable guy. I'm just kidding. 1 JUDGE MOORE: And I don't know it. 2 MR. SCHMUTZ: The four months is actually 3 driven by the schedule. It's in the regulations, 4 there's going to be a four-month interval between the close of discovery and the start of the hearing. 5 Т mena, that's what it says. And I think all that 6 we 7 were trying to do --

3 JUDGE MOORE: That's Appendix D, that's9 wht you're speaking to?

10 MR. SCHMUTZ: Yes.

JUDGE MOORE: Well, from a practical matter, has not the staff rendered under Appendix D by not issuing until next April five volumes of the SER?

MR. SCHMUTZ: That may be and I don't think that we are wedded to the four months if the parties and the Board come to the conclusion that that's unworkable, and it may very well be, I think we can work out a different schedule.

20 It may be that the Board will say, we 21 can't possibly get through all that prefile testimony 22 and even if you people can file it on time to start 23 hearings in four months, it's going to be a lot of 24 stuff and it's going to be dense and hard to 25 understand in many cases, I suspect and take a great

deal of work. From our point of view, if the Board
said we ought to do prefile testimony three months
after that and the hearing start a couple months
after that, we certainly wouldn't think that was at
all unreasonable.

6 JUDGE MOORE: But that would be -- I think 7 we've always envisioned somewhat of a continuing 8 process, working through all 155 plus contentions. 9 And you all know from past experience that if at the 10 end of this marathon we actually want to have people 11 finishing crossing -- crossing the finishing line, we 12 will have to break it into manageable portions of 13 contentions., so that we can put before you, the 14 requisite expertise to hear those that involve 15 volcanism, those that involve seismology, those that 16 involve all of the various expertise --

17

MR. SCHMUTZ: Sure.

18 JUDGE MOORE: -- that are necessary and 19 obvious from the contentions, groupings that we have. 20 MR. SCHMUTZ: You know, it may be that for 21 purposes of where we are now, having a process that 22 gets us through discovery and a schedule for getting 23 us through discovery, at this point, might be where 24 we ought to be, get through some portion of that and 25 then begin talking later on about what the hearing

process is going to look at and what the dates are
 for prefile testimony.

We're talking about a process that is -we're now looking out, you know, a year and half. I, quite frankly, half the time don't remember what I did yesterday. I don't know how I'm going to remember a year and a half out.

8 So I'm not sure -- perhaps we're biting off9 more than we can chew.

>>JUDGE RYERSON: It was the intention of
the parties that there be a minimum of four months
between the close of discovery and the hearing,
correct?

14 >>MR. SCHMUTZ: That's our goal.

>>JUDGE RYERSON: I know you were asked to
try to file something quickly, but as I look at page
17 of Nevada's filing, unless I'm reading the chart
18 wrong, it's less than three months for the first
19 phase and two months for the second phase.

It says, two months after discovery ends on
the chart for SER Volume II. And on first phase,
Volume III, it's November 30, with the hearing
starting on February 21, which is less than three
months. So that was -- I mean, that was not your
intent. Your intent was to do at least four months,

1 I think.

2 >>MR. MALSCH: Marty Malsch for the State
3 of Nevada.

I think that's right. But let me say that
we, as DOE had said, we felt constrained by the
schedule durations in Appendix D. That's really all
that went into it.

8 And also, we did not take account of the 9 possibility, which is probably a logical process of 10 proceeding to hearing in chunks of preclosure issues 11 rather than all at once.

12 I mean, Appendix D seems to assume, you go 13 to hearing on everything in three or four months 14 whereas, that really doesn't make a whole lot of 15 And once we bifurcated into Volume I and sense. 16 Volume III issues and other issues, since we have so 17 many contentions in Volume III, especially, it 18 probably makes sense to go to hearing in selected 19 subjects -- subsets of that and then stagger filings 20 of prefile testimony accordingly.

But we -- we -- I have to say, we haven't given consideration to that because we felt at this stage, at least, we were restrained by Appendix D.

24 >>JUDGE MOORE: The rest of the parties
25 wish to be heard on this. Let's start in the back

1 and work our way around.

>> MS. BUPP: Your Honor, there's something
else I wanted to add in response to question one.
It's not directly related but I think since other
parties have brought it up, it would be helpful if I
can give a little bit of information about the
groundwater supplement at this point.

8 As we stated in the adoption termination 9 report, as DOE's not completing the groundwater 10 supplement, we will be completing the groundwater 11 supplement. However, it is not part of our budgeted 12 resources for fiscal year 2010 and so at this point, 13 we don't have a schedule for when it will be 14 completed but it will not be completed during 2010 15 fiscal year.

>>JUDGE MOORE: So the earliest would be
sometime in 2011.

18 >> MS. BUPP: Yes, Your Honor.

19JUDGE MOORE: And do you see any reason why20it can't be completed in a year?

21 >> MS. BUPP: You mean why it couldn't be
22 completed by 2011?

>>JUDGE MOORE: No. Regardless of when you
 start, can it be done in a year or has the staff not
 faced up to that?

1 >> MS. BUPP: Yes, Your Honor. Once we 2 begin, whenever that is, it could be completed within 3 a year. 4 >>JUDGE MOORE: Okay. So for planning purposes, 2010 is out. Are we talking calendar or 5 6 fi scal? 7 >> MS. BUPP: Fiscal. 8 >>JUDGE MOORE: And then it needs to be 9 worked into the schedule for NEPA contentions 10 subsequent. 11 >> MS. BUPP: Yes, Your Honor. 12 >>JUDGE MOORE: Okay. 13 >>MR. LIST: Judge Moore, if I may, Bob 14 If I may go back for just a moment to the List. 15 discussion of the timing of the pure NEPA 16 contentions; and I think, first, that Ms. Bupp's 17 comments really lead me to suggest that it's so 18 important that these NEPA contentions, pure NEPA 19 contentions be taken up early because if in fact we prevail on them, if it's determined that the 20 21 Environmental Impact Statement was faulty in its 22 failure to fully address properly the transportation 23 issues and the public safety and the first responder 24 issues, then it's going to be necessary to go back 25 and supplement the Environmental Impact Statement.

We've just heard that that process will
 take a year. So, this becomes a pacing item. If
 these --

4 >>JUDGE MOORE: Mr. List, if I might5 interrupt.

It is intricately tied to the question, 6 essentially a legal issue, of what the standard in 7 8 this very unique proceeding will be for dealing with 9 NEPA issues, quick digression. In the standard 10 Commission case -- make it very clear, this is not 11 that. When there are challenges to the 12 staff-prepared environmental documents under NEPA, 13 whether it be EIS or EA, the challenges are 14 entertained in the hearing process and are -- the 15 documents are deemed amended supplemented, if you 16 will, by the hearing process and the Board's decision 17 on those.

18 So that is, in and of itself, from the 19 evidence that is presented, in and of itself, the 20 supplementation process because the NRC is the only 21 agency that permits litigation at the administrative 22 level of challenges to the validity of NEPA 23 documents.

That said, there -- I don't know how that scheme fits in with, on one hand, of DOE, that wrote the ELS on the waste policy act. The staff then
determines whether it's acceptable or practicable to
adopt. I don't know how that normal NRC scheme fits
in with what we have in front of us under the Waste
Policy Act.

6 So, your question may well be a pacing item 7 but if the normal NRC adjudicatory process for 8 addressing NEPA issues is in play, then it would not 9 -- I set that out because that's one of the issues 10 that's going to have to be decided and we're going to 11 have to get it correct and probably appealed so that 12 we're not doing it more than once.

13 >>MR. LIST: I understand -- I understand 14 the issue and the question of interpretation. As we 15 read the regulatory's framework, in the event that 16 it's determined that the Environmental Impact Statement in fact failed to address certain matters, 17 18 as it should have, as we read it, the NRC may then 19 initiate a supplemental process, that is, that -- I 20 suppose is additive to the DOE's Environmental Impact 21 Statement.

And it seems to us that that's going to take a considerable amount of time.

24 >>JUDGE MOORE: They might -- if the normal
 25 NEPA, NRC environmental adjudicatory process held

they could do that through their evidence on those
 NEPA contentions.

I am frank to state, and speaking only for myself, I do not know in the unique circumstances of this proceeding, whether those are the rules.

6 >>MR. LIST: Well, maybe that's a better --7 And that's why I brought up >>JUDGE MOORE: 8 earlier that that's one of the issues that we need to 9 hear from the parties on, that we side-stepped it 10 deliberately in our contention admission decision but 11 we all recognize that it's lurking and must be 12 deci ded. And that may be an item that we need to put 13 on the agenda to at least preliminarily hear from you 14 today or tomorrow.

15 >>MR. LIST: I would just finally add that 16 if, in fact, it's determined that there has to be a 17 supplemental process to augment the Environmental Impact Statement, that it does become a pacing item, 18 19 and if this is put off until the end of the process, 20 that finish line gets pushed out, say, 12 months. 21 And we don't want that to happen. And I should also add that -- that the -- I believe that in addition to 22 23 the Four Counties, I believe every Nevada County 24 with the possible exception of Clark County, also 25 believes that these matters ought to be taken up

1 early.

7

Transportation is critical to the people
who live closest to this repository and we think that
special weight should be given to that.

5 >>JUDGE MOORE: Any other comments as we're
6 working around on question one?

Yes.

8 >>MR. ROBBINS: Alan Robbins, on behalf of
9 Clark County, Your Honor.

10 Given the discussion this morning, I think 11 it's evident that the process of schedules submitted 12 to the Board was premised on certain assumptions 13 regarding time frames, as Mr. Malsch indicated.

14 If we are no longer bound necessarily by 15 those ground rules that we assumed did govern over 16 us, perhaps with some indication from the Board as to 17 what parameters do or don't apply, it might make 18 sense of the Board going back to the drawing board 19 and take another shot at a schedule, where they may, 20 perhaps, if this is the right way to put it, 21 artificially by parameters that are not applicable. 22 And so that -- that might be a useful way 23 to proceed or for the Board to consider. 24 Second, given the submissions to date,

25 Clark County has been supportive and in agreement

with the basic process that the State of Nevada and
 DOE are generally in agreement upon.

We have questioned, however, whether there's really a need to start immediately, given the status of the SER publications.

We have a concern, however, about Staff's 6 7 proposal of deferring discovery and litigation on the 8 safety contentions, in favor of briefing various 9 legal issues. And our principle concern with that is 10 because if we understand it correctly, that 11 four-month period or so that Staff would allot to 12 briefing, would lead into the discovery period 13 otherwise available rather than just push it back. 14 And there's too much to be done to erroding what we 15 think is already too limited a time as it is, and 16 therefore, not supportive of Staff's proposal in that 17 respect.

Finally, Your Honors, on the question of interrogatories, we think they are or can be useful devices.

I know I prefer not to go into depositions
any blinder than necessary and sometimes
interrogatories serve somethings, a flashlights to
guide the way a little bit before you get in there
and you find out that you're asking your questions to

the wrong person or, you know, not as well focused as 1 2 you might have otherwise been if you were given some 3 preliminary information. And given the informal 4 cooperation that we understand has been occurring and all parties continue to profess to, why then should 5 6 there be any concern about possible use of 7 interrogatories if a party considers them useful 8 under certain circumstances. And we will support 9 that.

10 >>JUDGE MOORE: Inyo County?
11 >>MR. JAMES: Yes, Your Honor, Greg James,
12 Inyo County.

13 Inyo County is basically in agreement with 14 the State of Nevada and DOE's general timing, and we 15 concur with Clark County that if there's going to be 16 hearings on the legal contentions first, it should 17 not shorten the time for the discovery on the ety 18 contentions.

And concerning the interrogatories, it -just is a suggestion, it seems like the expert statements and information is going to be exchanged, should be clarified before a decision is made on interrogatories. If there's a small amount of information going to be exchanged, interrogatories may play a very important part in preparing for

depositions. On the other hand, if a significant
 amount of information is exchanged about positions
 and references and whatnot, it may eliminate some of
 the need for extensive interrogatory process.

>>JUDGE MOORE: JTS?

6

5

>>MR. POLAND: Thank you, Your Honor.

7 We made a filing last week on Friday where 8 we largely adopted what Nevada had set out. We do 9 have one separate issue, however, and that is, that 10 we have a number of contentions that potentially fall 11 within a couple of the different SER volumes, Volume 12 III and IV. Those apparently, from what the NRC 13 staff has told us, are on different timing tracks. 14 We'd certainly be happy to proceed starting out, 15 having those four contentions go ahead with discovery 16 with Volume III. But our ability then to switch those into the Volume IV SER discovery hearing track, 17 18 really depends on when that SER Volume IV would be 19 rel eased.

We also have contentions that are affected by what would happen with groundwater and what the NRC staff would do with the additional report that the DOE has submitted. And so I do think that the timing at least as to a number of our contentions is affected by the time that the NRC staff is going to

1 release them.

2 As far as the interrogatory issue is 3 concerned, we're not opposed at all to 4 interrogatories, pretty much agree with the statements of the counsel for Inyo County. 5 6 >>JUDGE MOORE: Thank you. 7 White Pine? 8 >>MR. SEARS: Thank you, Your Honor. 9 White Pine has agreed with Nevada with 10 respect to the --11 >>JUDGE MOORE: I'm sorry. JTS, sorry. 12 No, I'm sorry. No, wait a minute. Go 13 ahead, White Pine. 14 I keep confusing when we joined the groups. 15 >>MR. SEARS: That's all right, Your Honor. 16 I'm the old gray one over here. We have agreed with 17 Option One as set forth by the State of Nevada, but 18 we have substantial interest in the answer to the 19 subquestion that you posed earlier because our 20 contention straddles Volume III and NEPA in that we 21 are very concerned about the effect on the general 22 environment in our NEPA contention. And so, we are 23 going to be very interested in the answer to that 24 subquestion and would like an opportunity to 25 parti ci pate.

1 JUDGE MOORE: Lincoln County? 2 MR. WHIPPLE: Good morning, Judge Moore. 3 Brett Whipple on behalf of Lincoln County. Judae Moore, Lincoln County places a priority on the NEPA 4 5 issues, and so we join our counties in that -- in 6 that concern. We are concerned that Lincoln County is in the race of the finish line that some of these 7 8 NEPA issues may be pushed aside, or not, given the 9 full concern, the full issue that we believe we 10 deserve. 11 With regard to the interrogatories, we have 12 no position. 13 >>JUDGE MOORE: Okay, thank you. 14 NRC staff? 15 Yes. 16 Excuse me, Your Honor. Jeff MR. DANIEL: 17 Daniel on behalf of Nye County. I think somehow we 18 got missed in the laundry list of -- in the --JUDGE MOORE: I apologize. 19 20 Completely okay given how many MR. DANIEL: 21 people are going to be discussing issues this 22 morning. 23 For the Board's benefit, we did -- Nye 24 County did file our own separate and different view 25 with respect to question number one. And it's our

1 opinion that we are in general agreement with the NRC 2 staff, but we differ slightly from what schedule they 3 are offering in that we do believe you can commence some of the briefing earlier, given the fact that --4 or discovery earlier, given the fact that there's 5 6 going to be a lag between the time you actually notice depositions and you actually start taking 7 8 those depositions.

9 We also have in our filings, subdivided the 10 NEPA contentions into three categories that we 11 believe will facilitate and make it more efficient in 12 handling those NEPA contentions, some of which have 13 purely -- what we consider to be purely legal issues 14 and those we believe could be handled upfront.

For example, the discussion of res judicata, collateral estoppel issue, conclusion that came up during the earlier prehearing conference with respect to some of those contentions.

JUDGE MOORE: What is the advantage of briefing all of the legal issues recognizing that Volumes II, IV, and V, of the SER of which more than half of those legal issues are tied to, are somewhere out in the galaxy?

And frankly, we don't know whether theyhave fuel to ever get home.

>>MR. VAN NIEL: Your Honor, to the extent 1 2 that the Board makes that decision, then we are, NYE 3 County is fine with just briefing the legal 4 contentions that relate to Volumes I and III. And again, I apologize for 5 JUDGE MOORE: overlooking Nye County. 6 7 Mr. List, you've already spoken. That puts 8 us at California. 9 MR. SULLI VAN: Thank you, Your Honor. Tim 10 Sullivan for California. I'd like to address why we think that the 11 12 pure NEPA contentions should not be done in the first 13 phase. 14 In general, we agree with Nevada, as we said in our pleading, we agree with Option Two which 15 16 would create --17 JUDGE MOORE: Let's interrupt. Where are 18 you with DOE and your -- what sounds like a stand 19 alone agreement, to have all of California -- I'm 20 assuming you were speaking in DOE's favor, for 21 speaking solely to the California NEPA contentions, 22 and have them adjudicated with their counterpart safety issues? 23 24 MR. SULLIVAN: Yes, Your Honor, I should 25 explain that.

DOE and California were discussing a motion 1 2 that would schedule all of the pure NEPA contentions at the end, after all safety issues were --3 4 >>JUDGE MOORE: Are you speaking of just 5 California's or all parties, NEPA contentions? 6 MR. SULLIVAN: We're speaking of all 7 parties. However, California and DOE decided that we would join in Nevada's Option 2 in lieu of filing 8 9 our motion.

10 So California and DOE are not going to be 11 filing a scheduling motion. Instead, we think that 12 Option 2 accomplishes what we were intending.

13 JUDGE MOORE: Okay. Please -- please go14 ahead.

MR. SULLIVAN: The reason that we don't think that the pure NEPA issue should come first is that there's no good reason to do them first. The parties are going to be busy enough handling the Volume I and Volume III issues.

And we, I think, have to come to terms with the fact that there are resource constraints on all of the parties, especially Staff, which are out of Staff's control, but do effect what we can get accomplished in this room.

25 So I think it makes sense to triage the

1 issues that we're going to tackle in this case.

2 The pure NEPA issues, that are 44 3 contentions that will fall into that category as not being related to safety, of those, 38 are 4 transportation specific, and the other 6 are 5 6 socioeconomic and cultural. So when we're talking about pure NEPA contentions, what we're really 7 8 talking about, for the most part, is transportation 9 contentions and whether not those should be done in 10 the first phase. And our position is that they are 11 not necessary to litigate in the first phase.

12 They're not related to repository design. 13 They're not related to safety of the repository, 14 integrity of the repository. And they're not going 15 to give us any information about other repositories 16 that might be built sometime in the future, on that 17 level.

18 They talk about procedural failings. So I19 don't think that they are a priority for doing first.

I don't think that resolving those
transportation NEPA contentions is going to determine
whether or not the Nuclear Waste Policy Act schedule
is met by this Board.

I think that's going to be determined based
on the resources of the parties, especially DOE and

1 NRC, which is out of everyone's control. The --

2 >>JUDGE MOORE: Let me ask: This goes back
3 to the question and the exchange that Mr. List and I
4 had.

5 We have to face up to how NEPA contentions 6 in this unique proceeding will be adjudicated and 7 what, if any, kind of additional supplementation 8 other than what comes out of the adjudicatory process 9 is necessary.

10 Those, what you call pure NEPA contentions, 11 raise that issue and would provide the vehicle for 12 resolving that issue and at least resolving it as far 13 as getting an appeal to the Commission with real contentions, real facts, real records in front of 14 15 them for decision. Should they disagree with any 16 unlikely event, that they should disagree with our 17 correct analysis of what -- of that issue.

Doesn't that give it a very attractive added set of points for at least taking a subset of those and hearing them as quickly as possible so that all the other NEPA contentions can then follow suit and so we'll know how to deal with them if we got it wildly wrong?

24 MR. SULLIVAN: I agree that the standard to 25 be applied and who needs to supplement and what part

of the process supplementation needs to be done and
whether it's public comment required, but these are
-- these are all issues that would need to be
resolved ultimately in this case.

5 There are lots of legal issues that are 6 going to need to be resolved in this case. I just 7 don't see that the standard of NEPA adjudication in 8 this case as being something of paramount importance 9 that should be done first.

10

JUDGE MOORE: Okay.

MR. SULLIVAN: I mean, our position is, if this proceeding at some point is going to be suspended for lack of resources, that we don't want to spend the money over the next two years dealing with these issues if we don't need to.

A lot of the other parties here are -- have funding for fiscal year 2010, so they may not -- they may not care when these NEPA issues are done, but we do care.

And I would also note that of the 44 transportation or pure NEPA contention issues, the parties that want to put them off to the second phase have -- are proponents for 41 of those. And the parties who want to do those NEPA contentions right now, introduced three of those contentions.

On the interrogatory issue, I tend to
 agree with Mr. Schmutz that, as a general matter,
 interrogatories don't get you very far.

I think that if there were specific narrow
issues that the parties were dealing with, they might
be more useful.

7 JUDGE MOORE: How about the caveat under 8 2.12.18, subpart J, unique to this proceeding, for 9 interrogatories, where the Board's permission is 10 required for interrogatories, the preface is that the 11 parties are to work out the exchange of information 12 themselves and only if it fails would you request 13 permission to use interrogatories? We have every 14 indication that all the parties are willing to 15 voluntarily exchange as much information as needed, 16 and what I had in mind was when that process of 17 volunteering the information breaks down, for 18 whatever reason, is that not a way to remedy that, 19 that might be useful -- as opposed to blanket 20 interrogatories and the typical interrogatory answers 21 that don't give you the information that you're 22 seeking 'til the third set when you have eliminated 23 every other possibility.

24 But because of the parties willingness to 25 cooperate and the premise 1018, it struck -- it's

possibly a useful tool that only in rare instances,
if you're all going to cooperate and turn over, what
would be standard in litigation, the type of
information that you'd all be entitled to, that the
Board would entertain favorably interrogatory motions
to get that information.

7 MR. SULLIVAN: I don't see any problem with8 that approach.

9 What I was thinking of was -- specifically 10 was dealing with experts, expert disclosures and 11 preparing for depositions. I think that 12 interrogatories are -- will be a somewhat clumsy way 13 of getting at the expert's opinions and wouldn't 14 really be substantive, it's more along the lines of a 15 statement of opinions or supported bases.

16 If we're doing interrogatories on experts, 17 my first set of interrogatories would say, for each 18 of your experts, state the experts' opinions, state 19 the bases of that opinion, describe each document that the expert relied on, and that's a much more 20 21 cumbersome way of doing that than us just all 22 agreeing that that's the kind of exchange we're going 23 to have on experts.

24 >>JUDGE MOORE: Well, that's what I had in
25 mind because of your willingness to cooperate and

1 that's the premise of 2.1018 and subpart J.

NEI?

3 >>MR. BAUSER: NEI filed a joint response
4 with the Department of Energy to the 23 questions and
5 agrees with NEI and with DOE with respect to question
6 one. But we also agree with DOE with respect to
7 interrogatories.

Finally, recalling the Chairman's admonition this morning, NEI is somewhat concerned we might be heading for hearings outside in the courtyard this afternoon and we are hoping we're not.

>>JUDGE WARDWELL: In the last dialogue
 with Mr. Sullivan from California, Judge Moore
 alluded to a broad definition of a pure NEPA
 contention and I think I would like to explore that a
 little bit. I need some help in understanding that.
 And maybe I'll start with the staff on

18 this.

2

Have you used that phrase, and, if so,what's your definition of this?

>> MS. BUPP: I believe other parties
actually coined the phrase, and since it's been
coined, we've been using it internally. And our
definition is a contention raised under NEPA that is
not related to SER and is not related to the

1 groundwater supplement.

