Meeting Minutes

Yankee Rowe Fuel Storage and Removal Community Advisory Board November 6, 2014

The Yankee Rowe Fuel Storage and Removal Community Advisory Board held their Annual 2014 meeting at the Golden Eagle Restaurant in Clarksburg, MA on November 6, 2014.

Attendees: Lenny Laffond (Rowe); Gail Cariddi (North Adams); Anne Skinner (Williamstown); David Nash (Monroe); Carla Davis-Little (Monroe); Art Schwenger (Franklin County Chamber of Commerce); Dawn Peters (Heath); Tom Wilson (CAN) YAEC Representatives: Wayne Norton, Bob Mitchell, Bob Capstick, Dave Yorke, Karen Sucharzewski.

The meeting was called to order at 6:1 0 p.m. by Lenny Laffond, Chairman.

Minutes of the November 6, 2014 meeting were accepted as written.

ISFSI Site Update was presented by Bob Mitchell, ISFSI Manager. (Presentation attached).

Federal Nuclear Waste Update was presented by Robert Capstick (Presentation attached).

CAB New Business: Discussed the retirement of Robert Mitchell as YAEC's ISFSI Manager and Art Schwenger commented on Bob's dedication to the Company and expressed his appreciation for Bob's straightforwardness and willingness to provide support and answers to the CAB Members.

Public Comment: None.

The next CAB meeting is scheduled for Thursday, November 5, 2015 at the Golden Eagle Restaurant.

The Meeting was adjourned @ 7:15 p.m.

For more information, contact Bob Mitchell at 413-424-5261 X-303 or via email at rmitchell@3yankees.com.

Bob Mitchell's Presentation

Industrial Safety

There were no Lost Time Accidents, OSHA Recordable since the last report. There has been one first aid which was an officer sustaining a small laceration to a finger,

ISFSI Operations

ISFSI Operations are normal. Preparations are underway for winter operation.

Construction of the 30 ft. x 80 ft. Storage Building is complete and an occupancy permit has been issued. The building will be used to house site maintenance equipment.

A detailed and intrusive inspection was performed of the security systems associated with the storage of the spent fuel was performed by an outside team in July. Overall, all systems performed as designed and as required by regulation. Additional enhancements were recommended which will be pursued in the following years.

National Grid and their sub-contractor, Michels Power is working on the site replacing the Y177 line structures. This project is having a significant impact on the site on the east side of ISFSI access road. Security has been implementing additional compensatory measures during periods of construction. This work is expected to be completed by mid-November.

Ground and Surface Water Sampling Program

As a result of MW-107C being below the MCL of 20,000 picocuries per liter for Tritium, Yankee initiated a quarterly sampling program beginning in June of 2013 with additional sampling completed in September 2013, December 2013 and March 2014 during the performance of all the required ground and surface water sampling. The results for the March sampling event showed that MW-107C was at 8,910 pCi/L confirming the overall downward trend. Based on the quarterly sample results, Yankee was able to transition the central part of the site from a temporary solution to a final solution under the Massachusetts Contingency Plan (MCP) (Class A Response Action Outcome).

Nuclear Regulatory Commission Site Inspection

The NRC conducted an Operational and Security Inspection earlier this year with no violations or findings. The Security Inspector has a number of recommendations on improving the testing of our intrusion detection systems which we have implemented.

The next biennial inspection is scheduled for 2016.

Cask Relicensing

The Yankee companies continue to be actively involved with EPRI, NEI and NRC on the issues of canister relicensing and extending the expiration dates of the fuel storage system. Canister license renewal planning activities at NAC are underway.

The NEI Relicensing Working Group issued NEI 14-03, "Guidance for Operations-Based Aging Management for Dry Cask Storage to the NRC for review and endorsement on 9/23/2014. The 3 Yankees participated in the development of these guidelines and will be involved in any comment resolution process resulting from the NRC review. The 3Yankees also participated in the Dry Cask Storage Steering Group Biannual meeting during this reporting period.

Efforts are also underway with EPRI to develop the technical basis for dry storage cask canister inspections and frequency to address long-term corrosion considerations. EPRI issued the public version of the Flaw Growth and Tolerance Assessment report, which is the fifth report documenting this technical basis. Furthermore, a proprietary draft version of the Chloride Stress Corrosion Cracking Susceptibility Criteria has been issued for technical review committee comments and the 3Yankees have provided preliminary feedback to EPRI. A nondestructive evaluation summit was also held at EPRI headquarters to identify a path forward for improving inspection technology on dry storage canisters to be used in conjunction with cask relicensing programs. These efforts are all elements of the Research and Development plan (which was also revised and reviewed during this reporting period) that EPRI and the industry has developed to provide a technical basis for the license renewal process.

