National Association of Regulatory Utility Commissioners

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August 27, 1993

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PAUL RODGERS Administrative Director General Counsel

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Treasurer

Charles J. Haughney Branch Chief Nuclear Regulatory Commission OWFN 11555 Rockville Pike Rockville, Maryland 20852

Dear Mr. Haughney:

I am pleased that you have agreed to participate in what I believe could be a very important dialogue on interim spent fuel storage issues. The first meeting will take place on Tuesday, September 7th at the MARRIOTT MARQUIS HOTEL IN ATLANTA, GEORGIA FROM 1:00 to 5:00 pm.

For your review prior to the upcoming meeting, I am enclosing a concept paper outlining the purpose, scope and structure of the dialogue. All participants are asked to take note of and be prepared to observe the basic ground rules set forth in the concept paper.

In the near future, additional background materials and issues papers will be provided. Documents are being collected from various sources and if you have a useful reference document that you would like us to distribute, please send it to me by fax (202-347-4314) by Tuesday, August 31 at noon (eastern standard time).

I am looking forward to meeting you in Atlanta.

Sincerely

Cas Robinson,

Director

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CONCEPT PAPER FOR A DIALOGUE ON INTERIM SPENT FUEL STORAGE ISSUES

THE PROBLEM:

In accordance with the provisions of the Nuclear Waste Policy Act, it has been expected that DOE would begin accepting spent fuel from U.S. utilities in 1998. In the absence of a viable reprocessing option, DOE and utility interim spent fuel storage planning have been premised on this expectation. Although DOE has stated its willingness to begin taking spent fuel in 1998, it has not stated an obligation to do so, nor selected a location, nor sited a facility. Utility spent fuel inventories are growing and in some cases, there may no longer be room at reactor sites for continued on-site storage.

As 1998 approaches and passes, the need for on-site storage will become more acute, unless some provision for off-site storage is made available. The construction of additional at-reactor storage capacity in a timely fashion to carry utilities well beyond 1998 raises a host of difficult political, regulatory and ratepayer issues. What to do over the next two or three decades is the immediate issue, with the 1998 issue an important component of the problem.

DIALOGUE:

The NARUC proposes to convene a dialogue of relevant stakeholders to review all realistic alternatives for the interim storage of spent nuclear fuel, beginning in 1998. The question on which the discussion will focus is "What is the Best way to deal with spent nuclear fuel in the interim between generation and permanent disposal?" The dialogue will examine a full range of options for addressing civilian high level radioactive waste issues in a 20-to-30 year time frame. It will seek to identify options that coordinate existing or potential policies and laws with the needs of government, industry, state regulators, and environmental, consumer and public interest organizations.

In reviewing the options, the dialogue will identify the advantages and disadvantages of each alternative. The group will try to arrive at consensus on the accuracy of the facts associated with each option. In addition, the group will try to reach agreement on the priority ranking of the options in order of preference. Further the dialogue will attempt to identify the proposed solutions that are unlikely to be either feasible or widely supported. A report is to be produced by the dialogue representing the positions of the group and the rationale supporting these positions.

SCOPE:

The effect of current federal and state laws, regulations, and institutional requirements will be an important part of these discussions. The group will attempt to determine the implications and consequences of the top ranked options for rate payers, utilities, and for the DOE nuclear waste program in both the near and long term. The underlying assumption is that a deep geologic repository as determined in the NWPA will continue to be the U.S. disposal policy.

The discussion should examine all available options, including, but not limited to, construction of one or more MRS facilities at non-Federal sites, interim storage at one or more existing Federal sites such as defense waste storage sites, canister systems, and various engineering and financial options for continued reactor on-site storage.

PARTICIPANTS:

The participants to be invited to the dialogue will include state utility regulators, nuclear utility CEO's, organized environmental representative(s), and persons from the state of Nevada. The intent is to assemble a dialogue that is fully representative of the affected interests. All participants will be requested to honor the rules established by the Nuclear Waste Program Office in convening the dialogue. Each participant will be asked to commit to the three scheduled meetings for the dialogue.

DIALOGUE STRUCTURE:

The ground rules are: 1. all participants will agree to attend all three scheduled meetings; 2. the members of the dialogue will participate as individuals rather than representatives of an organization; 3. all conversations are off-the-record and not for attribution; 4. neither the work papers nor the documents produced in the course of the dialogue or drafts of the final report are to be made public until their release is authorized by the group.

REPORT OF RESULTS:

At the conclusion of the dialogue the results of the inquiry will be published in a report containing the results of the dialogue. The report will describe the background for the dialogue, the issues discussed, the process that was followed and the options considered along with the advantages and disadvantages associated with each. These options will be presented in rank order of preference with the rationale for the selected preferences together with any recommendations reached by the group.

The report of the dialogue will contain recommendations reached by consensus with

agreement on the accuracy of the facts associated with each recommendation. If consensus is not possible, however, the report will delineate areas of agreement and disagreement, and state why disagreement exists in the belief this delineation will be useful to policy makers.

MEETING LOCATIONS AND TIMES:

The group will meet according to the following schedule:

September 7,1993 In Atlanta, Georgia October 5, 1993 in Washington, D.C. November 3, 1993 in Atlanta, Georgia.