>>JUDGE WARDWELL: And for future
expeditious use of time, I think as we move forward,
I think we all can agree that we don't have to caveat
the groundwater issues. Those are going to be a
supplement. That's going to be handled completely
separate once that's issued.

8

>> MS. BUPP: Yes.

9 >>JUDGE WARDWELL: So, let's talk only 10 about those NEPA contentions. When we use the phrase 11 from here on in, I think it would be faster if we 12 just use the phrase NEPA contentions recognizing we 13 all kind of eliminate those that deal with the 14 groundwater issues and we'll handle by a supplement. 15 Why aren't all the NEPA contentions, exclusive to the undwater, which I don't want to use 16 17 that phrase anymore, not stand alone as they are? 18 You, the staff has adopted DOE's FEIS. 19 They've done it prior to issuing and doing the safety 20 anal ysi s. Can't those be litigated on their own, and 21 should they not be litigated on their own, regardless 22 of when they are litigated. But shouldn't that be --23 shouldn't they be litigated on their own exclusive of

24 the SER because the decisions were reached without

25 that information?

1 >> MS. BUPP: It's true that the decisions 2 in the EIS were reached without the information from 3 the SER. However, from a hearing standpoint, because 4 some of the contentions are very similar as being 5 raised in safety space and FEIS space, from sort of a 6 practical standpoint and an efficiency standpoint, 7 they're -- on the subject matter, they would 8 presumably involve similar if not the same experts 9 and so it does seem from an efficiency standpoint to 10 make sense to tie the SER and the NEPA contentions 11 that are related to the SER together.

JUDGE WARDWELL: Doesn't that run the risk though of entering in evidence that wasn't used in your adoption of the FEIS that had been generated later on during the SER preparation?

16 >> MS. BUPP: I think that we would still 17 have to have separate hearings or at least separate 18 sessions of hearings of the contentions because they 19 do require different evidence. However, in terms of 20 bringing witnesses to hearings, bringing witnesses to 21 depositions, to make sure that witnesses don't have 22 to be deposed multiple times, make sure that the 23 hearings can be scheduled conveniently for them, it 24 would make sense just from a scheduling standpoint, 25 not from an evidence standpoint, to tie those issues

1 together.

>>JUDGE WARDWELL: DOE, would you like to
respond to some of the questions I've raised that
comes from the definition of pure NEPA.

5 >>MR. SCHMUTZ: Sure. I -- frankly, I 6 agree with the definition as it's been used here. I 7 think we're just talking about the NEPA contentions 8 that aren't related to SER, any SER, let me put it 9 that way, and we're talking about transportation, is 10 the best example of that.

So, I -- I -- that's what I understand, we haven't used that phrase, I don't believe, but that's what I understand it to mean, and I agree with it. If that's what it means, you know, that's fine; doesn't cause me any problem.

>>JUDGE WARDWELL: But the connotations
are, with that definition is that they can now be, if
people desire to, to be litigated at this point in
time.

And the heart of my question is, why aren't all NEPA conditions -- contentions suitable for litigation at this time because a decision has been reached by the staff and DOE in regards to the NEPA issues.

25 >>MR. SCHMUTZ: Sure. I think, Your Honor,

it comes from -- stems from DOE. I think it's
 precisely what Ms. Bupp says, it's an efficiency
 issue.

What will happen will be there are
contentions. For example, there are contentions,
volcanic contentions that are NEPA contentions. They
are quite similar to some safety contentions.

8 The analysis to defeat those may not be in 9 the NEPA documents we have because they -- we did a 10 different type of analysis. We are going to explain 11 why the analysis that's being used is wrong. That 12 will be different evidence than is in the EIS, of 13 course it will, as it would be in any hearing on the 14 ELS and before this agency. You know, we're entitled 15 to show that the analysis that's being taught is 16 wrong and that the analysis in the ELS is correct.

17 That would -- may very well involve 18 different evidence. There's no reason not to have it 19 We have the same experts, we have similar safety in. 20 contentions that are volcanic. We ought to get them 21 all on together. I, frankly, don't agree with Ms. 22 Bupp that we have kind of separate NEPA panels for 23 If we have a panel, it's going to address a those. 24 variety or a large group of volcanic contentions, we 25 ought to get it done, put them on, put their evidence

on, address the contentions, make your case and move
 to the next group.

3 >>JUDGE WARDWELL: And you see no danger in
4 entering evidence that was generated during the
5 preparation of the SER into discussions associated
6 with evaluating the NEPA contentions.

7 >>MR. SCHMUTZ: No, I don't. And as a 8 matter of fact, I mean, from the Department of Energy's point of view, much of the evidence that we 9 10 used is in the SAR. I mean, we are -- our EIS wasn't 11 There's analyses in our SAR, prepared in a vacuum. 12 that's going to be litigated, that was used to 13 develop the analysis in the EIS, and we have the same 14 experts.

So from our point of view, it makes
eminently good sense to put all that on at the same
time.

JUDGE WARDWELL: So you would agree that in fact the existing NEPA contentions could move forward at this point in time, separate from any efficiencies that may or may not occur.

22 We have all the information we need. 23 MR. SCHMUTZ: There's no technical barrier. 24 JUDGE WARDWELL: There's no technical 25 barrier to proceed with the NEPA contentions. 1

MR. SCHMUTZ: No.

2 JUDGE WARDWELL: So we'll allude that these 3 other pure NEPA contentions are somewhat different is really a -- a artificial line from a technical 4 evidence type of standpoint. 5 6 MR. SCHMUTZ: No, I wouldn't say that at 7 all. I think there's evidence that --8 JUDGE WARDWELL: Why? 9 MR. SCHMUTZ: I would say that it's related to the -- they are related intimately and 10 11 inextricably related, for example, to the SER Volume 12 I issues and the SER Volume III issues, what will be 13 in that, and are included from the analysis that 14 supports them included in our SAR. 15 JUDGE WARDWELL: Well, how can you 16 relate --17 MR. SCHMUTZ: That is not true. They are 18 not related. Those are transportation issues are not 19 related to that. 20 JUDGE WARDWELL: But how can they be 21 related to what the information in the SER is because 22 that hasn't been issued yet and a decision's been 23 reached on the ELS? 24 MR. SCHMUTZ: We know, for example, right now that the SER is going to take on volcanic issues. 25

1 It's a very large issue in this case, and these
 2 issues are big.

We have safety contentions that are out there, and we have NEPA contentions that are very similar that are out there, that it's inconceivable that they will not be dealt with in the SER.

7 I don't know how else to answer that
8 question. That's what I think is going to happen.

9 You could say the same thing about any of 10 the safety contentions. How do you know the SER is 11 even going to address any of those safety 12 contentions?

13 I mean, we haven't seen the document. 14 Oh, yeah. Yeah. JUDGE WARDWELL: It's not 15 that I believe that they will issue it. What I'm 16 concerned about is, is that it may reach or augment 17 information in the SER through the regulatory process 18 of RAIs, et cetera, that will be in the SER that 19 will reach and be the basis for a conclusion of the 20 safety evaluation that they must perform, that was 21 not considered in the NEPA issue.

MR. SCHMUTZ: Well, if under NEPA there's a different -- if we go outside of the process, and determination is made that supplementation is needed, then you supplement that evidence.

1 I mean, if that's the -- if the conclusion is that the EIS is inadequate for that reason, it has 2 3 to be supplemented. 4 JUDGE WARDWELL: Thank you. 5 Nevada? Marty Malsch, the State of 6 MR. MALSCH: 7 Nevada. We agree with the staff's definition of a 8 pure NEPA question. And just to give you an example 9 10 of a NEPA contention that is not a pure NEPA 11 contention, we have Nevada safety -- Nevada -- NEPA 12 23 that deals with airplane crashes on the aging 13 And a major piece of the litigation of facility. 14 that contention would involve the probability of an 15 airplane crash, which is in turn a subject of a 16

17 So, more simply, it makes sense to litigate 18 that particular NEPA contention so -- along with 19 contentions associated with SER Volume II. There 20 is -- there is a very substantial overlap. In fact, 21 we have the contention that actually expresses that 22 concept that there is the overlap and that is for a 23 huge part of the entire environmental impact 24 statement, the assessment of environmental impact is 25 dependent upon a total system performance assessment.

collection of pure safety contention.

1 It was a performance assessment that 2 predated the license application, but basically it's 3 the same concept. So there you have an absolute 4 overlap between a large part of the DOE environmental 5 impact statement and the SAR. So there is that 6 overlap and we have to deal with it.

7 I think that it is a little odd that the 8 staff found it -- was able to adopt large parts of 9 the DOE environmental impact statement, including 10 those parts that deal with post-closure impacts prior 11 to completion of its safety evaluation on those same 12 impacts. I can't -- frankly, I cannot explain that 13 position of the staff. I think that that's an oddity 14 associated with the staff's position in this 15 proceeding.

JUDGE WARDWELL: Do all of your -- I'm
sorry, strike that. I was thinking of a
subparagraph.

19 Thank you.

20 Other parties.

21 MR. ANDERSON: Your Honor, Bob Anderson22 from NYE County.

23 JUDGE WARDWELL: Yes.

24 MR. ANDERSON: I would back up to what 25 Judge Moore said at the beginning, is this is a

1 proceeding that's relatively unique. I've been 2 litigating these issues 30-some years and this is 3 certainly a unique setting of -- set of circumstances 4 for which the setting of down of standards and 5 process is -- is extremely important in the 6 expeditious resolution of those issues. But I might 7 suggest in response to your question that a better way to look at this, whether the pure NEPA or other 8 9 NEPA, are NEPA questions that require discovery and 10 NEPA questions which do not.

And in that regard, I think we agree with perhaps no one, but would suggest that the record has been set on certain issues, such as transportation, and it's ripe for adjudication without further discovery. And we think that that's the better way to look at it.

17 Separate NEPA contentions into those which 18 should be deferred until the appropriate SER is 19 issued and go forward with the contentions that are 20 related, as we do the safety contentions, in that 21 regard, recognizing that they believe there's 22 discovery that needs to be had and it will be crossed 23 over in discovery, such as with the ground water. 24 And those NEPA contentions that are ripe for 25 adjudication, because we believe they're unrelated to any SER and they're ripe for adjudication based on
 the record.

And perhaps a third party -- third group that has been discussed principally in the private, the four of them, counsels, that's ones where there's litigation ongoing where the deferral makes sense where the litigation might be dispositive of the NEPA contention.

9 JUDGE WARDWELL: I understand the arguments 10 brought up in regards to efficiencies of the hearing 11 and that's still a valid input parameter in my mind 12 in regards to citing the schedules and moving 13 forward.

14 Your arguments seem to say to me that it 15 supports the concept, if you will, that NEPA could 16 proceed at this time because we could -- the issue of 17 whether a NEPA requires discovery or not is not 18 really the guestion. Those -- if those that do 19 require discovery, those could proceed ahead, and 20 there are no applicable SERs that are required for 21 litigating the NEPA issues because the NEPA issue has 22 been decided and there is no SER out there. So anv 23 discovery would not need to start looking into the 24 SER for a NEPA issue.

Isn't that a reasonable conclusion to

25

1 reach?

2 MR. ANDERSON: I think that's a better way 3 of saying what we said in our filings. 4 JUDGE WARDWELL: Rather than go around the 5 room, would anyone else like to respond to this 6 i ssue? 7 Thanks for your input. 8 Yes. California, Mr. Sullivan. 9 MR. SULLI VAN: Your Honor, we would, I 10 think, have a strong disagreement on which pure NEPA 11 contentions require discovery and which ones don't. 12 It seems to us that all of our 13 transportation contentions would require discovery, 14 so I think that -- that would be a threshold 15 difference between California and NYE County. 16 JUDGE WARDWELL: Anyone el se? 17 Thank you for that. 18 Next. 19 >>JUDGE RYERSON: Right. On questions two 20 through -- through five, inclusive, I think we can 21 probably handle these as a group and just ask if any 22 party has anything that they really want to add in 23 addition to what has appeared in the filings thus 24 far. 25 And again, if we can start with Nevada.

1 Mr. Malsch.

2 >>MR. MALSCH: Marty Malsch, State of
3 Nevada.

No, at this point we have nothing to add 4 beyond what we've said in our filing. 5 6 >>JUDGE RYERSON: Okay. DOE? 7 MR. SCHMUTZ: We think our filing is 8 adequate. lt's fine. 9 JUDGE MOORE: And the staff. 10 >> MS. BUPP: The staff has nothing to add 11 on these questions. 12 JUDGE RYERSON: Okay. Does anyone el se? 13 Just raise your hand if you have anything -- if you 14 have anything on those contentions -- or rather, 15 those questions. 16 Yes, Mr. Sullivan? 17 MR. SULLIVAN: We're addressing questions 18 four through five at this point also? Four through five, yes. 19 JUDGE RYERSON: 20 Two through five. 21 MR. SULLI VAN: Two through five. Two 22 through five. 23 On four and five, California's taken the 24 position that there should be limits on the number of 25 depositions of non-testifying witnesses along the

lines of what was proposed a couple of months ago in
 the proposed joint discovery schedule.

3 And that's primarily on the basis of, we 4 don't have a lot of depositions we would like to take 5 of non-testifying witnesses. And we don't -- we've 6 got a big state, and we don't feel like having to 7 defend 50 depositions that we don't think are 8 particularly relevant of non-testifying witnesses. 9 JUDGE RYERSON: Would you agree it's a 10 little difficult to predict the exact number of 11 appropriate depositions at this stage? I mean, can't 12 we rely on the good faith of counsel to -- to try to 13 be reasonable on that? 14 I -- I would agree that it's MR. SULLI VAN: 15 very hard to predict at this point, and I hope that 16 everyone would notice depositions in good faith. 17 JUDGE RYERSON: Hearing no other comments. 18 JUDGE MOORE: I think this is a good time 19 for a brief break. 20 We -- it is now 10:30. 21 We will reconvene precisely at 10:45. 22 We stand in recess. 23 (recess held from 10:30 A.M. to 10:45 A.M.) 24 JUDGE MOORE: We're on the record and we'll 25 proceed.

1 Let's turn to Question Six. 2 Do any of the parties have anything to add 3 in addition to their filings last week on question 4 si x? 5 Starting with Mr. Malsch. 6 MR. MALSCH: Judge Moore, this is Marty Malsch with the State of Nevada; we have nothing to 7 8 add. 9 MR. SCHMUTZ: Your Honor, this is Tom 10 We have nothing to add to our papers. Schmutz. >> MS. BUPP: Your Honor, this is Margaret 11 12 Bupp from the NRC staff. We have nothing to add. 13 JUDGE MOORE: Mr. List? 14 MR. LIST: Nothing to add, Your Honor. 15 Back in the corner with NCA. JUDGE MOORE: 16 MR. WILLIAMS: Your Honor, for the sake of 17 efficiency, our suggestion is -- is this: We've 18 joined with Nevada in its proposals to the Boards and 19 we will be spare with our comments today. 20 If we have something to add, we will do 21 whatever it takes to get your attention and we will 22 add it. 23 JUDGE MOORE: Thank you. MR. WILLIAMS: 24 Thank you. NYE County? 25 JUDGE MOORE:

1 MR. VAN NIEL: Jeff Van Niel on behalf of 2 Nye County, Your Honor. Nye County has joined with 3 the proposal from DOE on this question. 4 JUDGE MOORE: Clark County. 5 MR. ROBBINS: We'd like -- Alan Robbins, 6 I'm sorry. 7 We likewise join in the State's proposal 8 and have nothing to add. Thank you. 9 JUDGE MOORE: I nyo. 10 MR. JAMES: Yes, Your Honor. Greg James 11 for Inyo County. Inyo County also joined in Nevada's 12 proposal and have nothing further. 13 JUDGE MOORE: JTS? 14 MS. HOUCK: Darcie Houck for JTS, and we also joined with Nevada's proposal and also have 15 16 nothing further to add to number six. 17 JUDGE MOORE: White Pine? 18 MR. SEARS: Sears, White Pine County. We 19 join the State of Nevada. And Lincoln County? 20 >>JUDGE MOORE: 21 >>MR. WHIPPLE: We joined with Nevada. 22 >>JUDGE MOORE: Cal i forni a? 23 >>MR. SULLIVAN: We also joined Nevada. We have nothing to add. 24 25 >>JUDGE MOORE: And Eureka County, I have

1 been forgetful.

Have you anything on the questions one
through six now that you would like to add,
Ms. Curran?

5 >>MS. CURRAN: Eureka County has nothing to6 add.

7 >>JUDGE MOORE: Thank you.

Moving on to seven, if not, what time 8 9 limits do the parties now propose? That one is wide 10 open in light of things that were earlier said, but, 11 Mr. Malsch, for State of Nevada, do you have anything 12 different from what is in your paper at this point? 13 >>MR. MALSCH: No, Judge Moore, we do not. 14 >>JUDGE MOORE: DOE? 15 >>MR. SCHMUTZ: This is Tom Schmutz. No, 16 we do not, Your Honor. 17 >>JUDGE MOORE: The staff? 18 >> MS. BUPP: No, we do not, Your Honor. 19 >>JUDGE MOORE: Mr. List? 20 No, Honor, we do not. >>MR. LIST: 21 Do any of the other counties JUDGE MOORE: 22 or parties? (No response) Moving on to eight. 23 24 You have expressed differing views in the filings. 25

1 Mr. Malsch, do you have anything in 2 addition to what you've already stated in your 3 filings? No, Judge Moore, we would 4 >>MR. MALSCH: 5 not. I would just add that -- that, you know, 6 with unknown dates for the outlier SER Volumes, to 7 8 some extent this is -- this is a theoretical 9 question. 10 >>JUDGE MOORE: We understand. 11 How burdensome is it going to be on any and 12 all of you to have -- be in the situation of having 13 to have some of your experts deposed more than once? 14 Because, frankly, the situation we find 15 ourselves in, I think that's a given. 16 Excuse me, Judge Moore. >>MR. BAUSER: 17 >>JUDGE MOORE: Yes. 18 Mike Bauser from NEL. >>MR. BAUSER: From 19 our own perspective, there is clearly additional 20 burden for having an individual deposed more than 21 once, particularly with respect to some parties and 22 their resource constraints. But having said that -and these are real. But having said that, we have 23 24 joined with -- with DOE in answering this question 25 and we agree with their deposition as well as that of

1 Nevada.

2 >>JUDGE MOORE: Thank you. 3 DOE? >>MR. SCHMUTZ: We have -- we have nothing 4 5 to add to what's already been said. 6 >>JUDGE MOORE: Staff? 7 >> MS. BUPP: We have nothing to add. 8 JUDGE MOORE: Mr. List? 9 MR. LIST: Nothing to add, Your Honor. Do any of the other counties, 10 JUDGE MOORE: 11 governmental entities wish to add anything further? 12 (No response) Then let's move on to Question 9. 13 14 Both of these have essentially just been 15 answered by you unless I've missed something. Do any 16 of you wish to speak to those questions? 17 If not, we'll move on to Question 11. 18 In light of what's in your filings starting 19 with the State of Nevada, Mr. Malsch, do have you anything you'd like to add? 20 21 No, Judge Moore. We think our MR. MALSCH: 22 position is pretty well spelled out in the answers to 23 the Board's questions. 24 JUDGE MOORE: DOE? 25 MR. SCHMUTZ: No, we have nothing to add,

1 Your Honor. We also think our position is well 2 spelled out. 3 JUDGE RYERSON: I have a question for DOE 4 about your position, though. 5 You made the point that depositions can't 6 be really meaningful of DOE witnesses until, I take 7 it, the witnesses see prefiled testimony. 8 MR. SCHMUTZ: No. 9 JUDGE RYERSON: No, okay. 10 MR. SCHMUTZ: I don't think I said that. 11 never would have --By your point, I mean --12 JUDGE RYERSON: 13 MR. SCHMUTZ: I didn't say that. 14 JUDGE RYERSON: You're not -- you're not 15 proposing that DOE witnesses not be deposed until 16 there's pre-filings? All right. 17 MR. SCHMUTZ: No. No, what we said was, there was a 18 19 sequencing issue of who would be deposed first. 20 Not -- having nothing to do with expert reports. 21 And what we said was, we don't think that 22 the -- that a good -- a strong argument could be made 23 that DOE witnesses -- experts should be deposed 24 first. 25 We made a stronger argument that it should

be made, although we don't even agree with that, that 1 2 interview witnesses should be deposed first so our 3 DOE experts understand the contentions. They, after 4 all, know what they're contentions are about. We'd 5 like to know about them and then draw conclusions 6 based on those depositions. But none of it has ever 7 been context with reports, no?

JUDGE MOORE: Staff?

9 >> MS. BUPP: Are we still on Question 11?
10 JUDGE MOORE: Yes.

>> MS. BUPP: Okay. Questions 11 and 12
are quite closely related and I think the staff's
position is laid out in its pleading, unless the
Board had any questions.

15 JUDGE MOORE: Thank you.

16 Mr. List?

8

MR. LIST: Your Honor, we had indicated in
response to Question 11 that it might be make more
sense to follow the federal rules of civil procedure.

l've had second thoughts about that, and we
certainly do feel strongly about it. It may in fact
be excessive to require that kind of advanced
disclosure.

24 JUDGE MOORE: Thank you.

25 Any other parties wish to be heard?

1	Let's move on, in spite of what I just
2	said, to 12, just for completeness sake.
3	You've all stated a position in your
4	written filings and joined your filings.
5	Anyone have anything to add?
6	Mr. Malsch?
7	MR. MALSCH: Just one thing, Judge Moore.
8	I just wanted to point out that we had make a point
9	that we wanted the DOE witnesses to be deposed first,
10	because, in many instances, we weren't exactly sure
11	what their position was based upon the documents that
12	have been filed so far, whereas from Nevada, it was
13	very clear, because our intentions are very specific.
14	I still think it is true that, for DOE and
15	Staff to file an expert report with DOE would greatly
16	expedite the deposition process, because we have more
17	information upon which to prepare for depositions.
18	But if reports as we said, if reports were to be
19	filed, we we could discuss the sequencing of
20	depositions. If they're not filed, as we said, we
21	still feel strongly that we should depose the DOE
22	experts first.
23	JUDGE MOORE: All right, that moves right
24	into 14, but let's finish with 12.
25	DOE?

1 MR. SCHMUTZ: And we vigorously oppose any 2 notion that Rule 26 expert reports should be provided 3 or not provided in the rules.

They are nearly impossible, in my view, for 4 5 DOE experts, in any brief period of time, to prepare 6 expert reports. We don't know all the bases. We 7 have four or five statements about these very 8 involved contentions and now we're supposed to come 9 up with our answers to those. It will lead to 10 endless battles, endless battles, over the adequacy 11 of our expert reports, over the duty to supplement. 12 None of those issues should be before this Board, but 13 that's -- that's where we'll be, and we think it 14 would be an incredibly bad idea.

JUDGE MOORE: In your filings, you've indicated a willingness and a past history of full cooperation in exchange of information when it has been asked.

Where the rubber meets the road, of course,
is when you get requests for information that deals
with this kind of information.

Do you think that there's a reasonable opportunity and chance that you and the requesting party will be able to exchange information that deals with which experts, what their opinion is on specific

1 subjects, and provide that, and if not, is that where2 interrogatories might come into play?