The NRC has issued an information notice for cask degradation from moisture which has been assessed for impact. A program for the 3 Yankees has been developed to improve how we identify and report concrete issues associated with the over-packs and pads. Each 3 Yankee's ISFSI has issued the revised annual inspection procedure and the enhanced 2014 annual inspections are complete at each site.

Currently there is 24-hr technical specification requirement to ensure that vents are not blocked at the ISFSI such as during a snow storm. NAC has performed an analysis for the Yankee Rowe ISFSI to see if this time can be extended. The results show that the response times could possibly be extended, but the technical justification is complicated and would require a potentially expensive exemption process. An internal assessment has been completed and issued for Yankee Rowe and is currently being discussed among staff for final recommendations on the best option.

Robert Capstick's Presentation

Administration:

• Department of Energy Used Fuel Management Program

The DOE 2013 Report "Strategy for the Management and Disposal of Used Nuclear Fuel and High Level Radioactive Waste" remains as the policy of the Administration. The strategy document milestones include development of a pilot consolidated storage facility with priority for shutdown reactor fuel, a larger consolidated storage facility, and a repository. Earlier this year, the DOE issued a Draft National Transportation Plan to the State Regional Groups, including the Northeast High-level Radioactive Waste Transportation taskforce that represents our region of the country. DOE also issued a request for information (RFI) on what it would take to design a rail car to transport spent fuel casks and is seeking to identify who is interested in doing this work (although DOE has yet to issue a Request For Proposal). DOE has also been working on design options for a Consolidated Interim Storage facility and continues to compile information on transportation infrastructure for the agency's preliminary evaluation of removing SNF from decommissioned reactor sites - an update to their report, "A Preliminary Evaluation of Removing Used Nuclear Fuel from Shutdown Sites" is expected before the end of the year.

Congress

Nuclear Waste Program Reform Legislation

Comprehensive bipartisan nuclear waste program reform legislation introduced by the Chairs and Ranking Members of the Senate Energy Committee and the Senate Energy & Water Development Appropriations Committee last year (S. 1240) included a provision that material at the site of a permanently shut down nuclear plant is defined as a "priority waste" that would be first in line for movement to a pilot consolidated storage facility. The bill cosponsors support moving forward with the legislation (including the Chair of the Senate Energy and Natural Resources Committee Mary Landrieu (D-LA); however, the bill was never marked up by the Senate Energy Committee this session. No nuclear waste legislation was introduced in the House this session.

• Senate Appropriations Legislation

The Senate Appropriations Subcommittee on Energy and Water Development included language in their FY '15 appropriations bill to establish a pilot CIS facility initially focused on moving SNF and high-level radioactive waste from shutdown reactor sites. This summer the Subcommittee approved the bill, but it has not been taken up by the full Senate Appropriations Committee.

• House Appropriations Legislation

House Appropriations Subcommittee on Energy and Water Development Chairman Mike

Simpson (R-ID) is a supporter of Yucca Mountain, but also supports a voluntary siting process for CIS and a pilot for shutdown reactor spent fuel. During House debate on the House E&WD bill in July, Rep. Barton (R-TX) introduced an amendment to establish a pilot project for CIS with priority for permanently shutdown reactor sites (which mirrored the CIS provision in the Senate bill). Energy Committee Chairman Fred Upton (R-MI) spoke in opposition to the amendment which Rep. Barton subsequently withdrew before the bill was passed by the House.

The bill continues House efforts to support the Yucca Mountain nuclear repository, providing \$150 million for the Nuclear Waste Disposal program and \$55 million for the Nuclear Regulatory Commission to continue the adjudication of DOE's Yucca Mountain License application. Amendments to strike these provisions that were offered by Congresswomen Titus (D-NV) were defeated 344 to 75 and 326 to 96. Congressman Neal voted to defeat both amendments.

Energy Committee Chairman Upton commented during debate on the House E&WD Appropriations bill that CIS is something he might support in the context of a bill that does not exclude Yucca Mountain and that he hopes to move such a bill through his authorizing committee in the next Congress.