3 MR. SCHMUTZ: Well, whether the DOE expert 4 will be able to provide that kind of opinion depends 5 upon how much he understands about the contention.

If he doesn't understand the bases for the
contention, he doesn't understand the underlying
calculations and analysis that he needs in discovery,
then he won't be able --

JUDGE MOORE: But won't that all be preferenced by the request for information spelling out what they need, what is wanted, and then the question is, obviously, you know, why do you need it. But assuming there's legitimacy behind the request, is there a likelihood that voluntarily that kind of information can be exchanged?

MR. SCHMUTZ: We will not -- well, of
course if the information exists at the time, if the
expert feels as though --

Let's assume the question, Your Honor, is, I want your opinion about this portion of a contention. I want to know what you think about it. The answer may be, I don't know enough about it to answer that. JUDGE MOORE: But obviously --

1 MR. SCHMUTZ: If -- if the information is 2 in existence and if the expert does have an opinion 3 that he's willing to share without caveat, yes, we'll 4 give it.

5 JUDGE MOORE: I do not know, only you know 6 what went into the preparation of the SER -- SAR and 7 all of its underlying documentation.

8 I can assume that probably over the course 9 of many years in which DOE's been working on this 10 problem, a plethora of contractors have had their 11 fingers in the pie, if you will, on any particular 12 issue.

13 If, for instance, which would be standard 14 in litigation, you got a request for information as 15 to who are all the individuals that worked on this, 16 who are the experts, who are the -- and who are going 17 to testify on this issue and what is the information 18 that they gathered and relied upon to reach 19 conclusion X in the SAR; is that the kind of thing 20 that there's a likelihood voluntarily that DOE would 21 di scl ose?

MR. SCHMUTZ: Yes, Your Honor. As a matter of fact, I think much of that information, I'm not going to say all of it, what you just described, much we've already said we would provide. It is

1 information required in the proposed joint discovery 2 schedule and we sent the three bullets or four 3 bullets in that that we would provide at the outset. 4 JUDGE MOORE: Okay. Staff? 5 >> MS. BUPP: I think that the Staff's 6 position with regard to Question 12 is outlined in our filing, unless the Board had any particular 7 8 questions on it. 9 JUDGE MOORE: And recognizing staff that 10 the rules are unique to you. 11 >> MS. BUPP: Yes, Your Honor. 12 JUDGE MOORE: And so I'm assuming that 13 other than protecting your own turf, that that's 14 going to be the point of all your comments. 15 Yes, Your Honor. >> MS. BUPP: 16 JUDGE MOORE: Okay. Does anyone el se wi sh 17 to be heard? 18 Then let's move to --19 JUDGE WARDWELL: I've got a question for the State of Nevada, Mr. Malsch, or whoever you wish 20 21 to answer. 22 In your reply to 12, you seem to imply that 23 most of the testimony that is going to be presented 24 by you has been presented by you in your contention 25 submissions.

Have I interpreted your writing wrong as I
 read that?

3 MR. MALSCH: I think that's substantially4 correct.

I mean things are obviously going to 5 develop as the proceeding progresses and I don't 6 7 think we'd feel bound by the basis for every one of 8 our contentions, absolutely, but at least in terms of 9 the way things stand now, we think we've made a very 10 full disclosure of our positions and the basis for 11 our positions, and then in some cases, there's been 12 less of a disclosure on the part of the staff in DOE. 13 So, that's why we felt that expert reports

14 would be useful or failing those, that the DOE15 experts ought to be deposed first.

JUDGE WARDWELL: So as it stands right now, you know of no other additional information that you would provide on any of the contentions at this point of the hearings process? Or nothing comes to mind about --

MR. MALSCH: Well, nothing comes to mind except I have to say, we haven't filed in the DOE responses to the RAIs and a lot of those are directly relevant and I -- I -- in terms of specifics, I couldn't be very specific with you. I think we would expect that as the proceeding progresses, we would
 add to the bases for our contentions, things like DOE
 responses to RAIs as they are developing.

JUDGE WARDWELL: DOE. Mr. Schmutz.
MR. SCHMUTZ: It's tough.
JUDGE WARDWELL: That seems to me to be

quite different than the normal types of hearings we
have that where the contentions themselves are not as
specific and not as single issue as these are here.
Other hearings, the contentions are more broadly
worded off at times and there's only a vague
indication of the bases of which support that.

Having heard what they just said, I assume
that doesn't change your position. Would you like to
elaborate on that?

16 Sure, it doesn't. MR. SCHMUTZ: Sure, Your 17 Honor. The notion that the two or three pages, or 18 four pages supporting each contention is somehow the 19 sum total of the analysis that our experts would have 20 to know in order to address this is simply fanciful. 21 That is simply not enough information. Nor have I 22 ever seen prefile testimony out of a contention that 23 was three or four pages long.

There are a lot of -- what we have are fairly conclusory statements with regard to expert opinions reached, and fairly conclusory statements
that are the basis for those, the underlying
calculations, their analysis that go into that that
have been supplied. And that all has to be the
subject of discovery before our experts are going to
be willing to render an opinion.

7 What will happen will be, we will get on every one of these contentions, I can assure you, 10s 8 9 and 10s of pages of prefile testimony from Nevada on 10 these contentions and from us, that go far beyond 11 what is contained in the three or four pages of 12 actual description of the contentions. They are no 13 more illuminating for our experts than the kinds of 14 contentions that you're talking about that can be 15 seen in other proceedings.

JUDGE WARDWELL: Mr. Malsch, doesn't
Mr. Schmutz have a pretty good point there?
MR. MALSCH: Marty Malsch, the State of
Nevada.

Your Honor, I think that is true, but my point would be in terms of relative disclosures. At this point, we have been more specific than the other parties in terms of that. So that in terms of going into the deposition process, in many cases, DOE knows more about our position than we know about theirs.

1 Let me just give you an illustration, and I think one 2 contention, we have a contention to of Safety 17, 3 which deals with the calibration and qualification of 4 data for infiltration model. Our contention is 5 fairly specific. It's backed up by expert opinions and DOE's answer is largely legal. 6 So we don't exactly know, using that contention as an example, 7 8 exactly what would be the basis for DOE's position on 9 that contention other than we can infer they don't 10 agree with it, is the bottom line.

11 So I wouldn't pretend that our contentions 12 at the present -- in their present state, will be the 13 sum total of a direct case Nevada would present.

All I would say is, is in terms of relative disclosures by the parties at this point, in many cases, our contentions are more specific and offer more of a disclosure than DOE's SAR and was for that reason, that we suggested that either this should be expert reports or we should be able -- we should be deposing DOE's experts first.

JUDGE WARDWELL: That was going to be my next question. You touched upon it. You don't believe -- you believe your four pages or so, what generally would be in your contentions, are more detailed than what's in the application in the SAR?

1 MR. MALSCH: In many cases, yes. 2 JUDGE WARDWELL: Thank you. 3 JUDGE MOORE: Let's move to Question 14. And would you -- we've just been touching 4 5 upon as to whose witnesses should be deposed first. 6 Just so the record is clear, starting with 7 DOE and then Mr. Malsch, any chance you two gentlemen 8 could reach agreement on this issue? 9 MR. SCHMUTZ: Here's what I think should happen -- I'm sorry, this is Tom Schmutz. And here's 10 11 what I think ought to happen, and is indeed our --12 our proposal. 13 We are not -- we did not affirmatively 14 state that our preferred position is we depose all 15 theirs and then they depose all of ours. 16 What we propose is, is that the parties 17 negotiate, as you always do in litigation, a schedule 18 for taking depositions, including experts. 19 If there are certain depositions that it 20 makes sense for them to take ours first, that should 21 be worked out. What we object to is a per se rule. 22 This is litigation. This is good faith 23 litigation, and the parties have evidence, mind you, 24 that they can act in good faith and with reasonable 25 accommodations. That's what ought to go on here,

1 rather than a per se rule that all of ours go first 2 or all of his -- or all of Mr. Malsch's go first. 3 We ought to talk about it. If they have --4 either contention where he thinks there's inadequate 5 information in the SER and there's good reasons to 6 depose our guys, our experts first. If it makes sense to us, we will do that. 7 8 And I would hope that in those instances 9 where we talk and it's evident that Mr. Malsch's 10 experts ought to be deposed first, he will agree to 11 that. 12 JUDGE MOORE: Mr. Mal sch? 13 Well, perhaps it could be MR. MALSCH: 14 worked out. 15 But I think I'm a bit skeptical because we 16 have a kind of fundamental disagreement over the 17 nature of our relative disclosures, and I'm concerned 18 that it would be a lot easier in terms of scheduling 19 depositions if we, in fact, did have some kind of a 20 per se rule or at least a presumption. 21 Your Honor, the idea that MR. SCHMUTZ: 22 there's a -- there's a -- if there's a discrepancy in 23 the amount of information known about one party's case or the other, it surely must fall in favor of 24 25 DOE, which filed an 8000-page application, has

millions of pages of information on -- on the LSN.
can't imagine anyone having more information about
our case and what we're doing than they have, in the
face of three, or four, five pages of material on
each contention. You simply can't make that
argument. It's not right. It's wrong.

If there's a discrepancy in the amount of
information, it's the fact they have orders of
magnitude, more information about our case than we
have of theirs. And if we're going to have a per se
rule, then the per se rule we ought to be, we go
first.

But I still think the parties ought to try to work this out and should do it in normal litigation. There is no secrecy in normal litigation.

JUDGE MOORE: Assume for the moment that a case management order directed that DOE would first depose the testifying experts of Nevada.

What, in your view, prejudice does that -is there any prejudice to Nevada from such an order? MR. SCHMUTZ: I don't think so, Your Honor. I don't think it's the preferable way to go, but I don't think so.

25 JUDGE MOORE: The reverse of it, if the

1 order were the other way, what would be the prejudice2 to you?

3 MR. SCHMUTZ: Our experts don't know the 4 bases for the contentions. They know the bases for 5 their contentions. They know what they think is 6 wrong with the SAR. They think they -- they 7 presumably have done analysis and have thought about 8 it a great deal, what's wrong with it. We ought to 9 know that first before our experts have to render 10 opi ni ons.

JUDGE MOORE: And likely your experts wouldcouch any opinions they gave very narrowly.

MR. SCHMUTZ: I -- I think what you might see them saying is, I can't answer that question until I fully understand what your -- your contention means and I've studied all the analysis and heard from your expert.

18 JUDGE MOORE: Mr. Malsch, same two19 questions.

20 MR. MALSCH: You know, Judge Moore, I 21 wouldn't talk about prejudice. I just think it deals 22 with the efficiency with which we do the deposition 23 process. I mean, if -- if -- if we don't know in 24 some respects what DOE's position, technical position 25 is on one of our contentions, then we end up with the same problem that DOE just cited, which is we end up
 with a very incomplete deposition of our expert
 because it isn't entire clear on what DOE's position
 in fact is.

5 So I think in terms of doing the balancing, 6 it comes down to, I think, who knows the most about 7 the parties' technical position on the very specific 8 contentions that we filed.

JUDGE MOORE: What part, realistically, can
admissions play in narrowing the knowledge gap
between your DOE and Nevada for Nevada's contentions?
MR. SCHMUTZ: For the same reason that our

MR. SCHMUTZ: For the same reason that our experts would have great difficulty. You know the standard answer to an admission that you don't know, can you admit or deny, and then state the reasons why. So that's what you would get from all those -those admissions.

18 If our experts have not -- we didn't feel 19 as though they were comfortable, and had a complete 20 understanding of the bases for the contentions, 21 that's the answer you will get. It's a perfectly 22 legitimate answer.

23JUDGE RYERSON: Are there two kinds of24experts for DOE, Mr. Schmutz?

25 It seems to me that obviously Nevada's

1 experts are all testifying experts. They were 2 retained for purposes of supporting a contention. 3 And I don't really know, in DOE's instance, there 4 must be technical people who were involved in the 5 creation of the SAR, who are, in a sense, while they 6 have expertise, are not what some of us would 7 consider to be experts. They would really be fact 8 witnesses with respect to technical matter.

9 Do you have both types of witnesses? 10 Do you have or will you be retaining 11 testifying experts that were not involved in the 12 preparation of the application somewhat?

13 MR. SCHMUTZ: I don't believe so, Your14 Honor.

And I also don't believe that we would have people testifying as -- as fact witnesses with regard to the SAR. I think we would have -- yeah, those are going to be ex -- those are expert issues and to be dealt with by experts.

Their bases will be factual but they will be providing them as experts in the way experts gather facts to support their -- their analysis. JUDGE RYERSON: Okay. MR. SCHMUTZ: But we're not going -- I

25 don't think anybody envisions putting on a whole lot

of fact testimony to sort of support the SAR, the
 SER.

3 JUDGE RYERSON: Maybe -- maybe I'm -- we 4 may be talking about slightly different things. When 5 you -- when you speak of a fact witness, I'm just 6 saying that someone who has prior knowledge of the 7 development of the application is, to me, not quite 8 the same as an expert that would be brought in for 9 purposes of, in effect, countering an expert brought 10 in by Nevada.

11 So when Nevada takes the deposition of one 12 of your witnesses, if the witness had no prior 13 involvement in the relevant of the SAR, then I would 14 completely agree with your point that, well, until 15 that expert witness knows what Nevada's witness has 16 to say, Mr. Malsch's deposition will be essentially 17 useless.

18 I mean, the witness will quite properly
19 say, I don't know what I'm responding to, I don't
20 know what I'm going to be asked to talk about.

But if -- if the expert is also a factual witness in the sense that the expert was himself or herself involved in the development of the SAR, don't we have a different type of situation?

25 MR. SCHMUTZ: I don't -- I don't think so,

Your Honor, not in terms of understanding the
 contentions and the analysis that went into those
 contentions, which are not associated necessarily
 with a -- something that's in the SAR.

I mean, in other words, we don't know
whether they've taken an analysis in the SER and
marked it up and then run -- computer runs and
discovered errors that we can go and take a look at
and see if they're right or not.

10 So, no, I don't see any -- any difference. 11 We do indeed -- I don't think of our experts are 12 people that were involved in the process. We're 13 not -- I don't believe we're bringing in -- I could 14 be wrong but I don't believe at this point we're 15 intending to bring outsiders in to be involved.

16JUDGE MOORE: I'm sorry. Could you repeat?17I didn't understand what you said.

Did you say that your experts are not those that were involved and you said the process. I'm assuming writing the SAR?

MR. SCHMUTZ: Our experts, I believe, will either -- yeah, they might have had oversight over it rather than actually putting pen to paper, but I believe, I could be wrong, I can check this as a matter of fact -- nonetheless with caveats, but I

believe all of the people that we will brought
 forward as experts were involved in the SAR
 preparation analysis and so on.

JUDGE MOORE: You all have a far better understanding of the process because you've been involved with it, than we.

7 That said, is there a problem in this case 8 with DOE and its experts, either fact experts or --9 or those that will be testifying experts, factual 10 witnesses or those that will be testifying as 11 experts, because of the length of this project and 12 what I can only imagine, the vast numbers of 13 contractors that have come and gone and passed things 14 on to future generations that worked on it, of 15 getting to the bottom of who knows -- who really 16 knows what or none of those kinds of issues are 17 involved here?

MR. SCHMUTZ: I don't think any of those kinds of issues are involved here. We're not -we're not worried about being able to put on our technical case to what we believe are extraordinarily accomplished experts who will know and do know the SAR analysis backwards and forwards.

JUDGE MOORE: Even though they didn't, one,
gather the information, and two, do the analysis of

1 the information, but rather we're relying totally on 2 the work of others and coming forth with the end 3 result, if you will?

4 MR. SCHMUTZ: I don't know if there ever 5 will be a case where somebody was sort of 6 disassociated with the process to the degree you're 7 suggesting.

8 You know, the experts we have are -- are 9 the lead -- many times the technical needs for 10 various areas in the SAR.

We're giving -- you know, we've given our best we got, and they're not going to be people that were -- are divorced from the process and really didn't know what was going on. They support the SAR. JUDGE MOORE: Mr. Malsch, do you have

16 anything to add to this discussion?

MR. MALSCH: No, Judge Moore. I mean, the
process would be just as it's described. It strikes
me as the typical process for preparation of an
application in use of expertise.

JUDGE MOORE: You've each, with regard to Question 14, made a proposal. If we were to proceed, having you negotiate, as is the typical case in litigation, a deposition schedule by contention and find yourselves at loggerheads, what is the mechanism 1 for resolution of that?

2 MR. SCHMUTZ: I would hope that we not 3 engage in motions practice, and instead, we call the 4 Board up and the Board be available, if necessary, 5 and this will be, I hope -- I think extraordinarily 6 rare, I don't want to file a lot of paper. I think 7 we could get on the phone with the Board, have a 8 conference call and resolve the issue. I don't 9 expect it to happen often though. 10 Mr. Malsch, do you agree with JUDGE MOORE:

11 that?

MR. MALSCH: I'm not interested in filing
mountains of papers, and so --

14 Yeah, well, rest assured, JUDGE MOORE: 15 we're not interested in reading mountains of paper. 16 You know, if we were at MR. MALSCH: 17 loggerheads, for example, who should go first to be 18 deposed on Nevada contention, you know, 17, then, I 19 think an informal conference with the Board or a 20 member of the Board would be fine with us.

JUDGE MOORE: And between the lines, it's apparent that you're both willing to sit down in good faith and there's going to be give and take.

DOE, one of your witnesses, you -- you may not prevail and -- and be willing to say, all right,

we'll offer our -- under this schedule, our witness
 will be deposed first, recognizing three witnesses
 down on the other side, that's going to go first.

4 So, you see that as part of the give and 5 take in working it out, right?

6 MR. SCHMUTZ: I see it as a -- as a great 7 deal of compromise on both parties.

3 JUDGE MOORE: Does anyone else feel that 9 there will be a problem in the deposing of witnesses 10 as to whose witnesses will go first and whether or 11 not it can be worked out, that would like to be heard 12 on this issue?

MR. BAUSER: Mr. Chairman, Mike Bauser, for NEI. I would just remind everyone that the affidavits that were offered by Nevada in support of its contentions were extremely thin.

Essentially, what they did was -- well, the contentions set forth a number of positions and assertions. And what the affidavits typically did was, say, I agree with paragraphs so on and so forth, of what was stated in the contentions, and that -that was it.

23 So NEI doesn't envision the kind of 24 difficulties that the Department of Energy has 25 expressed in -- in proceeding.

JUDGE MOORE: I'm sorry, Mr. Bauser, I 1 2 missed NEI and I missed your word. 3 MR. BAUSER: Does agree with DOE concerning 4 the types of difficulties that might pertain to proceeding without any additional information from --5 6 from Nevada. 7 JUDGE MOORE: Anyone else wish to be heard 8 on this? 9 If not, let's look at Question 15, which, 10 in some degree, we've already covered. 11 Does anyone wish to add to what's already 12 been put forth in their writings to us? 13 Mr. Mal sch? 14 No, Judge Moore, we -- we have MR. MALSCH: 15 nothing to add. 16 JUDGE MOORE: DOE? 17 MR. SCHMUTZ: This is Thomas Schmutz. No, 18 we have nothing to add. 19 JUDGE MOORE: Staff? 20 Since no one will get around to deposing 21 your witnesses in my lifetime... 22 >> MS. BUPP: We are assuming that the Staff witnesses will go toward the end of any 23 discovery period, Your Honor. 24 25 JUDGE MOORE: Thank you.

All right, Mr. List?

1

2 MR. LIST: I would simply note that the --3 with respect to the NEPA contentions, that what we're talking about here is, is a void in the -- by --4 according to our contentions, if we're -- if we're 5 6 correct, a void in the Environmental Impact Statement 7 analysis in that certain matters were simply not 8 addressed, interoperability of communications, the 9 need for road improvements, those kinds of things, 10 and first responders, the costs of all those things. 11 So far as we know, DOE has never produced

any witnesses, there's no evidence in their -- any of
their documentation, as to why those matters were not
addressed.

So -- and at the same time, they have all of our information. They have complete access to our affidavits and the materials we presented. So I would just simply note for the Board's consideration that -- that the NEPA contentions are slightly different when it comes to the discovery process.

The ultimate legal determination of whether the -- their failure to incorporate those matters in the Environmental Impact Statement rises to the level of their having overlooked significant matters under -- under the NEPA law and, thereby, they have to go back and do it again or NRC has to do it or
it's deemed to be done during the course of the
presentation of the hearing. Those ultimate legal
decisions turn on the factual aspect.

5 So we have sort of a one-sided discovery6 process.

JUDGE MOORE: But that's not unique in litigation, and -- and you may be seeking to depose any number of DOE fact or expert witnesses, and they may not reciprocate and wish to depose any of yours, thereby, resolving that. Is -- is there any reason why that can't be negotiated?

MR. LIST: No. No, there's not. I just simply note for the record that the process is a bit different in this instance and they're basically -their burden is sort of to prove a negative need, while ours is different and I do believe it can be negotiated.

19JUDGE MOORE:Let's then -- anyone else20wish to be heard on 15?

21 Let's move to 16.

Does anyone wish to add to what was already filed?

Hearing none, then we can skip over 17.Eighteen.

We briefly spoke earlier of 1 2 interrogatories. I think we've already discussed 3 this issue, but for the sake of completeness, does anyone, after having now a few more moments to 4 contemplate on it, think that interrogatories may 5 play a useful part because, very frankly, if we have 6 the full cooperation of all parties, as we have seen 7 8 and have expressed that they're willing, in exchange 9 of information, I think the Board is very favorably 10 inclined to entertain such motions if that will help 11 the process forward when any particular negotiation 12 breaks down.

And very frankly, we would not see that as a time-consuming process under the rules where a motion's filed, 10 days to respond. We would shorten those times to 24, 26 hours to respond and get answers immediately, so that it would be something that could be done with -- with great alacrity.

19 Yes.

20 MR. ROBBINS: Alan Robbins on behalf of21 Clark County.

Not only with respect to interrogatories specifically, but there's further discussion, the concern that's formulating in my mind, as I listen to this, is that we may get stuck in a quagmire of very 1 uninformative depositions.

JUDGE MOORE: Of?
MR. ROBBINS: Very uninformative
depositions.

And so that it's not necessarily that we 5 6 need to seek relief from the Board, because we're -we're deadlocked over who goes first, but rather, we 7 8 go to deposition only to find out that, you know, 9 Dr. So and So has just been brought in by DOE, or didn't get involved in this, or hasn't had an 10 11 opportunity to evaluate the contention. Or, you 12 know, that witness supported the contention hasn't 13 been deposed, so, he's been well-groomed to say, I 14 don't have an opinion yet, I don't know when I'm going to have a opinion, I don't know what I'm going 15 16 to see.

And so I suspect that, among other 17 things, we're going to run into depositions that are 18 not completed, they're suspended and to be continued 19 and take another shot later when some of these 20 conditions that caused the witness to claim that he 21 knows -- he or she knows nothing, and has no 22 opinions, and yet this is all in support of -- I find 23 it hard to believe that that's going to be the case. 24 25 If we're talking about volcanism, for

1 example, and different analyses over how exposed this 2 repository site is to volcanic activity and what the 3 likelihood of it is; while there's an aspect to that that goes directly -- a DOE witness trying to 4 5 directly rebut a Clark County, Nevada witness that 6 supports the contention, in other respects, they have already conducted their own analysis about volcanism 7 8 and so they're not completely in the dark until they 9 have fully vetted and deposed the witness supporting 10 that contention.

11 And all we're hearing from DOE counsel 12 today is that their witnesses aren't going to know anything because the contentions don't tell them 13 14 hardly anything. And until they conduct depositions 15 and everything else, they're not going to know 16 And yet, they don't want to give us anythi ng. 17 anything but an identification of the witness' name 18 and contact information, maybe a one-line sentence 19 about the subject matter that they're going to 20 address or the contention number. They don't want 21 interrogatories. They don't want admissions. Thev 22 don't want to go first.

I am -- I don't know what else to do about
it, if everything else can be rejected. But I'm
going on record as predicting that these are the

problems we're going to run into, and it's going to
 be very frustrating and very unproductive but it - it seems to be moving very clearly.

JUDGE RYERSON: Mr. Robbins, I -- if we go back to the -- the first filing before the Staff indicated that the SER would be done serially, I thought there was agreement that at that stage, depositions would be one day, seven hours, and that would be it.

10 So if -- if you're suggesting a remedy of 11 suspending depositions where a witness is not 12 sufficiently forthcoming or knowledgeable as to the 13 answers you would like to get, I didn't understand 14 that was a remedy that any of the other parties were 15 contemplating.

16 Am I wrong on that?

17 MR. ROBBINS: Well --

JUDGE RYERSON: I mean, I had the impression depositions would be done in one day, as a general rule.

21 MR. ROBBINS: The -- the -- I'm sorry.

Yes, the proposal did contemplate that a deposition will not last more than one day. What I'm suggesting now is certainly not that I'm saying reflects any consensus of the parties at the moment,

1 nor am I trying to suggest that we are trying to 2 distance ourselves from that proposal that we joined But what I'm doing is forecasting, as a 3 in. practical matter, we are, I'm afraid, likely to find 4 5 that the one day depositions that presumed good 6 faith, cooperation and ample sharing of pre-deposition information, et cetera, are going to 7 8 prove unproductive.

And at the end of that one day, 9 instead of wrapping up and saying, yes, we're done, 10 counsel's going to be forced to say, I'm not prepared 11 to agree with that, I'm -- I'm feeling this is being 12 suspended because we need to seek relief from the 13 Board or we -- or we have, you know, seven hours' 14 worth of transcript here where the witness says I 15 don't know anything yet. 16

17 JUDGE MOORE: But isn't part of the answer 18 to the projected problems you're perceiving, at least 19 to be found in trying through the cooperative efforts 20 of all and the exchange of information, to insure 21 that the witness that you are deposing and should 22 that process not produce the information, the use of 23 interrogatories or admissions, so that you're picking 24 the right witness of -- to depose to get the answers? Isn't that the crux of, if good faith is 25

1 going to prevail and we're going to make an attempt 2 that this basic information is all exchanged upon 3 reasonable request, that won't that alleviate to a 4 large extent that problem?

MR. ROBBINS: I hope so.

5

6 In theory, yes. Hopefully in practice,7 yes. Time will tell.

8 JUDGE MOORE: If in practice it doesn't, 9 what do you propose should be the immediate remedy? Well, I think we'd have no 10 MR. ROBBINS: 11 choice but to seek recourse to the Board or a member 12 of the Board, depending on -- and that, in part, I 13 think, is why the notion of a discovery master or a 14 function of a discovery master could have served, if 15 you know, to somebody either from the Board or 16 represent the Board, to deal with these matters. 17 What I'm simply doing, Your Honors, is, 18 this is not by way of -- it is by way of -- of 19 underscoring the earnest voice for other tools to get 20 this disclosure, because I think I'm hearing some 21 degree of resistance to that from DOE, while at the

22 same time DOE is talking about good faith

23 cooperation. So I think I may be hearing two

24 different things there.

25 JUDGE MOORE: Clark County and DOE, has

1 Clark yet sought information from DOE? One. 2 Two, any sought information been rejected? And three, what did you do about it, if 3 4 that was the case? 5 MR. ROBBINS: None of the above has 6 occurred yet, Your Honors. 7 I'm -- I'm expressing forward-looking 8 concern that I hope is never realized. But, you know, we -- we -- I guess we 9 10 should not be naive as we formulate the process. 11 JUDGE MOORE: DOE, are we being naive --12 MR. SCHMUTZ: Well --13 JUDGE MOORE: -- since you are the fountain 14 of most of the information? 15 MR. SCHMUTZ: I know. 16 If -- if -- if my remarks earlier today 17 suggested that we're going to put on experts, and submit them to depositions, and their answer is going 18 19 to be, we don't know anything about anything, that is 20 not going to happen in one instance. 21 We will put on experts. Since the process 22 is envisioned, we will be identifying the experts. 23 We will be identifying the portions of the SAR about which they will testify. We will be identifying the 24 contentions that they will be addressing ultimately 25

1 in their prefile testimony.

2 There will be -- there will never be an 3 instance, I can assure the Board, where our witness 4 will be put on as the spokesperson for the Department of Energy, on a portion for the SER, and claim that 5 6 he doesn't know the analysis. That will not happen. 7 And if -- if my remarks earlier today gave Clark 8 County the impression that that was my position, then 9 I apologize for that. That is not my position nor is 10 it the Department.

JUDGE RYERSON: I -- I don't think you have to assure us that that would be the case, because I think it's a self-help here.

14 If -- if I understand your point, 15 Mr. Robbins, that if -- if a witness gets on the 16 stand at an appropriate point in the litigation for 17 deposition and simply knows nothing, you have two 18 You can try to continue the deposition, if choi ces: 19 you -- if you really want that information or you can 20 end the deposition right there and you have that for 21 purposes of the hearing on the merits -- I mean, that 22 wouldn't leave that witness in a particularly good 23 position for a hearing on the merits, so I -- I 24 completely agree with DOE's position.

I don't think they would ever do that. But

there is a practical question of how much information
do they have at particular points so that they can -can testify in a meaningful way.

4 MR. ROBBINS: If I'm -- not to belabor,
5 but, first of all, counsel's clarification is
6 helpful.

I am confused by one part of it, in that,
if I heard correctly, Mr. Schmutz, your -- your
response included a statement to the effect that the
witness' prefile testimony would describe -- well,
would include their testimony essentially, whatever
it was -- I didn't understand the reference to
prefile testimony.

14 MR. SCHMUTZ: Okay. Oh, I didn't mean to15 make one, I don't think.

16 I mean, what I -- what I was saying was, 17 will be the initial disclosures that are required for 18 each in order to kick off the discovery process. The 19 experts at that point in time will be knowledgeable 20 about the SAR analysis. They will answer any 21 questions that you have and you will know what portions of the SAR analysis they will be responsible 22 23 for.

You will also know, ultimately, the contentions to which have been assigned to that 1 person, who will ultimately file prefile testimony.

At that point in time, that witness may or may not, more often than not will not have answers and analyzed every contention and understand the bases for all the contentions because we don't have that information, they can't possibly be in that position.

8 But you will go in and presumably you have 9 taken issue with analyses and the SAR and you'll have 10 questions about that analysis.

11 Our witnesses will be able to answer all --12 all of your questions, I -- I can assure you, to your 13 satisfaction.

14 And Mr. Robbins, if you had JUDGE MOORE: 15 not participated in an NRC formal adjudication such 16 as this, once prefiled direct testimony is filed with 17 half a library of exhibits, which is the normal case, 18 and your experts have had time to sift through that, 19 that is a marked difference from either a jury trial 20 or most civil litigation where there's not prefiled 21 direct testimony, where you're hearing it for the 22 first time on the stand and out of the witness' 23 mouth.

And that also fills in an enormous number of what otherwise might be legitimate questions or

1 blanks or certainly areas in which you wish to pursue2 on cross examination.

3 So, that's the ultimate goal, to get this 4 case to the point where there's prefiled direct 5 testimony and then all sides have to file their 6 prefile direct testimony.

If I were designing a new system of
litigation from a clean slate, I'd make you all start
with your prefile direct testimony, and we could cut
out an awful lot of this, but that's not the way the
system works.

12 And Your Honor, that's --MR. ROBBINS: 13 that's very much a part of what underlies my concern, 14 because I do practice with prefiled testimony quite a 15 However, I have more experience with the bit. 16 It's filed earlier in the prefiled testimony. 17 process, such as you would propose, and there are discovery opportunities, including depositions, 18 19 following the filing of the prefiled testimony, 20 whereas, you know, that's a significance difference 21 here and that's part of what drives concern. But I 22 think this -- this -- it's been a helpful discussion 23 from our standpoint and -- and counsel's 24 clarifications and assurances help address some of 25 the concerns.

1 JUDGE MOORE: All right. Does anyone else 2 have anything they'd like to be heard upon with respect to Question 18? 3 Hearing none, let's move on to 19, which is 4 mooted because no one has anything to add to 18. 5 6 Twenty? 7 Mr. Malsch, do have you anything you would 8 like to add from what's in your written last week's 9 statement? 10 No, Judge Moore, we have MR. MALSCH: 11 nothing to add at this point. JUDGE MOORE: 12 DOE? 13 MR. SCHMUTZ: We have nothing to add, Your 14 Honor. 15 JUDGE MOORE: Staff? 16 >> MS. BUPP: We have nothing to add, Your 17 Honor. JUDGE MOORE: 18 Mr. List? 19 Nothing to add, Your Honor. MR. LIST: 20 JUDGE MOORE: Do any of the other entities? 21 Thank you. 22 We can skip over 21. Twenty two? 23 Mr. Mal sch? 24 MR. MALSCH: I -- Judge, we have nothing to 25 add. I just wanted to point out we do have this

little chart with the schedule attached to our
 answer, and it was not to suggest that one should be
 setting six schedules now with SER Volumes II, you
 know, IV, and V, but just to sort of paint a broader
 picture of where the proceeding might be going.

And so, you know, we hope the Board doesn't
take every one of these dates actually literally as a
proposed schedule for the parts of the proceeding
that will be taking place in the distant future.

10 JUDGE MOORE: Now, on scheduling, since the 11 filing last week, in response to our questions, have 12 the parties had any further opportunity to consult, 13 and do you have any more realistic numbers for the 14 number of depositions that you think are in reality 15 going to be taken on those contentions that are associated with SER Volume III, recognizing that 16 there's 24 in dispute, which could be some number of 17 depositions, in and of themself, but likely those 18 19 would be highly repetitive?

20 MR. SCHMUTZ: Your Honor, I think -- I 21 think that what we've done is tried to rack up how 22 many experts we think are going to be out there and 23 then assume that all of them will be deposed.

And I would guess that Nevada has been thinking about it, and you start with the assumption 1 of if he's an expert and he's going to testify, so we 2 may --

3 JUDGE MOORE: These are outside numbers. 4 MR. SCHMUTZ: These are outside numbers. 5 And we may have as many as 70 expert witnesses that 6 we have to address the couple hundred contentions. 7 I'm sure Nevada has -- we assume Nevada would have 8 about half that, maybe a little more. Staff would 9 have a large number, you know, ultimately on the SER. 10 Other parties would have them. So, you know, and 11 then you add on to that, this limit with what's been 12 proposed as the limitless number of other depositions 13 of people that are not identified experts and you get 14 a pretty large number.

All those numbers you have seen are outside numbers, in my view. Maybe we won't have to depose every expert, that we will use some of Nevada's experts, may be duplicative. I don't know.

JUDGE MOORE: What struck me in your original filings that were previously alluded to by Judge Ryerson, was when you had all seemingly agreed in the joint proposal that each deponent would be essentially limited to one day.

24 MR. SCHMUTZ: Yes, Your Honor. I hope that 25 still holds.

1 JUDGE MOORE: Well, it struck me that for 2 witnesses that will be testifying with regard to 3 multiple-related contentions and the DOE's case, I suspect that there will be a similar core group of 4 5 witnesses that will be testifying to the counterpart of what Nevada has proposed, witnesses will be 6 7 testifying to, that -- how that would happen, that 8 you could limit those depositions to one day. l t 9 also struck me that many of these depositions, I 10 would think, are two and three-hour depositions. 11 MR. SCHMUTZ: I think the answer to that at 12 least in my experience, in Federal District Court, 13 it's limited to a day now, at the outset. I don't 14 know how many times I've gone to the other side and 15 said, we can't do this in a day. This is silly. 16 We've worked it out. So all things that ought to be 17 worked out fairly easily among the parties that for 18 a particular witness if we are going to cover all 19 the subject matters, that the witness is going to 20 cover, that it's going to take more than a day. 21 I can't imagine that that will lead to any 22 significant disputes.

JUDGE MOORE: So again, you're proposing
that no ironclad rule be put into effect?
MR. SCHMUTZ: I would say that the

presumption ought to be a day but that the parties -I believe the proposal earlier was it ought to be a
day, but if there's reasons to go beyond the day,
we'd negotiate it and failing negotiating, we'd come
to the Board. I would say that that process should
remain, and I don't think that should be a problem.

JUDGE MOORE: Mr. Malsch, are you in accordwith that?

9 MR. MALSCH: Yes, Judge Moore, we would 10 agree with that. I think in our proposal we 11 indicated that there may need to be depositions going 12 on for more than one day for an expert, if for 13 example, that expert would be testifying about more 14 than one contention. So I think that could very 15 well be the case, and I think we can work that out. 16 JUDGE MOORE: While we're on the subject of 17 depositions, there is still apparent to me 18 disagreement especially between DOE and Nevada on how 19 many depositions can be taken in a day, and in a 20 week, and over how continuously. This is from the 21 Board's perspective. We see the difference in 22 resources of the parties and we think that's

23 reflected in the positions of the parties.

24 Realistically, do you think, Mr. Malsch, 25 that you can, like these other issues, come to a reasonable accommodation since you're going to both
have the bulk of witnesses that will be deposed and
have to take -- and witnesses that have to be
defended in depositions, as to how many, over what
stretch of time and appropriate breaks, or you think
that that is something that's going to have to be
dictated?

8 MR. SCHMUTZ: Oh, you know, I -- in almost 9 all the cases I work on, these are kind of routine 10 matters of counsel. They work out.

I can't imagine that -- we're not going to suggest, for example, that somebody, Mr. Malsch's witness is being deposed in Albuquerque and that the next day he be in New York to take a deposition of somebody else. We understand there are limits.

16 But to start off with a presumed number of 17 depositions, whether you could do four or five a week 18 without any trouble, because there are multiple 19 parties, we have to deal with more than just Nevada. 20 If it was We have a lot of people to deal with. just Nevada and the Department of Energy, maybe 21 22 those limits would be fine, but we think we can structure a system, maybe we'll take depositions 23 24 every day but they won't involve Nevada.

JUDGE MOORE: So your answer is, you see no

25

1 reason at this point that this is not something that 2 can be reasonably worked out with accommodation of 3 counsel?

4 MR. SCHMUTZ: Absolutely, Your Honor.
5 JUDGE MOORE: And the appropriate Language
6 in case management to that effect.

7 MR. SCHMUTZ: We hope it will never occur 8 but if it had to, we will come to the Board again. 9 You know, I think built into the case 10 management, there should be this strong flavor that 11 if the parties can reconcile an issue that we solve 12 or we go to the Board orally, we have a conference 13 and we get it resolved immediately and not waste time 14 or paper.

15 JUDGE MOORE: Before we take a lunch 16 recess, do any of the other parties have matters that 17 they wish to bring before us right now or that you 18 wish to have us address later this afternoon 19 immediately after the luncheon recess? We will be 20 hearing an argument from Nevada and the Staff on a 21 motion to compel and a motion to amend privilege 22 And then we will address additional matters loas. 23 that the Board has going back to your original 24 filings. And if you have matters, we'd like to hear 25 about them.

1

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Yes?

MS. HOUCK: Thank you, Your Honor.

Darcie Houck for JTS. We would like to just briefly respond on the Court's August 25<sup>th</sup> order. On page three, the Board did reject the language proposed by JTS concerning entry to land.

JTS does have some alternative language
that we intend to submit to the parties that we
believe addresses the concerns raised by NRC staff
and the Board. We just request leave to submit that
alternate language to the Board.

12 JUDGE MOORE: On that issue, since we have 13 no idea whether any of the other parties, staff, DOE 14 or anyone else, wishes to make such entry, does it 15 make sense to just leave it to be dealt with on a 16 case-by-case basis and bring it before the Board, as 17 opposed to trying to set a rule which invariably someone will disagree with and bring it back before 18 19 the Board in any event?

MS. HOUCK: One second, Your Honor. Your Honor, I think that would work for this situation, however we would want to have notification prior to anybody or Staff if they needed to --

25 JUDGE MOORE: I should know the answer. I

don't. Under subpart J -- I can't remember the rule
 that allows entry on land as one of the prescribed
 discovery tecnhiques.

4 Is notice required?

5 MS. HOUCK: I -- I would need to check 6 that.

7 Our concern is just that we would want to 8 make sure that other federal laws involving the 9 cultural -- if there was cultural sensitivity to the 10 specific sites, that if certain provisions needed to 11 be in place prior to entry that there was some 12 consultation.

13

JUDGE MOORE: Right.

DOE's, I suspect, just a wild guess, that if anyone falls in the position of seeking entry for purposes, it would be DOE or possibly the Staff. Is there any reason why counsel can't reach an accord on notice for such things? Or anyone that has such an interest as part of a case management Order?

20 MR. SCHMUTZ: None, whatsoever, Your Honor. 21 JUDGE MOORE: Staff, do you agree with 22 that?

23 >> MS. BUPP: Yes, we're perfectly amenable
24 to working out a notice agreement with the tribe.
25 JUDGE MOORE: Then, I think that may be

something we want to keep in mind for dealing with 1 2 that issue. Is that true? MS. HOUCK: Yes, Your Honor, I believe that 3 will address our concerns. 4 Thank you. 5 JUDGE MOORE: Are there any matters that 6 the parties would like to address this afternoon? 7 I nyo. 8 MR. JAMES: Yes, Your Honor. Thank you. 9 Greg James, Inyo County. In the joint 10 filing that was made indicates that within 40 days of 11 staff decision on how it responds to DOE's the NRC 12 recent decision not to prepare a supplemental Environmental Impact Statement, there would be a 13 14 litigation schedule filed. And also in response to a motion lnyo 15 County filed for an extension of time, the parties 16 have 30 days to file a formal announcement by NRC 17 staff as to how they would proceed with the 18 supplemental groundwater document to file new or 19 amended contentions. I think the question that I 20 have is, in view of the counsel representation from 21 the NRC staff, has that been a formal announcement? 22 23 Are those times triggered and do we need to be moving in the next 30 to 40 days to file 24 litigation schedules, particularly in view of the 25

fact that it appears now the groundwater document may
 be delayed for two years or more?

JUDGE MOORE: I don't believe I fully understood the first part of the question. The Staff has announced today that there will be no Staff supplementation on groundwater issues until fiscal -after fiscal year 2010.

8 Is that correct, Staff?

9 >> MS. BUPP: Yes, there will be some
10 undetermined time after fiscal year 2010.

JUDGE MOORE: Does the Staff have any plans to issue anything in regard to groundwater issues that would impact any of these parties 'rights, trigger any of these parties 'obligations to file contentions prior to the Staff's disborgement of the document after 2010?

17 >> MS. BUPP: The staff doesn't intend to 18 issue any document until the actual groundwater 19 However, I would reiterate our supplementation. position in response to Inyo's County's motion that 20 21 the parties can and should file contentions based on DOE's groundwater analysis now, and then would have 22 23 an opportunity to either amend their contentions or 24 file new contentions based on the NRC's groundwater 25 supplement.

JUDGE RYERSON: That Ms. Bupp is the same position we rejected by our last Order, isn't that correct? We have ruled that the obligation to file new contentions will arise from 30 days after the Staff's statement of position and the Staff's position really will not be clear until 2011, correct?

8 >> MS. BUPP: If that is what the Board 9 intended. We read the Order as saying that the 10 parties would file the contentions 30 days after the 11 staff stated what they were going to do with regard 12 to DOE's groundwater supplement which is that we are 13 going to prepare the supplement which DOE has not 14 prepared it.

JUDGE RYERSON: We should probably move on.
JUDGE MOORE: We will take that view under
consideration and study over the lunch recess, our
language and I will leave it at that.

19Does anyone else have a matter that they20would like to us to address this afternoon?

21 MR. JAMES: Greg James with Inyo County; an 22 additional question with concerning the applicability 23 of the NRC regulations for augmenting NEPA documents 24 during litigation. If I heard you correctly, you 25 indicated there was some questions to whether that procedure applies in this proceedings. If that is in
 fact the case, it would seem like it may be an issue
 that should be briefed sooner rather than later by
 parties because it affects how litigation would
 proceed.

>>JUDGE MOORE: It will certainly affect
how the litigation will proceed with regard to NEPA
issues.

9 And that is one of the matters that I 10 believe we will be taking up this afternoon to at 11 least get the preliminary thoughts on all of the 12 parties to restate so we know clearly what the issue 13 is.

Under normal NRC litigative adjudicatory
practices, Staff NEPA documents may be challenged.
The challenge general starts with the filing of
contentions on the applicant's environmental report.

As you all know in this case, there is noenvironmental report.

The ELSs were written by the Department of Energy through the full process of draft, comment and final, and then submitted as part of the License application process and the NRC and the Nuclear Waste Policy Act, made the determination of whether those documents were acceptable or must be supplemented. 1 In the normal non-Yucca mountain case, you 2 have contentions filed on the environmental report, 3 then either contentions are amended and supplemented 4 depending on the graph supplemental ELS, and the same 5 process with the final ELS.

And those matters are adjudicated, the 6 issues raised and any -- in most instances, the 7 deficient, alleged deficiencies in the staff 8 environmental documents to the extent there are found 9 to be deficiencies, are getting corrected through the 10 adjudicatory process, the hearing record as reflected 11 in any licensing Board decision or appellate 12 commission decision, then our dean amendments to the 13 Staff NEPA documents, the agency NEPA documents and 14 those then are the final agency NEPA documents. 15

16 This case has many wrinkles in it because 17 of what the Nuclear Waste Policy Act says, and I'm 18 sorry, I didn't review it this morning. But if 19 memory serves, it has -- the Nuclear Waste Policy Act 20 has language in it that once DOE issues the ELSs and 21 staff makes its determination of it's practical to accept those or it's -- it must be supplemented, it's 22 23 done both here, I believe there's language in the Waste Policy Act, that there's not further challenge. 24 25 It's complicated by what went on here as

1 was laid out in the contention admission decision where we specifically put off, deciding, okay, we 2 3 admitted the decisions under the rules as we found 4 them for contention admissibility for NEPA issues in 5 the unique circumstances we were faced with, under 6 Commission rules that were written for one purpose 7 and now apply with a totally different set of circumstances, spell all that out in the decision. 8 9 And, frankly, I don't have any an answer to what the 10 standard is that we will apply and whether the 11 traditional adjudicatory NRC practice applies for 12 NEPA contentions.

We won't have to find an answer to that in
dealing with the 50-something NEPA contentions we
have pending before us.

And that's one of the issues that will need to be addressed by the parties. And it's one thing to get your preliminary views. It's another thing to have a brief, and not have it briefed in the context of a contention that's actually being litigated. And I'm not sure that it can be resolved without a test vehicle, but I'm speaking solely for myself.

It's always dangerous ground to make
pronouncements in non-actual situations. So, from my
perspective, that's the issue that we face with those

1 50 something NEPA contentions that will have to be 2 addressed. And part of the problem is how we 3 schedule them and do we pick out a test case or agree 4 on a test case and get it litigated and have it 5 briefed and deal with it. Well, if there are no other issues that you 6 7 have for us. 8 We will now at 12:05 break for lunch until 9 1:35, at which time we will commence the argument on 10 the motion to compel for the State of Nevada and then 11 the Staff motion. We stand in recess until 1:35. 12 (Whereupon, luch recess was taken) 13 AFTERNOON SESSION 14 >>JUDGE MOORE: We will now hear a brief argument from the State of Nevada and on to the first 15 16 Nevada's motion to compel. Would you address one. us from the podium, please. 17 18 >> MR. FITZPATRICK: Your Honor, may it 19 please the Board, Charles Fitzpatrick representing the State of Nevada. I'll be very brief and I guess 20 21 111 roll two motions together for purposes of 22 discussion since they are tied together. 23 >>JUDGE MOORE: You may reserve a few 24 moments for rebuttal but it must be rebuttal. 25 All right, Sir. >>MR. FITZPATRICK:

Initially, Staff filed a supplement to their LSN on 1 July 30th and that included the privilege log which 2 all 29 documents purported to be a deliberative 3 process although the PAPO rules require 4 certification that the log is accurate and privilege 5 claimed and truthful. There was no certification. 6 Nevada contacted Staff about having the consultation 7 because Nevada believed that the log was inaccurate 8 in claiming the privilege. 9

>>JUDGE MOORE: First question, you cite
 and rely upon the revised second case management by
 PAPO, subsequently adopted by the case management for
 the -- after the contentions were filed.

I do agree that that motion is atleast in part applicable to resolving your motion.

16 >>MR. FITZPATRICK: That case management
17 Order is probably the critical document.

18 >>JUDGE MOORE: And will you also agree 19 that the -- to the extent applicable, if any, that the 3rd, 4th and 5<sup>th</sup> case management Orders are 20 equally applicable to resolving your motion? 21 22 >>MR. FITZPATRICK: Yes, Your Honor, particularly, the 5<sup>th</sup> which also talks about 23 24 deliberative process documents. That revised second 25 case managment Order that you speak of does provide at Page 6 that the claimant of deliberative process
privilege does bears the truth on it and it contains
in Appendix C which sets out what are the requisite
14 bits of information that must be supplied by
deliberative process privilege claimant to establish
that privilege.

7 Items 9 and 10 refer to the specific
8 decision on the deliberation including the date of
9 the decision and 10 is the specific explanation why
10 the document was deliberative.

11 I believed when I contacted Staff, I made 12 the point that I thought that the discussion could 13 take place in two parts because the 29 documents fell 14 into two categories. Twelve of the 29 were claims 15 by the Staff that the documents in question discussed 16 their decision to adopt the DOE DIS and 12 of them 17 were on that subject.

18 I conceded for the sake of argument that 19 those 12 probably were deliberative provided they 20 were being truthful -- I assume they were -- but they 21 specified that that was the decision that was at 22 issue in those documents. But I claim that those 23 were dilatory because this was a July 2009 filing of 24 the log, and the EIS adoption took place in 25 September, '08. And all these documents that were

listed regarding the decision were authored before
 September, '08.

3 So, Staff has supplemented their LSN on a 4 monthly basis since then. So with that group, I asserted that they were untimely even if 5 6 deliberative and the privilege had been waived. With respect to the other 17, I said 7 there were two problems: One was that they were not 8 timely because in the case of those 17 documents, 9 some of them were as old as 2001 but mostly, 2005 and 10 2007, and again, not submitted until here in July, 11 2009. 12

And the second problem with respect to those 17 was that the deliberative process explanation or component listing was insufficient because it didn't identify any specific decision, or an explanation why the document was deliberative. And in addition as with the first 12, all of those were way untimely.

>>JUDGE MOORE: Now, so the substantive
 challenge that you're raising with regard to the July
 30<sup>th</sup> supplementation of the Staff 's deliberative
 process privilege log is that the log does not
 establish on its face, a prima facia case for the
 privilege; is that fair?

>>MR. FITZPATRICK: Right. The advice
 case management Order Number 2 specified certain
 criteria that must be dealt with, accounted for and
 they were not.

>>JUDGE MOORE: And the purpose of those
was on its face, to show there was a prima facia case
of the deliberative process?

8 >>MR. FITZPATRICK: The PAPO Board spent 9 quite a bit of time deciding with respect to each of 10 the different primary privileges what the component 11 parts required to establish a claim.

12 >>JUDGE MOORE: You agreed with me that the 13 revised second case management Order was fully 14 applicable for deciding your motion. I'm curious, in 15 Paragraph 3 F(3) of that motion, states, "If a motion 16 to compel challenges" -- "If a motion to compel 17 challenges only whether the privilege log 18 establishes a prima facia case to the claimed 19 privilege, the motion shall clearly so state in the first paragraph of the motion." 20 Why didn't you comply with that? 21 22 >>MR. FITZPATRICK: Because the motion did

23 not only claim that it didn't make a prima fascia24 case --

25 >>JUDGE MOORE: Timeliness and that?

1 >>MR. FITZPATRICK: And that it was untimely. As a matter of fact, it only claimed the 2 prima facia thing as to 12 -- 17 of the 29 parts, 3 4 whereas that other claim, the untimely waiver was 5 made as to all 29. So that's why it wasn't referred. 6 >>JUDGE MOORE: You also agreed with me that the 4<sup>th</sup> case management Order was 7 8 applicable. Paragraph B of that Order, entitled 9 "Motions To Compel," last sentence says "Any motion 10 to compel production of documents that fails to 11 include an Appendix A containing the listing of LSN 12 extention numbers and claimed privileges will be 13 deni ed. " And that was put in there as an self 14 enforcing mechanism. 15 Did you attach an Appendix A to your 16 motion, and if not, why not? 17 >>MR. FITZPATRICK: I didn't attach an 18 appendix -- well, other than an e-mail that had been 19 sent by Staff. I incorporated the text, a list of 20 the complained of portions. I did not attach an 21 appendi x. 22 >>JUDGE MOORE: But if you read the purpose 23 of that appendix, which is spelled out in that 4th

case management Order, that was so that all of thesemotions to compel can be tracked automatically and

1 kept track of over the long history of this process
2 with the EDMS and that language says, "Any motion to
3 compel the production of documents that fails to
4 include an Appendix A" and it's spelled out in detail
5 in here how the appendix must be put together and
6 what's in it, "Listing the LSN extension number and
7 claimed privileges, will be denied."

8 Do we have any choice since those motions 9 are -- case management Orders are fully applicable 10 but they deny your motion on that ground?

>MR. FITZPATRICK: I think you have the
discretion to consider that the text of the motion
contains the specifics and ultimate details of what
the complaint was.

15 >>JUDGE MOORE: Go ahead.

16 >>MR. FITZPATRICK: In any event, we 17 discussed the matter and I filed a motion to compel 18 and set up those two categories of documents. 19 Staff's answer, said "Staff's assertion of the 20 deliberative process was appropriate and timely of the 29 documents." And they went on to say, the 21 22 reason they were timely, even though the documents 23 were very old, conceivably was because they had 24 changed in character and the first time they were 25 reviewed, certainly this is something we all are

comfortable with, we should re-review documents and
 if they should change in character, to where they are
 LSN worthy, you should incorporate them.

But this was an after-the-fact assertion 4 that they had just decided that they were now LSN. 5 In looking at the subject matter of the documents 6 themselves such as, this document relates to 7 discussion on tad canisters, this document relates to 8 discussion on technical data for models and the TSPA 9 and the waste package and so on; I fail to understand 10 why they would be -- why they would have been LSN 11 worthy from the beginning and why they became so. 12 And in the motion, I urged that -- in the response 13 that that be dealt with, and an explanation given if 14 the claim were made that they changed in character. 15

16 Why were they not LSN worthy when created? 17 Why were they suddenly, now? And in the response, 18 Staff simply said that they re-reviewed them, that 19 they had changed in character. They didn't explain 20 with respect to any document why it had changed in 21 character, why the discussion of tad was not relevant 22 before but was now.

In my view, the only defense between simply
saying we forgot to include documents that were four
years old and saying that we decided now they are

relevant, is the explanation of why they were not
 relevant before they are now. And that has not been
 provided.

Staff responded to our argument that they 4 were LSN relevant by suggesting that since they had 5 6 not made a decision on -- in the licensing 7 proceeding, there were no documents that were really 8 supportive of their position or non-supportive of their position but that wouldn't explain either why 9 10 they certified LSN 25,000 documents, when they did 11 certify, why they up-dated it with additional ones 12 and why these documents have suddenly become 13 documentary material as they don't have a position. 14 Finally, the response they listed four or 15 five decisions. They said license application 16 decision itself, the SER is not the only decision.

17 We make lots of decisions. I certainly agree they18 do.

They listed several decisions that they make that are not LA decisions, but they didn't tie any one of those decisions to any one of the documents that were criticized as not specifying a decision.

24 So, still as we stand here today, there has 25 been no correlation, no statement as to those

documents that are enumerated in the motion and don't
give them a specific decision. Well, what is the
decision? There still is no answer to that question.
After we filed the motion, they filed the response,
Staff filed the motion for leave to change or correct
their privilege log And I called to meet to confer
about that.

8 They would not provide me a copy of the 9 corrected privilege log. They had not attached it to 10 the motion either provided to the CAB.. They would 11 not identify the corrections they proposed to make.

12 They would not represent the changes they 13 were supposed to make were different from the changes 14 that I had asked them to make in connection with the 15 motion to compel. And which they had taken the 16 position, don't need to make any changes. It is 17 timely, proper in accordance with the PAPO Order.

And as a matter of fact, in their motion 18 for leave to correct the privilege log, the Page 3 19 Footnote 3, staff's notes says that it maintains its 20 privilege log, properly asserts the due process 21 privilege, and satisfies the requirements of the PAPO 22 If that's the Board, revised case management 2. 23 case, then, the ruling should be simply, they 24 shouldn't have filed the motion and it should be 25

1 deni ed.

In other words, their position is in both the response motion to compel and follow-up motion for leave to change it, we don't really need to change it because it is perfectly okay. Then, there is no need for a motion.

Finally, they ask that the 7 motion -- their motion though it was filed subsequent 8 to the motion to compel, be decided before the Board 9 considers the motion to compel. And the only reason 10 suggested for that is that it might help clarify the 11 issues in the motion to compel. And frankly, our 12 feeling is that the only reason to urge that the 13 motion to correct their privilege log be considered 14 first is so that they can fix the problems that they 15 both in the response in the new motion and claimed, 16 in the consultation do not exist because at all 17 times, they claim that it is perfectly correct and 18 proper in accordance with the PAPO Board. 19

20 So I think the motion shouldn't have been 21 filed and shouldn't be considered first.

>>JUDGE MOORE: Thank you. Ms. Bupp.
>> MS. BUPP: Good afternoon, Your Honors.
I'd like to first start with an issue that the State
of Nevada raised for the first time in response to

our motion for leave to correct the privilege log.
 That was that there was no certification attached to
 staff's original privilege log.

First of all, that if that were an issue that Nevada would like the Staff's privilege log to be overturned on, they should have raised it in the original motion to compel and therefore, that argument is waived.

9 However, even if that argument was not 10 waived, there was no need for Staff to provide a 11 separate certification as the revised second case 12 management Order, clearly states that the signature of an attorney is a certification that the filing has 13 14 been subscribed during the capacity with full 15 authority, that he or she has read it, knows the 16 content and that to the best of his or her 17 knowledge, information and belief, formed after a 18 reasonable period, the filing is consistent with 19 Part 2, consistent with the Second Case Management 20 Order, not interposed for any proper purpose and not 21 unreasonably or undue burdensome

>>JUDGE MOORE: Ms. Bupp, do you agree the
 revised Second Case Management Order is applicable in
 this case and is controlling?

25 >> MS. BUPP: Yes, Your Honor.

>>JUDGE MOORE: You also agree that the
 3rd, 4<sup>th</sup> and 5<sup>th</sup> case management Orders are
 equally applicable and controlling in deciding your
 case?

>> MS. BUPP: Yes, Your Honor.
>> JUDGE MOORE: All right. Would you care
to look at Paragraph B of the 5<sup>th</sup> Case Management
Order which directly contradicts the argument you
just made; B entitled "Due diligence, Accuracy and
Care."

11 And I quote, " Potential parties and their 12 attorneys and representatives, must exercise due 13 diligence and care in preparing and filing their 14 privilege log, As with all pleadings and discovery 15 filings, each time a log is submitted or supplemented 16 or corrected, it must be accompanied by a 17 certification by the attorney or other representative 18 that quote to the best of the signer's knowledge, 19 information and belief, formed after a reasonable 20 inquiry, that the information on the privilege log and claimed privilege for the document is 21 inter-alia." Correct? 22

Now, you just said it didn't have to be done but once and that the signature is sufficient. I would suggest to you that Paragraph B of that 5th

Case Management Order, directly contradicts what you said. How am I wrong?

3 >> MS. BUPP: I believe that while there is a certification required, I believe that both the 2nd 4 case management Order and 10 CFR, Section 2.705(g) 5 6 that states that the signature of an attorney or 7 party constitutes a certification, that to the best 8 of the signer's knowledge, information and belief, 9 the disclosure is simply incorrect at the time that 10 it is made, that that also indicates signature stands 11 in for the certification.

12 >>JUDGE MOORE: That's fine. Please answer 13 my question. My question is, does not Paragraph B of 14 the 5<sup>th</sup> Case Management Order which you have 15 conceded is applicable here require you to have 16 signed each supplement to the privilege log 17 with your -- with a certification?

18 >> MS. BUPP: You mean, sign each 19 individual entry?

>>JUDGE MOORE: No. I don't believe that
any of the case management orders required you to do
a line by line certification. But when you filed the
log or the supplement to the log, that you certified
that pursuant to what it says here in Paragraph B
which was of the 5<sup>th</sup> Case Management Order which I

might add was entitled, "Supplementation Correction 1 and Changing of Privilege Logs." And was necessary 2 3 because of the filings of the Department of Energy after their filing of original privilege logs 4 5 requires that privilege logs are to be taken 6 seriously and that the attorney is to certify each 7 supplementation that they have read it, acknowledge 8 it, to the best of their knowledge and belief, after 9 reasonable investigation, it is accurate and true.

10 It's a simple matter that cites back to the 11 revised 2nd Case Management Order. I don't see that 12 there is any room for suggesting that that is not 13 required. Where was your signature?

MS. BUPP: Our signature was on the ->>JUDGE MOORE: Where is your
certification? And furthermore, where was your
signature on the log? There was a letter and as an
afterthought, there is a sentence with that letter
that says the equivalent provided by, attached are
the privilege logs.

>> MS. BUPP: I think that it was the
Staff's interpetation that when we filed as we have
filed in the past, privilege logs with the statement
that here is our privilege log, here is the signature
of the attorney that is submitting the privilege log

and here is the privilege log, that that taken
 together, is the certification. If that is not the
 case, then that is not the case. But that was the
 staff's interpretation of the requirements of the
 case management orders.

6 >>JUDGE MOORE: Well, I would call your attention the 5<sup>th</sup> Case Management Order, paragraph 7 B, entitled "Due Diligence, Accuracy and Care," and I 8 9 quite frankly don't see how in light of that, your 10 argument stands. But, be that as it may, I commend that you read that and see if that; s Staff 11 12 interpretation for the future is accurate... Go ahead. 13

14 MS. BUFF: With respect to the claims made 15 in the Motion to Compel: In the first place, I would 16 like to address the claims of lateness together 17 although counsel for Nevada has denied those two 18 categories, environmental and safety-related 19 contention. He claims that both are late and Staff 20 holds that both -- that the claim of privilege for 21 both types of documents is timely for the same 22 reason.

That being that the Commission has made it clear that all of the parties are to go back and continuously re-evaluate their claims of privilege to

re-evaluate their LSN certification to make sure that
 they are -- continue to be accurate and most
 importantly, they are to do so after contentions are
 filed and admitted.

5 This was very important from Staff's point 6 of view because as we have not yet finished our SER 7 with the exception of our document determination 8 report, we have not reached any regulatory 9 conclusion.

10 Therefore, our Class 1 and Class 2 11 documentary material is quite limited. However, once 12 we have rulings on the contentions, we were able to 13 ascertain the positions of the other parties. And 14 therefore, we have gone back and re-reviewed 15 documents that we had not placed on the LSN 16 previously to determine whether they may be 17 supportive or non-supportive of somebody's else's 18 position with regard to the license application, or 19 with regard to the EIS. That is what we did in this 20 case and we believe that our doing so was not only 21 timely, it was required by the Commission.

22 With respect to the claim that the 23 safety-related documents do not assert a decision on 24 which a claim of privilege can be based, we would 25 argue that the privilege logs as filed are adequate

1 and do if you read the totality of information in the 2 privilege logs; that the totality of information 3 points to several pre-license application decisions 4 that were influenced by --5 >>JUDGE MOORE: Let's back up. 6 >> MS. BUPP: Okay. 7 >>JUDGE MOORE: Page 7 of your answer, you 8 state under C -1, the last sentence on page 7, when the staff made its adoption determination file, 9 10 December 1st 2008, certification of LSN 11 supplementation, however, the staff was unaware of 12 the position of any potential party might take with 13 regard to the EIS. 14 Why is there the position of another party 15 relevant to the Staff's ADR position with respect to 16 its Class 1 or Class 2 documentary material under 10 17 CFR 2.1001? I'm missing something in your argument. 18 I understand your argument when you have a 19 party- that brief is argued and has been decided. 20 understand the DOE's position. 21 But the staff is in a unique position. 22 They don't file contentions. And so, what is the 23 importance to the Staff in determining whether 24 there's supporting or non-supporting documentary 25 material Class 1 or Class 2 with regard to its ADR

1 decision, what any of these other parties 'position2 is on any contention?

3 >> MS. BUPP: Well, taking just what we 4 were doing at the time that we reached our ADR decision, we were then going and putting information 5 6 on the LSN that related to the ADR decision. We had 7 a wide range of documents that were related to DOE's 8 ELS, to Staff's discussion, DOE's ELS and they fell 9 into basically three categories: One, documents that 10 were supportive of the Staff's adoption, 11 determination report. The second were documents that 12 were not supportive of the Staff's position with 13 respect to the adoption of determination report. 14 Those documents were either placed on the 15 LSN or re-asserted a claim of privilege for those 16 However, there was a third group of documents. 17 that were neither supportive or documents 18 non-supportive of the Staff's determination report,

19 but do have information related to DOE's EIS.

Therefore, once contentions were filed on DOE's EIS, we were able to ascertain what the positions of the other parties were with regard to DOE's EIS and then go back and re-look at that third group of documents and determine if there were any documents among those that were either supportive or not supportive of 1 another party's position.

2 >>JUDGE MOORE: For the Staff's ADR 3 decision, though, I'm still missing the point. Isn't Nevada's position or California's position or the 4 5 Four Counties position, irrelevant for determining 6 whether your information is supportive or 7 non-supportive of your ADR position, not theirs? 8 >> MS. BUPP: It is definitely, but we 9 were releasing information that is not only relevant 10 to Staff's position, but could be useful to other 11 parties, either supporting their position or to a 12 third party and stating somebody else's position is 13 wrong because it doesn't support their position. 14 So in that sense, we are perhaps being a 15 little bit broader with our LSN disclosures. 16 >>JUDGE MOORE: All right, continue. 17 >> MS. BUPP: With respect to the 18 safety-related contentions, the non-ELS related 19 documents, Nevada seemed to claim at least in its initial motion to compel, that only decisions made 20 21 after the point of the license application being 22 filed could possibly be deliberative process with regard to the Staff. But the only deliberative 23 24 process was a determination of whether or not to

25 issue a construction authorization. And that is

1 simply not the case.

2 Staff and every government agency 3 undergoes a series of deliberative processes every 4 day. We make a number of decisions. Some of them 5 may actually resolve a regulatory action. Some a 6 policy decision. Some of them never actually reach a 7 decision stage because at some point during the 8 decisionmaking process, we decide not to take 9 whatever action it was that we were considering. 10 However, all of these activities go on all 11 the time and we -- it's not improper to claim the

deliberative process privilege for a decision that
does not actually reach the level of a regulatory
decision.

15 With respect to the documents in the July 16 log, they included documents that were related to our 17 determination of what to go int our TPA code which we 18 are using for confirmatory analysis for our license 19 application. But the decision of what should be 20 included in that TPA code was a staff decision that 21 had to be considered. They included decisions --

>>JUDGE MOORE: Ms. Bupp, I apologize for
beating a dead horse but in looking at 10 CSR,
24 2.1001 which is the definition section, definition
25 of documentary material which you have supporting --

or we have in the past supporting and nonsupporting
issues. For supporting material , it says "Any
information upon which a party, potential party or
interested government official intends to rely and or
cite in support of its decision; " so, for supporting
material, it's your position, that is the NRC's staff
position for its ADR determination.

Likewise, for nonsupporting decisions, which is 10 CFR, 2.1001(2), any information known to and in the possession of or developed by a party", that's you, "that is relevant to but does not support that information or that party's position." It's your position, not the position of the State of Nevada or DOE or any one else.

15 So what I'm having trouble with is what you 16 call your third category of material that you set 17 aside as not being supportive or non-supportive of 18 your position. And it became clear after contentions 19 were filed, strikes me as irrelevant.

Now, that material either was upfront supporting or upfront not supporting because it was your ADR decision, only you knew what it was, and only you knew what documents did or did not support or were relevant to that decision.

I may be missing something, certainly

often do but try to explain so I can understand how a
third party's position is relevant to your ADR
decision with respect to the definition of
documentary material under 10 CFR 2.1001?

5 >> MS. BUPP: The staff's understanding and 6 the reason why the Staff undertook the secondary review in considering all the party's positions as 7 8 laid out in the contentions, was found in the 9 Commission's Statements of Consideration for 10 CFR 10 Part 2 that was published in Federal Register on June 11 Specifically on Page 32,843 of the Federal 14, 2004. 12 Register, the Commission urged that all the parties 13 should re-review their Class 1 and Class 2 14 documentary material after filing contentions. And 15 the wording the Commission used didn't specify that 16 they should re-review their own documentary material 17 to see if their own position had changed with regard 18 to contentions.

19 They were to review their documentary 20 material to see if anyone's contentions had changed 21 their view of what their Class 1 and Class 2 22 documentary material was. So the staff took that to 23 heart and decided to re-review the material they 24 place on the LSN because it was not decided not to 25 supportive or non-supportive of the staff's ADR -- >>JUDGE MOORE: Can you tell me Ms Bupp,
 let's take your document, the very first one in your
 deliberative process, July 30th, the LSN header
 number ending in 280.

5 >> MS. BUPP: Yes. 6 >>JUDGE MOORE: That document which had a document date of April 4<sup>th</sup>, -- I'm sorry, April 7 11<sup>th</sup>, 2005. When did the Staff first review that 8 9 document for -- and it's an e-mail -- review that 10 e-mail for determination of compliance with LSN? 11 >> MS. BUPP: That I do not have at my 12 fingertips. I don't know, Your Honor. 13 >>JUDGE MOORE: Do you know when the Staff 14 reviewed all its backlog of e-mails? And do you

15 know whether -- when -- how long that process took 16 and do you know whether that process preceded or post 17 dated the Staff's date for certification of its 18 document collection?

19 >> MS. BUPP: I believe it post dated the
 20 certification of the document collection.

>>JUDGE MOORE: If that's the case, isn't
 that the reason why these documents are now showing
 up?

24 >> MS. BUPP: No, because most of the
25 documents have been reviewed more than once. So even

1 if the initial review happened after the initial
2 certification, if we had to say we were late, could
3 we please insert the privilege for it, we would have
4 done so at the time we thought it was documentary
5 material.

6 The most recent time that we reviewed these 7 was after the filing of contentions where from our point of view, if we are just dealing with the Class 8 9 1 and Class 2 documentary material and narrowly 10 defining it as only that material that either support 11 or does not support Staff's position, we would have 12 no Class 1 or Class 2 documentary material because 13 Staff has no position with regard to the licensed 14 application.

15 >>JUDGE MOORE: But you do with the ADR16 decision.

17 >> MS. BUPP: No, but this document itself
18 is not related to the ELS.

19 >>JUDGE MOORE: I was -- perhaps that was a
20 bad example.

21 >> MS. BUPP: Perhaps the next document.
22 We can discuss that one. The very next document that
23 LSN had their --

24 >>JUDGE MOORE: So none of the ADR
25 documents fell into the answer to your question of

1 when the Staff did its e-mail reviews in this case,

2 for its backlog of e-mails that came after its3 document certification?

4 >> MS. BUPP: The ELS related document were
5 all actually created after the initial certification
6 of the LSN.

7 >>JUDGE MOORE: Turn for a moment to your
8 motion to correct.

9 >> MS. BUPP: Yes.

>>JUDGE MOORE: And the statement of
Nevada's answer. State of Nevada states -- the State
of Nevada states that they asked to see your proposed
corrections to the log and that you did not respond
by turning them over.

15

Is that accurate?

16 Narrowly, that is accurate. >> MS. BUPP: 17 We did not have a complete corrected privilege log 18 to turn over to them. I believe that we probably 19 could have been a bit more forthcoming, perhaps to giving them some excerpts that were completely 20 21 corrected and that might have given them a better 22 idea of what the corrections were going to look like. 23 However, since we were specifically barred 24 from attaching the corrections to the motion, we had 25 not perfected the corrections at the time of

consulting of the parties. So we could not have
 given them a corrected log to look at.

But we probably could have given them somemore concrete examples.

>>JUDGE MOORE: Does not the 5<sup>th</sup> Case
Management Order tell you that only material,
corrections should be made after the time in which
you could make them without a motion?

9 >> MS. BUPP: I'm sorry, I don't quite 10 follow.

11 >>JUDGE MOORE: Laying my hands on the 5<sup>th</sup> Case Management Order; the general rule says, 12 13 Paragraph D (1) under 5th Case Management, are rules 14 regarding corrections: "The general rule, prompts 15 corrections require. If a potential party realizes 16 that one of its privilege logs contains materially 17 incorrect or misleading information;" does that not 18 set the standard for when such a motion should be 19 filed and the time periods and says within -- the 20 corrections can be done without the Board's leave if 21 they are done within 20 days of initial filing or 10 22 days within -- after a supplemental filing?

And the reason for that was so that one party could rely upon them and deal with them. And secondly, it made no sense to be wasting anyone's 1 time with either any material or non-misleading2 information.

3 Now, you have given 3 examples in your 4 motion of the types of changes you neither benefited 5 the State of Nevada with what those changes were but 6 wanted them to under 10 CFR 2.323(b) to essentially 7 give you a blank check in an agreement and you've 8 given this Board nothing by way of a full corrected 9 privilege log attached to your motion so that we can 10 see the point of what you now wish to change which 11 might be indicative of whether or not the motion to 12 compel of the State of Nevada is valid.

13 Well, Your Honor, I have to >> MS. BUPP: 14 apologize because we in good faith read the 5th Case 15 Management Order as requiring an affirmative 16 motion -- an affirmative ruling from the Board that 17 such corrections would be entertained before we could 18 file the corrections. That is why we did not file 19 the corrections with the motion.

>>JUDGE MOORE: So you read the 5<sup>th</sup> Case
Management Order to -- as being a blank check to
make any changes you want. You can't tell me what
they are going to be but we are moving with good
cause because good cause is the standard for filing
this motion.

1 How can you ever establish good cause without pointing to each and every one of the changes 2 3 you wish to make and why you wish to make them? 4 >> MS. BUPP: It was actually challenging writing the motion for leave to suppress.. 5 Well, it should have been. 6 >>JUDGE MOORE: 7 Doesn't that suggest you might not have been reading the 5<sup>th</sup> Case Management Order correctly? 8 9 >> MS. BUPP: Well, I can see we were clearly reading it incorrectly. 10 >>JUDGE MOORE: I frankly find also in 11 12 challenge by the State of Nevada, asking for the 13 changes and your not giving them to them. 14 How does that comply with the language of 15 323 to make a sincere effort which I believe is the 16 language of the regulation to resolve the conflict so 17 you don't have to be standing here listening to me 18 now? 19 >> MS. BUPP: We did try consulting with 20 them to explain the nature of the changes, to 21 explain why we wish to make the changes. And it is 22 not been the practice of all of the parties to these 23 proceeding to always amend a -- to always append а 24 draft of a motion to any request for consultation. 25

We have often, Nevada included, contacted
 the parties --

3 >>JUDGE MOORE: Ms. Bupp, how many motions
4 have there been to correct privilege logs filed in
5 this case?

6 >> MS. BUPP: I don't believe there have
7 many, if any, Your Honor.

8 >>JUDGE MOORE: So there is not much of a 9 precedent to rely on for motions to correct privilege logs in that regard. I'm troubled that your conduct 10 11 with regard to both this Board as well as the State 12 of Nevada by expecting a blank check on a motion, 13 that they would agree to it without them knowing what 14 they were agreeing to, and asking us to grant a 15 motion without knowing what on earth you -- what 16 changes you were seeking. The incredulity of that 17 really amazes me, frankly.

Secondly, the point and I would emphasize this to all parties, the process that was set up in those case management orders was so that you would not be standing here today trying to defend the indefensible. And I would hope you would take that to heart.

Now, while we're on the subject of privilege log, the Staff has been out of compliance

1 and it was not a system that was set up that was to 2 be policed by the Boards. It was only when someone 3 would bring it to our attention that we would do it. 4 But while we are on the subject, those case 5 management orders spell out that when you file a 6 privilege log, you file one with the ELE, secondly, 7 after having made arrangements with the LSNA 8 Administrator, the LSNA who is the administrator, as to the form and context and all the fancy lingo that 9 10 goes with it, file a second data set with them.

All the other parties have been doing that and complying with that except the Staff of the Nuclear Regulatory Commission. The LSNA has perhaps because he's been in a Santa Clause mood has taken his staff and his time and his budget to fix what the Staff should have been doing correct. He is out of the Santa Clause business.

18 The Staff will pay heed or pay the19 consequences.

20 >> MS. BUPP: Yes, Your Honor.

21 >>JUDGE MOORE: Continue.

>> MS. BUPP: With respect to the decision
of the deliberative process that was involved in the
safety-related contentions, it is the Staff's
position that the deliberative privilege can be

asserted for a number of decisions that may or may
 not relate to a regulatory decision, i.e., in this
 case whether or not to bring a construction
 authorization.

5 The decisions that are related to the 6 documents that were asserted in the July deliberative 7 process log, are all pre-license application 8 activities that did involve a staff decisionmaking. We believe that these documents ought to be protected 9 under the deliberative process privilege both to 10 protect the Staff's ability to continue to engage in 11 frank open discussion as it reviews the LSN and as 12 the entire agency continues to review other license 13 applications. 14

And also that because there was such a long prelicense application period in this case, there is a greater risk than usual for there to be public confusion if Staff documents that do not constitute a final regulatory decision but may look like a final regulatory decision are released publicly before any agency decision was made.

So for those two reasons in particular, we believe that the deliberative process priviliege was correctly asserted with regard to these documents and ought to be protected.

1 >>JUDGE MOORE: Let's just state the first document 280 in the LSN header number. 2 Your column number that corresponds to 9 which is 10 3 in your column, the specific decision, partial 4 potential decision or decisionmaking process to which 5 the document relates. Now, that covers the 6 waterfront as you read and I believe correctly, 7 deliberative process log, privilege log, that it does 8 not have to relate to a specific decision. That 9 these elements make that clear. 10

11 But your statement that is supposed to 12 establish a prima facia so that these matters aren't 13 before us, merely states that this document relates 14 to a discussion on technical information regarding 15 I work very hard trying to figure out how models. 16 on earth that establishes a prima facia case, which I might add is even defined for your in your revised 17 2nd Case Management in the definition section. 18

And furthermore, it places their revised 20 2nd Case Management Order contrary to your brief or 21 your motion places the burden on you to establish 22 that prima facia case.

Can you help me in how this statement that this
 document relates to a discussion on technical
 information regarding models establishes a prima

facia case for the proposition that the specific decision and potential decision or decisionmaking process to which the document relates?

4 >> MS. BUPP: We would look at the headers 5 in their totality for this document. The subject 6 matter instruction for this document is that it was a discussion regarding DOE's license application 7 8 description on models, the prelicense information 9 that DOE made available regarding the models they 10 had used in their TSPA code.

This is a document that if we were allowed, perhaps we would correct entry number 10 to clarify that it was models -- the TSPA models and the Staff's determination with regard to its own TPA based on our correspondence and consideration.

>>JUDGE MOORE: Wasn't that as much of an
admission that currently, it is not and only as
clarified, it is?

MS. BUPP: We do believe if you look at the totality of information rather than looking at entry number 10 that it is clear that the staff was engaged in pre-license application discussions of information that was available in the pre-license application phase, and that therefore, the Staff was undergoing some deliberation at the time.

But we would like to clarify that it did go to in 1 this case an actual decision because we developed the 2 TPA and it did go to development of that TPA. 3 >>JUDGE MOORE: 4 Thank you. Your time is 5 up. Rebuttal? 6 >>MR. FITZPATRICK: No rebuttal at this 7 time. 8 >>JUDGE MOORE: We will move right on then 9 to -- Judge Ryerson has a couple of points. 10 >>JUDGE RYERSON: Yes. One issue as we 11 were breaking for lunch is the interpretation of our August 26<sup>th</sup> Order dealt with the DOE analysis, post 12 13 closure groundwater impact. We ruled in that Order on August 26<sup>th</sup>, new or amended contentions relating 14 15 to the DOE analysis shall be deemed timely if filed 16 within 30 days after the NRC staff publicly announces 17 or otherwise advises the party how it will proceed 18 with respect to the DOE analysis.

And this morning, Ms. Bupp announced that the NRC staff will have at the earliest, its own supplementation decision no earlier than 2011. We re-read the order, talked about it over lunch and it's the Board's view that that statement does not constitute a public announcement or other advice as to how the staff is going to proceed with the DOE 1 anal ysi s.

The point of the motion that we granted 2 3 with all parties except the staff agreed to, DOE 4 agreed to was simply to not require entire sets of new contentions be filed immediately in response to 5 6 the DOE analysis that might or might not become part 7 of the ultimate supplemental supplement by the Staff. And I believe Ms. Bupp indicated there would be no 8 further pronouncements from the Staff on the point 9 until 2011. 10

11 So it sounds like that will be the time 12 that new or amended contentions would be due. 13 Is that clear to everyone? Yes.

14 >>MR. FITZPATRICK: I would like to ask one clarifying question. This morning when the 15 16 announcement was made by the Staff regarding -- the 17 suggestion was made that that was the announcement which is this Order, 30 day filed contention. 18 19 Hopefully, that's been clarified as not applicable. 20 >>JUDGE RYERSON: I thought that's what I 21 was just rejecting. In other words, that statement 22 is not the sort of statement that we were 23 contemplating as trigger.

24 >>MR. FITZPATRICK: Is there a statement
 25 that we can take home with respect to what is the

1 intent with respect to doing SCIS or submitting for 2 public comment?

3 >>JUDGE RYERSON: Well, I think -- Ms.
4 Bupp, if I understood your statements this morning,
5 you basically said there would be no further action
6 of any kind by the Staff until 2011 at the earliest;
7 is that correct?

8 >> MS. BUPP: Yes. We intend to do the
9 supplemental that we requested DOE to do.
10 We will do everything that we requested of DOE.
11 However, we're not going to be able to begin that in
12 the coming fiscal year because we had not budgeted
13 for that activity.

14 >>JUDGE RYERSON: So would you agree under 15 the Board's clarification of the Board's Order, would 16 you agree Ms. Bupp, that the earliest that the 17 deadline for new contentions would be triggered would 18 be in 2011 at some point?

19 >> MS. BUPP: Yes, and they would be
 20 triggered I presume by some sort of staff document or
 21 rather draft supplemental.

22 >>JUDGE RYERSON: Thank you. Does that23 clarify?

24 >>MR. FITZPATRICK: That's something
25 submitted for public comment?

MS. BUPP: We have not exactly clarified how we are going to do that yet. But it will be a supplemental EIS. In terms of -- we are not intending to do scoping because we feel that the scope of the supplement was pretty clearly laid out in our document determination report. Could you give me just a minute?

8 >>MS. CURRAN: Judge Ryerson, this is Diane
9 Curran. While Ms. Bupp is consulting, I can't hear
10 anything that Mr. Fitzpatrick was saying.
11 Can you use the mic Mr. Fitzpatrick? Could you put
12 your face closer to the microphone --

>>MR. FITZPATRICK: I'm sorry Diane. I was
pushing the on button but I had to push another
button called a push button. I missed it. I'm
sorry.

17 >>MS. CURRAN: I think I got from the18 dialogue what's happening but thanks.

19 >> MS. BUPP: As I said, previously, we do 20 not intend to hold a new scoping for the supplemented 21 because we believe it's scoped in the ADR. But we 22 intend to follow the NRC's policies in the 23 regulations for supplementing an ELS.

>>JUDGE RYERSON: My suggestion to the
 parties would be in 2011 if there is any doubt you

can either file contentions at that point or come
 back, ask for clarifications whether the contentions
 have been triggered. But for the moment, nothing
 until at least, 2011. We're in agreement on that.

While we're on the subject of 5 6 clarification, Ms. Bupp, I wanted to clarify the 7 Staff's position as stated this morning. Your 8 position in your papers was I think two-fold. One, 9 initially your papers you urge a briefing of all 10 legal issue contentions at one time in conjunction 11 with essentially a stay of discovery until that 12 process was completed.

And this morning, I heard you say that it would make sense perhaps to begin with briefing the legal issue contentions that are in some ways associated with SER Volume, I and III what I will call the phase one of this proceeding. But it wasn't clear to me what your view was on discovery if the briefing were so limited.

20 Or is it still the Staff's 6position that 21 discovery should not commence or not?

>> MS. BUPP: It's still Staff's position
as we stated in our papers that we would do briefing
on all legal contentions first and stay the
beginning of discovery, at least the start of

depositions until after the closing of all of the
 briefing issues.

3 >>JUDGE RYERSON: Okay, and that would be 4 your position even with the more limited briefing of 5 only 11?

6 >> MS. BUPP: Yes.

>>JUDGE RYERSON: Eleven or 12 or whatever
it's associated with. But that's your position. And
there is no other party that is in favor of the stay
of discovery; is that correct? Anybody who is, put
your hand up. Thank you.

12 >> MS. BUPP: If I could just add, we did 13 talk briefly with counsel for Nevada. We haven't 14 reached a clear conclusion but that the Staff would 15 be willing as long as the start of the actual 16 depositions were stayed until the end of the legal 17 briefing, for the other parties to go ahead and do 18 the exchange of the list of witnesses, start actually 19 noticing the depositions and the depositions would not take place until after the end of all the legal 20 21 briefings. But because we already built in a 60 day 22 time period, if we didn't even start depositions 23 until after the end of the legal briefing, that would 24 be an additional 60 days.

25 So we would be willing to let every one

start noticing contentions -- start noticing 1 2 depositions just as long as the depositions were not 3 actually held until after the close of the legal 4 briefing and maybe two weeks after the end of legal briefing or some period of time. 5 6 >>JUDGE RYERSON: Okay, thank you. 7 >>JUDGE MOORE: We will turn now to the number of issues that from the initial filings of the 8 9 parties in response to the first case management Board's Order in which the contentions were grouped. 10 Judge Wardwell, you had a number of questions. 11 12 I think they were aimed primarily at 13 Nevada and DOE. 14 >>MR. SCHMUTZ: Your Honor, you're talking 15 about the six questions? That's what we will be 16 discussing. For the record, Mr. Polansky is going to 17 handle those, any questions on those for DOE. 18 >>JUDGE WARDWELL: That is the plan, to go 19 through the six questions pretty much in order from our July 21<sup>st</sup> '09 Order. The first one dealt with 20 21 asking parties to submit what they think the various 22 submitted contentions should be categorized in the 23 various SER volumes. 24 And I think before we get into that in too much depth, I was curious about an aspect that 25

crossed my mind as I went through some of these 1 submittals. And I think I'll start with Staff, if I 2 3 miaht. Ms. Bupp, since we have been focusing most of 4 our afternoon with you, we will continue on. I was 5 curious if you could provide any insight on why you 6 are scheduling the issuance of Volume III ahead of 7 Volume II? And the reason I say that is, in my 8 simplistic mind, it seems to me that a person would 9 want to from a technical basis go through the design 10 and operational types of issues and pre-closure 11 issues associated with Volume II before addressing 12 post closure issues in Volume III.

And that by necessity would have to do that also. So I was curious about what was the motivation for issuing Volume III ahead of Volume II and are there any impracticalities of doing that?

17 >> MS. BUPP: First of all, let me caveat 18 these answers by saying that It was always the 19 Staff's intention to develop a single integrated SER. 20 Given the proper resources, we would continue to do 21 so because we think a single cohesive SER will 22 provide the greatest benefit to the Board, to the 23 other parties, to the public. However, budget cuts 24 being what they are, we had to issue it serially. 25 And when we sat down and looked at all the volumes

issues, we decided to go with Volumes I and III 1 and 2 first; volume I simply because of the general 3 information. It gives an overview of the project. Volume III, we evaluated post-closure. It evaluates 4 the post-closure performance of the repository, and 5 6 post-closure performance is predicated on the performance of both natural and engineering barriers. 7

If the performance of the natural barrier 8 9 system does not contribute to safety in the way that 10 DOE's analysis in the LA assumes, DOE must either 11 change its LA or licensing basis and Staff would have 12 to recommend against granting a construction 13 authorization or impose license conditions. And it 14 is a lot harder to change natural barriers than 15 engineered barriers.

16 So we wanted to make sure that either the 17 LA could be changed if necessary or Staff could put 18 appropriate license conditions in place if necessary 19 sort of from the outside, because if that were not 20 possible, you can't change them out. If you can't 21 fix things, if the natural barriers aren't behaving 22 in the way they are predicted to, if you can't put an 23 engineer barrier to fix that, then, you know, you are 24 kind of stuck.

So we wanted to do Volume III first.

JUDGE WARDWELL: Does that -- by doing so, are there any constraints in regards to your evaluation of Volume III by not assessing the design and construction of the engineered barrier systems, though?

6 >> MS. BUPP: We are considering 7 engineer barrier system. We are considering both the 8 natural and the engineer barriers as part of Volume 9 Any changes to the engineered barrier systems 10 as a result of our analysis to Volume III would 11 actually impact Volume II to a great deal and also 12 Volume IV because we would have to make any changes 13 to the design and create closure operations that 14 would affect that.

15 Also, to the extent that if we were 16 developing a fully integrated SER that was going to 17 be published all at once, there will be many places 18 and different volumes that would refer back and forth 19 If that's the case, we would need to other volumes. 20 to refer to another volume. We are not referring to 21 that other volume but do the analysis as part of 22 Volume III. So that Volume III will have all the 23 information you need to analyze Volume III. 24 JUDGE WARDWELL: But I assume, you're not

25 changing the engineered barrier systems. You're

1 taking what was presented in the application as the 2 design of those systems and those will be designed 3 and constructed in the pre-closure period. And 4 how -- are you saying that you in fact are 5 considering the effectiveness of that design as you 6 evaluate Volume III, or are you taking it as a given, 7 or what constraints are there associated with the 8 considerations associated with those design and 9 construction aspects that take place in the 10 pre-closure period?

>> MS. BUPP: We are considering how the
design and the construction aspects in the
pre-closure period, what affects long term
post-closure performance.

15 >>JUDGE WARDWELL: What's left over from16 Volume II then?

17 >> MS. BUPP: All the grower is obviously 18 that's actually left over, that takes place outside 19 pre-closure. All of the the grower operations are included in that and so that's all part of Volume II. 20 21 Thank you. JUDGE WARDWELL: Mr. Malsch, no 22 fair switching seats on me. It didn't say so here. 23 This is supposed to change automatically, my little 24 cheat sheet here. Fortunately, I recognize you 25 though.

Do you see any constraints with doing Volume III before Volume II, or do you feel comfortable that those aspects of the design will be evaluated as part of Volume III as I interpreted what I just heard?

6 >>MR. MALSCH: This is Marty Malsch from 7 Nevada. It's of some considerable concern to us 8 because as you look at our contentions, particularly 9 those in which we didn't disagree as to whether 10 they are Volume II or Volume III related, they deal 11 with design engineered systems. And if -- which would be engineered, designed and installed in the 12 13 pre-closure period. And we are really concerned that 14 if they are not addressed as a part of Volume III, 15 then Staff will in effect have prejudged a whole collection of contentions, and ignored a whole area 16 that really ought to be part of post-closure. 17

18 So I'm heartened to hear what the Staff 19 says. I just wonder how thrill it's going to be. It 20 is a concern that you have, that there is this 21 overlap between Volume II and Volume III.

And I guess if the staff is diligent in addresses every aspect of what they would call pre-closure that affect post-closure in Volume III, I think that's terrific. I just hope that's the

1 case.

2 MS. BUPP: Your Honor, if I could just respond briefly. We will do our best to be diligent 3 in analyzing everything in Volume III that we need to 4 support the conclusion of Volume III. However, 5 because there is some overlap between Volume II and 6 Volume III, as the parties were discussing at the 7 8 grouping of the contentions, it's been the Staff's 9 proposal that we err on the side of caution and every 10 contention that is related to Volume III and Volume 11 that we delay at least the hearings on that 12 contention until Volume II has been published just to 13 make sure.

JUDGE WARDWELL: And what is your reaction to that Mr. Malsch, that suggestion or maybe that's already been adopted by all parties? That's the first that I heard of it, because I had that down as one of my questions.

>>MR. MALSCH: Excuse me just a minute.
 I think our position was that we should go forward
 with all those TSPA special and Volume III
 contentions.

If it turns out despite everyone's best
intentions that there is some aspect of those that
would not be addressed until SER, Volume II, there is

no reason we can't do discovery now as we had
proposed with respect to those contentions. It's
just that we couldn't complete discovery on those
until the Staff's SER was out, SER Volume I and II
and we couldn't go to hearing with those until SER
Volume II is out.

But there's no reason we can't begin
discovery on those and hopefully, there won't be this
glitch if the staff is very thorough about including
everything in the pleading, they should.

11 JUDGE WARDWELL: Back to you, Ms. Bupp. 12 know you don't agree with this proposed schedule for 13 discovery, that you would rather brief legal issues. 14 But under the possibility that we move forward with 15 some form of discovery, do you see any reason why the 16 discovery associated with all the contentions that 17 have some aspect of post-closure could not move 18 forward bearing in mind that they may have to be 19 supplemented later on depending upon what actually is 20 in the thoroughness of that analysis in the SER 21 Volume III when it's issued.

MS. BUPP: Your Honor, I'm sorry I wasn't clear earlier. That was my intention. My suggestion either way that we delay the hearing for those contentions.

JUDGE WARDWELL: Thank you.
 DOE, Mr. Polansky, would you like to comment?
 I don't want to start through all my questions again,
 see if you got any comments?

>>MR. POLANSKY: No, I think we are in 5 6 general agreement with Nevada and Staff on this. And 7 discovery can proceed. The number of contentions 8 that are -- shall I say cross pollinated between SER 9 volumes is small and the parties will realize in 10 discovery whether SER Volume II issues are coming up 11 and the parties can agree that those are the 12 contentions that need to be put on hearing but 13 certainly no reason to move forward on discovery on 14 those.

15 JUDGE WARDWELL: Would you agree that in a 16 perfect world if this were issued as a complete SER I 17 think like we all desire, we wish it would have been 18 but it isn't but if it was, would you agree that 19 would make sense to start with Volume 1? But after 20 that, you would go to Volume II in the hearing 21 process or as far as discovery, make logical sense to go to Volume II and then, to Volume III rather than 22 23 vice versa, in that order?

24 >>MR. POLANSKY: Yes, Your Honor, we would
25 agree with that. And frankly, that is the reason why

1 we have been so confident that we need these 20 plus 2 contentions associated with SER Volume II because we 3 intend or expect that we will be raising essentially 4 pre-closure defenses for these contentions such that 5 if the pre-closure aspect were ruled in DOE's favor, 6 we would never to get to the post-closure aspect.

7 For example, all the retrieval contentions, 8 and whether or not DOE can retrieve waste. Well. 9 that is a predicate to whether the waste would end up 10 being placed in some configuration in Nevada that we 11 have not analyzed. But if DOE prevails on those contentions on retrieval, then, there would be no 12 13 need for the Board to look at the post-closure aspect 14 of those contentions.

JUDGE WARDWELL: Mr. Malsch, in this perfect world, would you agree that the Order would be in this sequential order of the number designations rather than addressing anything with post-closure? I think I heard you say that. I just wanted to make sure that I haven't heard wrong.

Mr. MALSCH: Yes, we agree in a perfect world, that would be-that would be preferred. I think the way it would work, let me just point out that the parties 'apparent agreement to proceed with early discovery on post-closure contentions, Volume

1 III contentions, largely aviates a dispute between us 2 and DOE as to whether certain contentions are Volume 3 II or other volume, Volume III because if we go 4 forward with all of those that we say are Volume III with early discovery, the only possibly glitch would 5 6 then be if some of them turned out to have because of DOE's defense, a Volume II aspect. We may not 7 8 then simply be able to close discovery against Staff 9 and go to hearing. But there is no reason we can't 10 commence discovery between ourselves and DOE.

11 JUDGE WARDWELL: Mr. Polansky, do you have 12 a problem with proceeding with discovery on all 13 those that border between or have some aspect with 14 Volume II and Volume III and then to go forward with 15 it under Volume III recognizing issues like you 16 brought up may arise such that it is better to wait 17 until Volume II is out for the hearing?

18 >>MR. POLANSKY: We have no concerns 19 proceeding that way. We did have conversation with 20 counsel for Nevada this morning and agreed that as 21 long as we would not be barred from raising 22 post-closure defense as Mr. Malsch described, it 23 could postpone the close of discovery on those small 24 set of contentions. We would be amenable to 25 starting discovery on those contentions.

>>JUDGE MOORE: Mr. Malsch, help me
understand something here. You're making the
distinction with going forward on discovery and after
discovery, it will be known whether or not they are
properly categorized as to Volume II as opposed to
III?

7 Or are you saying that discovery and8 hearing?

9 >>MR. MALSCH: Judge Moore, our position is
10 that all of the contentions that we think are Volume
11 III contentions are properly Volume III contentions
12 and there is no change in our position in that
13 respect.

14 The nuance is that DOE has refined its 15 position. I don't think DOE is necessarily claiming 16 that in the overall scheme of things in Volume III, 17 the contentions in dispute must be Volume II as opposed to Volume III. They just want to reserve the 18 19 right to raise a Volume II type defense, in what we 20 would say is a post-closure Volume III contention. 21 I think we worked out how that would happen. I think 22 that eliminates the need for any kind of a fine and 23 el aborate argument over which of these contentions 24 properly belong in Volume II or Volume III. 25 We would proceed as if they were Volume

III. If there is a Volume II defense, we would
 simply recognize that you couldn't complete
 discovery on them and we may have to delay the
 hearings on them.

>>JUDGE MOORE: Okay, if you can't complete
discovery, you can't go to hearing which then
eliminates my concern because what I saw lurking here
was a nightmare of motions to reopen.

9 And would the reopening motion requirements 10 apply? But that would be obviated by the way you are 11 going to deal with this.

12 >>MR. MALSCH: That's our hope. We agree 13 with you that the constant diversions of motions 14 reopened would be kind of a nightmare. I'm hopeful 15 further that if the Staff is as inclusive in its 16 Volume III as they say they are, many of what DOE now 17 thinks would be Volume II defenses would be addressed 18 in fact in Volume III SER and the issue will go away. 19 But we will have to see.

>>JUDGE MOORE: Mr. Polansky, Did I raise
any problems for you? My concern was with your
motions to reopen if it went to hearing would be a
nightmare in such a situation.

24 >>MR. POLANSKY: I think in this case, the
25 DOE and Nevada would save you from that nightmare.

1 >>JUDGE WARDWELL: And we thank you for 2 saving us from any and all nightmares that we have. 3 >>MR. POLANSKY: If I might, Your Honor, 4 there are a subset of these contentions that DOE believes should be properly within SER Volume IV and 5 6 on Nevada suggested as SER Volume III. We would 7 treat those contentions in exactly the same way we 8 just described but we would proceed on discovery of those as if they were SER Volume III under the 9 10 schedule we have all been discussing today. And again, we would make a determination somewhere down 11 12 the road whether SER Volume IV truly needed to be 13 invoked for those contentions.

14 >>JUDGE WARDWELL: And hearing both of 15 that, I was prepared to go through talking a little 16 bit more details of individual groupings of contentions -- I'll start getting confused if I use 17 18 that phrase a lot. But I was going to go through 19 your spreadsheets in a little more detail to resolve 20 some differences between the two parties in regards 21 to II and III and III and IV.

I think it still may be useful to do that.
But let me just fix the point here; That if I hear
you correctly, Mr. Polansky, that you would have no
problem with leaving all of them in III for sake of

discovery at this point in time; is that correct? 1 2 >>MR. POLANSKY: Correct. And hopefully, 3 we may get through the hearing today and avoid going through each of these serially but we can certainly 4 do that if you would like, Your Honor. 5 6 JUDGE WARDWELL: I'm weighing whether I should take it -- it would be probably about a half 7 8 hour to go through the details of these just to discuss, to get a little discussion on the individual 9 10 ones that were of interest. But I'm not sure it 11 really matters, whether -- the two parties that are 12 involved with this is mostly DOE and Nevada's 13 differences dealing with II and III and III and IV. 14 Do you think it might be useful? I'm hesitate now that I got you here to let you go 15 and not at least get some feedback on this in case, 16 once we get running in this order, we need this 17 information or not. 18 19 >>MR. MALSCH: This is Marty Malsch for I think at this point, it isn't necessary. 20 Nevada.

I think the issue is effectively mooted for the time being and for the proceeding future.

>>MR. POLANSKY: This is Mr. Polansky. And
I would urge that whatever you do with this issue,
that it be broad and not necessarily ruled to these

1 particular contentions at issue.

2 The other parties have identified one contention here, one contention there that they think 3 ought to be put in both. The NRC staff suggest that 4 they are a whole host maybe in both. And so, I think 5 6 we ought to just move forward with them as is and the 7 parties can discuss professionally, as discovery 8 proceeds whether they truly do have aspects of 9 pre-closure or problematic aspects. Thank you. 10 JUDGE WARDWELL: Thank you. I think that's just what we will do, move forward to 11 Question 2 which dealt with legal issues and really 12 was addressed by your Spreadsheet 2. I'm not sure 13 some of the things we've talked about here won't 14 preempt some of this but let's move forward with it. 15 16 I'll start with Mr. Malsch from Nevada: 17 You labeled several of your contentions as legal 18 contentions. And reading those, there didn't appear 19 to be any factual issue associated with those. It seemed to be strictly a legal question. 20 21 Was that your intent when you labeled them 22 such as that? 23 >>MR. MALSCH: Yes, when we legally drafted our contention, that was our concept. 24 JUDGE WARDWELL: Having said that, are 25

there any other contentions or do you disagree with
the rest of the contentions that are -- strike that.
Back up a bit. Spreadsheet 2 contains a list of
DOE's supposedly, mutual agreement to some degree of
legal contentions that include more of your
contentions, more of Nevada's contentions than those
that are listed as legal contentions.

8 Do you disagree that any of those that are 9 listed on Spreadsheet 2 have at least some legal 10 issue associated with the factual issue of those that 11 you're haven't listed as a designated legal 12 contention already?

>>MR. MALSCH: When we drafted our
contentions, we were thinking affirmatively of a
legal argument that would dispose of the application.
As the answers came in, you would see defenses raised
in the nature of legal defenses.

18 I suppose that's what the Board -- I
19 believe that's what the Board probably had in mind in
20 categorizing a bunch of contentions as legal
21 contentions that we hadn't labeled as such.
22 Now, our thought was that was the exclusive list,
23 that was all the contentions the Board thought, were
24 legal contentions.

DOE has since then, added some additional

1 ones which it thinks also raise legal issues. 0ur 2 principle concern along those lines was that for 3 purposes of this hearing today, we just weren't 4 prepared to address those but I think it would 5 recognize that along the road, it is certainly 6 possible for DOE to raise legal defenses to some of 7 our contentions which made those contentions at least 8 in part, a legal issue contention even though it was 9 not solicited by the -- solicited by the Board.

10 I think our intention would be to get
11 together and compile a list of SER Volume III related
12 legal contentions and hit those off the bat with the
13 idea of resolving just that collection before
14 priority next year.

>>JUDGE WARDWELL: The ones I have listed here that you didn't comment on were Nevada Safety 17 172, 193, and 196, Nevada Miscellaneous 4 and Nevada Miscellaneous 5. These were ones that were not labeled by you as legal issues, and yet, the descriptions seem to imply some legal questions and DOE has listed them as that.

Are you saying that you're not prepared to agree or disagree on whether or not that is an appropriate designation as having some sort of legal issue but will leave it for the time being and

1 address it as we move forward with consideration of 2 that as a legal issue associated with it? 3 >>MR. MALSCH: That was our intention 4 although with respect to legal issues associated with SER Volume III, we've discussed it with DOE and we 5 6 plan to get together tomorrow, possibly, and work out an agreement as to what that list is scheduled for 7 8 briefing and specification for legal issues 9 concerned. 10 So hopefully, that will resolve that issue 11 for the near term leaving other legal issues 12 associated with other SER volumes off into the 13 So I'm hoping we can reach agreement on what future. 14 legal issues need to be resolved early on to proceed 15 with discovery as we had proposed it. 16 >>JUDGE WARDWELL: I guess my next two, 17 you -- DOE stated that -- sure 18 >>JUDGE MOORE: Mr. Malsch, when you are 19 speaking of a schedule for briefing legal issues, and 20 especially the ones DOE has added to the list, you 21 and the Board designated either with the party's 22 designation or its own designation, legal issues. We 23 saw those as issues that could stand or fall on the 24 facts as stated in that contention, not as requiring

25 any of the accouterments for motions for summary

1 disposition.

2 Is that what you had in mind or are you 3 talking about motions for summary disposition? No, we have in mind, pure 4 >>MR. MALSCH: 5 legal briefing of legal issues not akin to summary 6 disposition --7 >>JUDGE MOORE: Mr. Polansky, is that your 8 view also? 9 >>MR. POLANSKY: Yes, we agree. 10 >>JUDGE MOORE: And while we're on the 11 subject, does anyone else have a contrary view to 12 that expressed with DOE and Nevada? 13 >>JUDGE WARDWELL: Mr. Malsch, DOE stated 14 that you disagree with Safety 199 and 200, but those 15 are Volume IV issues so I assume we can table any 16 discussion of that. But I would be curious if you 17 would elaborate a little more on Safety 161 that you 18 mentioned this morning as one that you had some 19 comments on in regards to the legal issue raised by 20 that. 21 Could you elaborate more on that, what your 22 position is on that particular contention, if you can? 23 If I remember correctly, 161 24 >>MR. MALSCH: is the contention that deals with the drip shields 25

1 and multiple barriers.

2 >>JUDGE WARDWELL: "Critical Role of Drip
3 Shields" is what's the title of it.

>>MR. MALSCH: Correct. To the extent
legal issues about that contention could be raised
and briefed, especially before the Commission itself,
the Commission itself made its decision, basically
deferring on the issue because it said the
developments were more complete to the adjudicatory
record.

That can't mean more complete legal
briefing because the matter has been completely
briefed, all the legal issues were thoroughly vetted
before the Commission.

15 So we think it follows what the Commission 16 had in mind was a more complete factual record, in 17 particular, the role of the drip shield in the TSPA 18 before that issue could actually be intelligently 19 briefed and argued.

So that's one we actually don't think we could settle on the basis of just pure briefing as a part of because of the volume for legal issues. We suspect that's going to have to be put off until perhaps the post findings, perhaps a little bit earlier but certainly not before there is more of a

development in the factual record on the role of drip
 shields.

3 >>JUDGE WARDWELL: Mr. Polansky, what is
4 your position on this?

5 >>MR. POLANSKY: We disagree on that 6 interpretation of the Commission's decision and 7 CLI -0914. The page that Nevada is citing which is 8 Page 28, does end from a sentence saying, "from the 9 development of of a more complete adjudicatory 10 record." That's what they are citing from but that's 11 primarily a discussion of NEI Safety 6. Although it 12 does mention Nevada Safety 161.

13 The full discussion of Nevada 161 is found 14 on page 37 to 39. And it concludes with the 15 statement that says, "As is the case for many of the 16 appealed legal issue contentions, we recognize that 17 perhaps because of tight deadlines, the Boards did 18 not provide a full legal analysis of each and every 19 contention raised in this extraordinary complex 20 We affirm we have a disability ruling on proceeding. 21 the drip shield issue, so that the parties may have 22 an opportunity to develop their positions on these 23 disputed issues in briefing and arguments before the 24 And the Boards will have the opportunity to Boards. make a reasoned decision." 25

1 So we interpret any briefing argument 2 before the Boards to have been a reference and I guess I disagree with Mr. Malsch's characterization 3 4 that they were fully briefed because as you know, 5 DOE did not file any briefs on this and the standard 6 that the Commission would have used in reviewing 7 these decisions may not have been the same as the 8 Boards would have used.

9 >>JUDGE MOORE: Mr. Malsch, how do you
10 respond to Mr. Polansky's arguments?

11 >>MR. POLANSKY: Well, we think the 12 Commission's discussion opinion about the need for a 13 full record fully applies to this contention. The 14 difficulty we have here is that if attorneys brief 15 the issues now, we would need to make assumptions 16 about the role of the drip shield and DOE's TSPA and 17 its relation to the other barriers.

And I suppose we could develop some sort of complicated stipulation as a set of facts but until the record has been more fully developed, there is no assurance that that set of facts coming from a legal briefing would turn out to be correct.

>>JUDGE WARDWELL: But as I hear your
 comment now, it's more of a practicality of
 addressing some of the legal issues that might be

resolved with 161 or rather the fact that it has been 1 2 fullv briefed. Did I hear you correctly in your last statement? Did I interpret it correctly? 3 4 >>MR. MALSCH: Yes, this is Marty Malsch 5 from Nevada. I think that's what the Commission had 6 The legal issue, the abstract about undue in mind. 7 reliance in any one barrier has been fully briefed 8 and argued. But the question is what exactly 9 does that -- what would the conclusion based upon 10 just those legal arguments and decisions mean in 11 reality to DOE's TSPA and drip shields? 12 And I think I came away from the 13 Commission's decision, with the idea that the 14 Commission recognized that maybe they could opine in 15 some abstract theoretical basis for what the standard 16 should be for undue reliance in any one barrier. But 17 they didn't feel that that was necessary or even 18 appropriate until they knew exactly what the role was 19 of the drip shield following discovery if not a 20 hearing, on drip shield questions.

So I think we can -- if we were to now brief and argue an issue, end up with pretty much the same briefs and same argument the Commission had. The most we would expect would be some decision perhaps that said, there are going to be no undue

reliance on any one barrier, but then, it wouldn't be
exactly clear perhaps what that meant for DOE's TSPA
unless we had some stipulations as to what the role
was of the drip shield and TSPA.

I mean, just hypothetically, if DOE were to
concede that the application fails and they cannot
comply with the EPA standards without a drip shield,
then, the issue could be briefed but I'm not sure
they are willing to make that concession.

10 >>JUDGE WARDWELL: One final thing for Mr. 11 Polansky, and then I'll get to Ms. Bupp for any 12 comments she might have on this one or any of the 13 other ones we talked about so far. One last followup, 14 on Rule 161. Are you wedded to addressing the legal 15 issues at this time necessarily? And certainly I 16 think tomorrow you will have opportunities to work 17 with the parties to develop that schedule and talk a 18 lot more, but is there a necessity to address those 19 legal issues that you think are there in 161 in the immediate future, i., e fiscal year 2010? 20

>>MR. POLANSKY: This is Mr. Polansky. In
direct answer to your question, no, there is no
immediate need to address that issue. Merely
responding to the suggestion that briefing all of
Volume I and II at the same time this was in SER

1 Volume III and we should move forward.

Tomorrow during our discussions or later on, DOE and Nevada decide this is not something we should come to the Board, would respond favorably to the parties or postpone reasonable issues.

6

>>JUDGE WARDWELL: Thank you.

7 >> MS. BUPP: Briefly, with respect to 8 Nevada Safety 161: The Staff concurs with counsel for DOE's reading of the Commission Order which would 9 10 argue for legal briefing before we had discovery for 11 that contention in particular. With respect to the 12 question I think you just asked DOE as to whether we 13 should brief all legal issues at once; the Staff believes we should brief all the legal 14 contenti ons 15 first before beginning discovery although some of 16 them there are related to SER and we just had a discussion a few minutes ago about what's in Volume 17 18 III and what's in Volume II. And as much as the 19 Staff would endeavor to create separate distinct 20 volumes and volumes that can stand alone, there is 21 some bleed over amongst the volumes.

We may have to delay hearings to make sure the later volumes come out, and to the extent we can do legal briefing first at the outset before we start any discovery on anything, the result of that legal briefing may help to inform discovery, narrow the
 scope of the discovery, make sure the discovery
 overall and the hearings overall are more efficient
 and focused at the outset. So we would argue for
 doing all those briefings at the outset.

6 >>JUDGE WARDWELL: Judge Wardwell: Thank7 you.

8 >>JUDGE MOORE: Ms. Bupp, you've stated 9 the Staff's position and I believe what you just 10 stated was that the closest you have come to the 11 reason for the Staff position.

Would you be so kind as to enlighten me as to why the Staff wants to go ahead and have legal issues briefed on volumes -- legal issues associated with Volumes in the SER when the Staff does not have any handle at this time as to when those volumes of the SER are going to be undertaken and then, promulgated?

19 >> MS. BUPP: I think Your Honor as I just
20 stated although we will endeavor when we publish each
21 serial volume of the SER to make sure that each
22 volume in the SER is a stand alone document. There
23 is bleed over amongst them.

24 So it seems that the outcome of this 25 meeting that if we set aside some time to brief all

the legal issues, we would then have at least those legal issues determined and we can then focus on discovery and make sure that we knew exactly what questions were being addressed during discovery and hearings that would lead to a more focused proceeding overall.

7 >>JUDGE MOORE: I'm sorry for being so flip 8 but what does that have to do with legal issues that 9 have nothing to do with Volumes III and 1 of the SER? 10 If those legal issues don't pertain to those issues, 11 that is, Volume I and III, what's the relevance of 12 them for doing them now? To me, it seems because of 13 the total uncertainty downstream, that very frankly, 14 that's a subterfuge for something else. What is the 15 something else?

16 >> MS. BUPP: As we stated in our comment 17 that we filed last week on Nevada's response to your 18 questions, if we have a schedule that requires us to 19 start discovery immediately, it may -- the Staff may 20 have difficulty completing Volumes I and III of SER 21 on the schedule that we made up previously.

22

>>JUDGE MOORE: Why?

>> MS. BUPP: Because even though the Staff
at this point and time, intends to notice few, very
few if any depositions where we would be the main

party deposing a witness from DOE or from the State
of Nevada, we do intend to participate in those
depositions to the extent that all the parties agreed
in our previous June joint schedule, that other
parties could participate in the depositions. They
could attend depositions, they could ask questions at
the close of the depositions.

8 I think we reserved two hours at the close 9 of every deposition for parties other than the party 10 that noticed the deposition, to ask questions.

And if the Staff were participating in discovery on Volume III, we would use the same staff experts to support our participation in discovery that we are using to write the SER. And we can't be in two places at once, and it would severely limit our ability to complete the SER on time.

17 And so we thought that as we said, if we do 18 the legal briefings, first, it would allow the Staff 19 to participate more fully in discovery and complete 20 the SER at least, Volumes I and III on the schedule 21 we've already given, and it has the added benefit of 22 clarifying issues for the other parties. That's what 23 we stated last week and that remains the Staff 24 position.

25 >>JUDGE MOORE: On resources?

1

>> MS. BUPP: Yes.

2 >>JUDGE MOORE: Your argument strikes me as 3 robbing Peter to pay Paul. You still got to pay. If that's the case, how does it delay the SER? If 4 all of the legal issues are briefed and decided by 5 December, how on earth does that allow you to meet 6 the schedule as opposed to if we're only dealing with 7 those that deal with Volume SER III and I, which 8 presumably are the issues on which your experts are 9 working on the SER? 10

MS. BUPP: Well, although the parties have not agreed to the schedule yet, just by way of example, DOE's proposed scheduled sent to all the parties, on that legal proposed schedule, we would be doing legal briefings until February -- through February of next calendar year, 2010.

Briefing on the legal issues because they are legal issues, they do not have a strong technical component and so it would keep all counsel occupied during the briefings but would require much less effort on the part of Staff than participation of discovery would. Does that answer your question?

>>JUDGE MOORE: I really don't understand
how working on issues that have nothing to do with
what your lawyer and technical people are going to be

1 tied up on can impact the schedule on Volumes I and2 III.

3 >> MS. BUPP: It's because if we don't do
4 the legal briefing for all of the contentions, all
5 the legal contentions, even the ones that are
6 related to Volumes II, IV and V now, we would have
7 to start discovery on Volumes, I and III earlier.

8 It is doing discovery simultaneously while 9 the Staff is trying to finish the SER that is causing 10 the staff problems. It has nothing to do with 11 briefing legal issues. Briefing the legal issues is 12 a legal activity that would require the attorneys to 13 work very hard to be able to support both reviewing 14 the SER and briefing the legal issues, but would not require the technical staff to do as much work as 15 16 would be required for the technical staff to help 17 support depositions. Because by their very nature, 18 the legal contention part are legal issues, not 19 technical issues requiring technical expertise? 20 >>JUDGE RYERSON: Your point, Ms. Bupp as I 21 understand it, the longer the discovery can be

deferred, the longer period that your technical
people are not distracted by discovery and they can
work on the SER volumes.

>> MS. BUPP: Exactly.

25

>>JUDGE RYERSON: So from your standpoint,
the legal briefing is kind of a mis-direction. From
the point that you're talking about only relates to
keeping your technical people free to work on the SER
volumes?

>> MS. BUPP: The Staff suggested doing the
legal briefing first so that everybody wouldn't be
sitting on their hands while they are waiting for the
Staff to get a little bit further in writing the SER,
but it is something that could be of benefit to all
the parties that we can do in the meantime.

12 >>JUDGE RYERSON: But to the extent that 13 the consensus of the parties seems to be that it 14 would be useful to begin with discovery, that's 15 simply is inconsistent with your view?

MS. BUPP: Because Staff would like to at least, participate in discovery because through discovery, we could gain insights that could be useful in writing the SER. And so it's not like we could just set out and let them all go on and have their discussions.

We do need to put some resources into at least, reading the transcripts and depositions, if not attending depositions and asking questions because while we can ask RAIs to DOE, to the extent

1 that the other parties have raised issues that we're 2 also trying to address in the SER, we can't really 3 ask them questions about the technical bases for 4 those issues. And we would like to have the benefit 5 of that, while we are writing SERs so that we can 6 come up with the best document possible.

7 But we can't have experts attending 8 depositions or even reading transcripts from 9 depositions while they are supposed to be writing 10 There just aren't enough resources to go SERs. 11 around and we don't have the fiscal year, 2010 12 Based on what we're seeing coming from budget. 13 Capitol Hill, the proposed budgets, it's just not 14 going to be feasible.

15 >>JUDGE MOORE: Can you tell us that if we 16 move forward in the context of what all the other 17 parties wish to do, how much delay in you issuing 18 Volume 1 and Volume III of the SER will be -- entail? 19 >> MS. BUPP: It really depends on what our 20 budget is for fiscal year, 2010 and also whether 21 there is a continuing resolution.

22 >>JUDGE MOORE: What was the last part of 23 that?

24 >> MS. BUPP: The 2010 appropriation and
25 also whether there is a continuing resolution, if

the budget appropriation is not issued by October
 1s<sup>t</sup>.

3 >>MR. POLANSKY: Your Honors, if I may. One way to alleviate the Staff's concern is maybe 4 have the parties get together with NRC staff and 5 within SER Volume III, if the Staff has for example, 6 7 if they have completed the igneous section of the 8 SER, then, perhaps that is something that we from a 9 subject matter could proceed on first and therefore, 10 not affect the Staff resources from a technical 11 perspective.

And we can work in series that way. And we can work in series that way. I don't know if we can promise to do that but we can certainly work together to try to alleviate that concern.

16 Ms. Bupp, are you in a >>JUDGE MOORE: 17 position to be able to tell us whether there are any 18 portions, especially with relation to Volume III, of 19 the SER, that you might conclude are completed or 20 nearly so or give us a percentage figure of the 1,000 21 issues that are involved in Volume III, how many 22 have been completed? Or how many that relate to 23 contentions here with relation to Volume III have 24 been completed?

25

>> MS. BUPP: I would have to consult with

the technical side but the appropriate people to
 consult with are here.

3 >>JUDGE MOORE: It is now, 3:00.
4 It is an excellent time for a brief 15 minute break.
5 Ms. Bupp, start consulting. We will reconvene in 15
6 minutes.

7 (Whereupon, a short break was taken)
8 >>JUDGE MOORE: Please be seated.
9 >>MR. MALSCH: Judge Moore, I had a post

>>MR. MALSCH: Judge Moore, I had a possible
suggestion that may shortcut this whole discussion
and that is if we agree that no actual depositions
will be conducted until say February of next year,
but between now and then we do notice the
consultation and so forth, I think that takes care of
the Staff's problem and DOE has no problem with that
either.

17 So Staff's objective here was to get some months 18 down time before actual depositions are conducted, then 19 that's the solution to the problem. And I think we, indeed, 20 have an agreement postponing depos until around February 1 21 is fine.

>> JUDGE WARDWELL: As will become clear very
 shortly with what we ask of the parties, that is something
 that you should fully explore and reach consensus on, or may
 wish to do that. That -- I'm just curious; for the record,

Ms. Bupp, did you have an opportunity to consult and can you
give us a progress report? Or if it's not appropriate for
to you do so, just say so.

>> MS. BUPP: Sure, we can answer the Board's 4 question. I want to clarify back to the Judge's questions 5 6 about what was in Volume III and what was in Volume II. think a clear way to describe the difference between the 7 8 two of them is that, while they're both concerned with the 9 -- that Volume II is concerned with compliance of 63.204, 10 and Volume III is concerned with 63.311 in compliance with 11 So to the extent that we're looking at design and that. 12 fabrication issues, construction issues, in Volume III, we 13 will be looking at whether or not they can comply with 14 63.311 which looks at post-performance. So any sort of 15 design defects we would look to see if there was a 16 post-closure performance impact to that.

17

In the old world, when we were creating one big. 18 19 SER, we would only look at post-closure performance. Ιn 20 this new world, where we're trying to develop a very 21 complete Volume III that could stand on its own, we will 22 have to look at some issues of design so that will have the 23 background and be the context for discussing the post-closure performance. So I hope that's a little bit 24 clearer as to what's going to be in Volume III. 25 With

1 regard to Volume III in its completion, all chapters of 2 Volume III are a work in progress and while we appreciate 3 the offer to maybe try to stagger discovery to relate to only certain issues of Volume III, the way the staff is 4 designing Volume III to be an integrated volume. 5 Each 6 chapter of Volume III builds upon the other, and so it won't 7 be until Volume III is complete that any one issue within Volume III is, you know, sort of complete and done. 8 We need 9 to be able to continuously go through it and look at the 10 integrated processes that are considered in Volume III. 11 Well, thank you for that >>JUDGE MOORE: 12 You did clear something up. You used the answer. 13 phrase, "new world" and "old world" and I'm living 14 in the old one and you may be living in the new one, 15 and now I can understand.

16 Judge Wardwell?

>>JUDGE WARDWELL: I just have a few more
questions on the response to our July 21st Order.
And first let's just go back to Spreadsheet 2 to talk
about a couple of little technocrat -- if you will -issues with that to make sure I understand what the
issue was and Mr. Polansky, if you have a copy of the
spreadsheet there.

24 Under your third column, in what's25 designated as a legal issue, you have many

1 contentions that are attributed to the Board as being 2 the one designated, designating that particular contention as a legal issue. 3 Many of them, I believe were designated by the party and not the Board. 4 So it wouldn't be LBP, but it would be party. And do 5 you agree with that in retrospect? Or if not, I can 6 quickly tell you which ones I think are the only ones 7 that were the Board ones of those LBPs from my 8 reading out those contentions. 9

10 >>MR. POLANSKY: This is Mr. Polansky. I 11 think what we tried to capture in Spreadsheet 2 was 12 whether the contention was discussed as a legal 13 issue, whether raised by an adjudicatory body or 14 either party, whether it was discussed on the 15 Commission's decision on appeal or LBP0906 or whether 16 it was truly raised by, you know, the parties.

17 >>JUDGE WARDWELL: I see. That clarifies 18 it. And then one last issue under Nevada Safety 19 196 -- and someone else brought this up also -- but l believe the Volume is I, not IV. I think that's a 20 21 typo, if you agree with that? I think previously you designated it as a "I" and it will affect what we're 22 23 dealing with now.

24 >>MR. POLANSKY: Correct. The NRC was
25 correct in pointing out that was a typo and it was

inconsistent with Spreadsheet 1 and Spreadsheet 2 and
 this identifies this contention as SER Volume 1 and
 SER Spreadsheet 2 had it wrong.

4 >>JUDGE WARDWELL: Okay, good. In regards to Question three, I had no additional 5 questions from that. On four, I think we covered the 6 questions that I did have on that. On Question five, 7 which stated, which of any NEPA contentions, in 8 addition to NEPA 001, involves matters of subject --9 of pending supplementation of DOE's environmental 10 I think I just want to verify with Nevada, impact. 11 Mr. Malsch, that you agree that those 15 contentions 12 listed by DOE in Spreadsheet 6 are the ones and only 13 ones that are involved with groundwater matters from 14 your perspective? They start on the bottom of page 15 one and go to the top of page two. 16

>>MR. MALSCH: This is Marty Malsch of
Nevada. That sounds right to us, although we haven't
focused on other parties contentions. But the list
does include the two of ours that are related to
groundwater.

>>JUDGE WARDWELL: Who do we have in
California? Mr. Sullivan, for California. Do you
agree that those are the ones from your perspective
that are groundwater issues?

1 >>MR. SULLI VAN: Yes. 2 >>JUDGE RYERSON: And Mr. Jones from Inyo. 3 Yes. >>MR. JAMES: Greg James, from Inyo 4 County. 5 >>JUDGE WARDWELL: Sorry, Greg James. Yes, we agree with that 6 >>MR. JAMES: 7 characterization. 8 >>JUDGE WARDWELL: And JTS, we have NEPA 9 199. Do you agree those are the ones that deal with 10 ground water and only the ones they do? 11 Yes, Your Honor, we do. >>MR. POLAND: 12 >>JUDGE WARDWELL: And Nye. 13 Your Honor, Rob Anderson >>MR. ANDERSON: 14 for Nye County. It was included both in your 15 question and in the Spreadsheet correctly. 16 That's right. >>JUDGE WARDWELL: So we're 17 here at the agency of redundancy. Question six, 18 which if any of the contentions identified in 19 response to Question four, but not response to 20 question five, require discovery before being right 21 for adjudication and describe the general nature of any such discovery. And I think I would like to 22 23 verify with Nevada and the other parties that they 24 agree that the discovery needs presented by DOE in 25 Spreadsheet 3 are reasonable and appropriate and do

not need any augmentation and if so, what
 augmentation?

3 >>MR. MALSCH: Yes, that's correct.
4 >>JUDGE WARDWELL: Without going through
5 all the parties again that's involved now, with
6 Spreadsheet 3 because there's even more now, would
7 any of the other parties like to augment any
8 discovery needs not already presented by DOE in their
9 Spreadsheet 3?

10 >>MR. ANDERSON: Rob Anderson for NYE 11 I think we filed and so stated that we County. 12 believe that within that subgroup that you're dealing 13 with, there are some NEPA contentions, particularly 14 those with respect to transportation that if dealt 15 with upfront as we have suggested, may not require 16 discovery. In other words, it's the opposite.

17 >>JUDGE WARDWELL: Right. I was more concerned to make sure if there is Okav. 18 more, I want get them in. If there's less, that's 19 fine but if there's more -- but I appreciate your 20 responding. Anyone else feel there should be other 21 contentions not listed that require discovery? 22 Hearing none from here or in our Rockville Hearing 23 Room, then we'll proceed and I am finished with my 24 questions. 25

>>MR. MALSCH: The next order of business 1 2 will be taken up by Judge Ryerson and we think that 3 this is now the way the Board would like to conclude. 4 >>JUDGE RYERSON: Yeah, here's what we'd like to do and Ms. Curran, this may present 5 6 logistical issues involving you that we can get to at But, for the group that's here, we'd like 7 the end. 8 to proceed as follows: First, I want to say, I think 9 all of us discussing it at the break were impressed 10 by what seems like the degree of agreement among most 11 of the parties, not on all issues, but really when 12 you look back at the filings that we've received and 13 you look at what's said today and the suggestions of 14 cooperation, it's very encouraging. And we'd like to 15 continue in that useful endeavor while we have 16 everybody today and tomorrow and suggest we proceed 17 as follows:

18 We would like everyone here to -- we'll 19 probably break about 4:00 today to use some time 20 today, and then tomorrow to continue to work on the 21 issues that you've been talking about and to try 22 before the close of business tomorrow to come up with 23 as much of a consensus case management order as 24 possible. And, you know, I think our hope and 25 expectation is that you'll be able to at least do

that in outline form by the close of business tomorrow, and that thereafter, and I'll get around some specific dates on this, that you'll be able to come up with a draft case management order that we can look at and as appropriate, perhaps modify an issue or a conflict.

It seemed to me, or it seemed to the Board 7 8 that there are a number of consensus issues and I'm 9 not going to hit on all of them, but certainly the 10 Board's sense was that the majority view seems to be 11 that proceedings should begin promptly on matters 12 related to SER Volume I and SER Volume III. And that would include discovery in some form. I just heard 13 14 about the suggestion of actually deferring 15 depositions a little further than they've originally 16 been contemplated.

17 But it would include discovery of some 18 form. It would include discovery related to NEPA 19 contentions, legal issues, safety contingents, 20 anything related to SER I and III. And I think 21 that's what most parties seem to be contemplating at 22 this point. Someone made the point earlier, we think 23 it's a very realistic one, that the target ought to 24 be through the close of discovery in phase one. That is everything, as I've said, that relates to SER 25

I and III including the NEPA contentions that relate 1 to SER I and III, the legal issues and so forth, 2 that we need not at this point go beyond that. 3 believe under the chart that was circulated for that, 4 phase one discovery would have completed November 30, 5 That may or may not be the fixed date that 2010. 6 you agree upon as you talk it through but that takes 7 us for the next 15 months or so. So our view is that 8 we need not probably be worrying a whole lot today or 9 in the next couple of months about the time between 10 the close of discovery and the beginning of a hearing 11 and the like. 12

13 So that's sort of the second point that at 14 least we heard some agreement on. A third point that 15 and this may reflect my personal views, maybe even 16 more than the rest of the Board's but a suggestion 17 was made that as a general guiding principle, it is 18 better rather than trying to carve out specific 19 limitations on depositions or other kind of arbitrary 20 rules that may or may not make sense as we move 21 forward, to instead of that, proceed with a spirit of 22 professional cooperation and when cooperation in some 23 hopefully rare instances cannot be achieved, usually 24 the best route will be to try to initiate a 25 conference call with the Board rather than firing off

1 motions that deal with discovery. At least my own 2 experience is that motions dealing with discovery are 3 too easily written and often not terribly productive. 4 And that parties are more likely to convene a 5 conference call only when there is a serious dispute 6 and it usually can be resolved more efficiently that 7 Procedurally again, we hope what we can do is wav. 8 have you meet as long as you find it productive 9 I think you can use this facility till 5:00 today. 10 We will plan to -- that is we, the Board, or 5:30. 11 will plan to be here at 9:00 tomorrow as originally 12 scheduled. You may or may not have any progress to 13 report at that point, but we might as well just touch 14 base then and see where you are. The expectation is 15 that you would then continue through the day as 16 necessary.

17 We plan to come back on the bench at 1:00 18 and if need be at 5:00 to hear where you are. And 19 we're going to be back here ready to come out on the 20 with or without a reporter if we you find it bench, 21 more helpful one way or another at any point during 22 If there's a particular issue, that if for the day. 23 some reason the Board participation would be useful. 24

25

Again, our hope is that you can reach a

1 consensus on the principle points of an outline of a 2 case management order with the thought that you would 3 then, one party, would presumably have to take this responsibility, go back and draft it up, ideally, in 4 the form of a proposed order and circulate to the 5 6 others and get in shape for filing with us with the ELE system, filing actually with the Secretary's 7 8 Office as a proposed order by Wednesday, September 23 9 which we would then look at. And as I said, modify 10 as we felt appropriate, but issue no later than the 11 That's our hope and expectation. end of this month. 12 I think, at least as we've looked at the filings, 13 they're really three principle groups of filings that 14 you have to reconcile in that, in that order and you 15 probably all know what they are. There's the May -- the June 10 group that was 16 originally filed in response to construction 17 authorization for one's order. And as I recall, 18 there was a principle filing on June 10 or a few 19 individual party filings and there were responses to 20 the six questions filed August 17. Again, there were 21 some individual responses on that and most recently, 22 the September 10 filings of the individual responses. 23 But I think it's the Board's view that in light of 24 the conversations today, I think you're probably in a 25

position to try to reconcile all those and hopefully reach agreement on the timing and the principle rules for operating and try to do that by close of business tomorrow. Am I missing something, ask my colleague, Judge Moore?

6 >>JUDGE MOORE: If need be after we receive your joint proposed draft case management order that 7 under which we'll be operating on what we're calling 8 9 Phase 1 on all the contentions associated with 10 volumes I and III of the SER, if we think we have 11 any additional pressing questions that we think 12 consultation with you would be in line, I would do it on the telephone with a telephone conference but it 13 14 will be done expeditiously, so that we can get a 15 start on this massive case and get you all working on 16 it and off of these procedural matters and back on to 17 subject matter.

>> : JUDGE RYERSON: I did -- I don't want to forget
 the point about Ms. Curran. Logistically, this may
 present difficulties for you or maybe it doesn't
 really.

22 One option would be that you would work by 23 telephone with one or more groups, that is they're 24 talking about this?

25 Or simply participate when we come back on the bench

and hear a report on where things stand? Do have you
 any views as to the best way for to you participate
 Ms. Curran?

>>MS. CURRAN: I think I can do it by
telephone. Right now, if people are staying to talk,
I would need to get a telephone number of someone
there that I could call because I--I don't have
telephone numbers for the participants. I do have a
cell phone with me.

>>JUDGE MOORE: Ms. Curran, one moment. >> : 10 The plan is we will essentially since this is your 11 conference, the courtroom will be made available to 12 you if you wish to use this facility, this room, and 13 bar everyone else from it except yourselves, the same 14 way if you were meeting at one of your offices. We 15 stand at your call. If we can be helpful, plus will 16 the times Judge Ryerson noted. If that's the way you 17 wish to proceed and do it in here, then Ms. Curran, 18 we can have you participate the same way you're now, 19 by video conference right there, tomorrow, it can be 20 done from chambers there, so you don't have to be in 21 a big room by yourself, you can be in a small room by 22 yourself, if that would make you more comfortable. 23 If that is not the way the parties wish to proceed 24 and you wish to break into groups or subgroups and 25

use the conference rooms, then, whatever group Ms.
Curran is broken into, we can make arrangements so
that you can participate by at least telephone
conference and then back to video conference when
we're all in here. I just spoke to Andy and he said
it can be arranged.

7 So that is your choice. If you wish to use 8 this facility, then we will clear it of all except 9 those lawyers that are involved in the negotiated 10 process of those that they wish to have here as part 11 of their team. And and how do you wish to proceed? 12 DOE would like to have it >>MR. SCHMUTZ: 13 here immediately after the Board adjourns. I'd ask 14 one question of the Board with regard to what Judge 15 Ryerson said. There may be one or two -- as I look 16 sort out over what happened today, I think we're in 17 agreement among most of the parties on most things 18 and I don't think of -- I think we're going to come 19 up with two sticking points. I'm not going to raise 20 them to the Board now but I would hope that the Board 21 would be available tomorrow to give us on this, any sticking points, kind of the Board sense of where 22 23 they're coming out.

24

25

>>JUDGE MOORE: We would be pleased to do

1 that and we will have a system in place in the 2 morning so that we will be here in the building at 3 your beck and call. We will come to the bench and 4 attempt to answer your questions. Or, take the 5 question and cogitate and then then come back and 6 give you our sense. If that's the way -- is everyone 7 in agreement that that's the way you would like to 8 proceed? Then it's now your facility. I would ask 9 all those who are not participating, and it's up to 10 you all to determine, because I don't know who's in 11 the audience, some of them may be your people. You 12 identify those that you want to participate and 13 everyone else will be -- the room will be closed and 14 sealed and it is yours. And we will send a message 15 in as to what time we must cease activities this 16 evening because I don't know at this point whether 17 it's 5:00, 5:30 or -- I can have an answer? One 18 moment. Talk about a short memory, 5:30 is when we 19 will--because of security, we'll have to turnover the room and then we'll reconvene at 9:00 in the morning. 20 21 And so, we stand adjourned. Would you like to start 22 earlier than 9:00 in the morning?

23 >>MR. SCHMUTZ: This is Tom Schmutz from
24 DOE. No.

25 >>JUDGE MOORE: I was just going to say,

with that overwhelming response -- so, we will be
here until 5:30 if you have any questions you wish to
send to us, we'll work out a system on how to contact
us.

5 Ms. Curran, I would suggest you just stay 6 right where where you are and participate by video 7 conference and we will contact you directly as to 8 where the video conferencing will be tomorrow at 9 9:00 a.m. which is 12:00 your time because I think it 10 can be moved to chambers and that will be probably a 11 little more convenient for you.

>>MS. CURRAN: Just so I understand, I am
going to be able to participate by video conferencing
right now, after the Board --

15 >>>>>JUDGE MOORE: Correct.

>>MS. CURRAN: -- ends its session?
And tomorrow. All right. I'd like to make one
request, because I feel a little mistrustful of
technology. I'd like to ask for one telephone number
before you leave. Could I have a telephone number
for Deborah Roby, that would be wonderful.

>>JUDGE MOORE: We have someone there, Ms.
Curran who has all the requisite numbers and there
will be full coverage for you tomorrow so that should
there be any disconnection, they can hopefully fix

1 the glitch or we'll work around it.

2 Okay, and then I just have >>MS. CURRAN: 3 one more request, one more comment. I just want to thank the Board for making it possible for me to 4 5 participate remotely. It's helped Eureka County save 6 its resources and I also want to thank you so much 7 for the effort you've gone to webstream this 8 conference. I think it's helpful to a lot of 9 people. Thank you.

10 >>JUDGE MOORE: With regard to the video 11 conferencing to Ms. Curran back to the Rockville 12 Hearing facility, which Andy, you take care of making 13 sure that it's now sealed too so that it's only Ms. 14 The webstreaming will cease, and will not Curran. 15 be--as will the broadcast. Also, there will be no 16 more realtime court reporting. If you want it on the 17 record, when you meet with us, we will just turn the 18 DDMs on, so it will be videotaped and then a 19 transcript can be made of it. If you wish it not to 20 be on the record, we don't have to have it on the 21 We will leave it up to your request. record. ls 22 there anything else? Then we stand adjourned. 23 (Whereupon, Proceeding were concluded)

24

1	CERTIFICATE OF REPORTER
2	
3	This is to certify that the attached proceedings
4	before the United States Nuclear Regulatory Commission in
5	the matter of U. S. Department of Energy High-Level Waste
6	Repository, Docket No. 63-01, ASLBP No. 09-892-HLW CABO4 on
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