• <u>Uranium Enrichment Decontamination and Decommissioning (D&D) Fund Fee</u>

As reported in the May update, the President's FY 2015 budget called for a 10 year \$200 million reinstatement of the Decontamination and Decommissioning Fund Fee on nuclear utilities to clean up the three uranium enrichment facilities in Tennessee, Kentucky, and Ohio. Reinstatement of this fee would significantly increase the annual operating costs for the Yankee facility (estimated to be \$1.4 million in the first year). The Senate E&WD Subcommittee bill included a provision to reinstate the fee. The House Appropriations E&WD bill that passed the House in July did not include any D&D fund fee provision, nor did the CR that funded the government into this December. [Background note: The D&D Fund was established to clean up the nation's three uranium enrichment plants (GDP in TN; Paducah in KY; and Portsmouth in OH) under the Energy Policy Act of 1992 and involved a combination of government contributions and domestic utility assessments from FY 1993-2007. Although the cleanup effort has been significant to date, the work is not completed and it's expected to take decades longer and cost multi-billions more dollars.]

Nuclear Regulatory Commission

• NRC Commissioner Changes

The Senate confirmed Jeff Baran (an aide to retiring Congressman Henry Waxman) and Stephen Burns (a former NRC general counsel) as new NRC Commissioners on September 16th. Burns will serve a full five year term and Baran will serve a shorter term of about a year (the rest of former NRC Commissioner Bill Magwood's term) and then be eligible for re-nomination. Also NRC Chairman Allison M. Macfarlane announced on October 21st that she will leave the NRC effective January 1 to take a position at George Washington University.

Continued Storage of Spent Nuclear Fuel Rule

On August 26, 2014 the NRC Commissioners approved the Continued Storage rule and Generic Environmental Impact Statement (GEIS). As the NRC states in their August 26 press release, the rule was "renamed from "waste confidence" to "continued storage of spent nuclear fuel." The name was changed in response to near unanimous public comment to more accurately reflect the nature and content of the rule." "The continued storage rule adopts the findings of the GEIS regarding the environmental impacts of storing spent fuel at any reactor site after the reactor's licensed period of operations... The GEIS analyzes the environmental impact of storing spent fuel beyond the licensed operating life of reactors over three timeframes: for 60 years (short-term), 100 years after the short-term scenario (long-term) and indefinitely." As the NRC noted in the rule, "The third timeframe analyzed by the GEIS is the indefinite timeframe, which assumes that a repository does not become available. The Commission does not believe that this scenario is likely to occur, but its inclusion in the analysis allows the NRC to fully analyze the environmental impacts associated with continued storage."

The Continued Storage rule and Generic Environmental Impact Statement (GEIS) were published on September 19th and the final rule became effective October 20th. A petition filed in late September by 17 environmental and antinuclear organizations called for the NRC to not issue any final nuclear licensing decisions pending completion of AEA-required safety findings regarding spent fuel disposal. The States of NY, CT and VT petitioned the Court of Appeals on October 24th to vacate the Rule and GEIS.

[Background Note: in June 2012, the U.S. Court of Appeals for the DC Circuit vacated and remanded the previous 2010 Waste Confidence rule back to the NRC to address the impacts of potential spent fuel pool fires and leaks and the impacts of failing to secure a permanent disposal facility for spent nuclear fuel. The proposed rule, supported by the DGEIS, addresses those issues. In 2012 the NRC also suspended finalizing licenses for new plants or relicensing existing facilities including ISFSIs. When the final Continued Storage rule becomes effective the NRC will resume issuing licenses.]

• NRC Commission Briefing on Decommissioning

Yankee's President Wayne Norton is the Chairman of the Decommissioning Plant Coalition and represents the DPC in periodic meetings with NRC commissioners and others. On July 15, 2014 in Washington, D.C. Wayne participated on a panel briefing the NRC Commissioners on nuclear power plant decommissioning. Given the number of plants entering decommissioning this topic is of increasing concern to the Commissioners. Wayne was invited in his capacity as President and CEO of Connecticut Yankee and Yankee Atomic and Chief Nuclear officer at Maine Yankee as well as Chair of the DPC. Wayne's comments focused on lessons learned from the decommissioning of the three Yankee plants, including the importance of community advisory boards to the decommissioning process and as an ISFSI. NRC Chairman Macfarlane has encouraged decommissioning plants to form CABs.

• Proposed Security Rule Changes for ISFSIs

As mentioned at past meetings, the NRC is developing new security rules for stand-alone ISFSIs like Yankee Rowe. Yankee is a participant in NRC meetings and is also working with the Nuclear Energy Institute Security Working Group on this rulemaking. The new rules are now expected to be issued in the 2017/2018 timeframe followed by a 12-18 month period for implementation. If implemented as proposed, the new rules could require significant security and emergency planning enhancements at all stand-alone ISFSIs.

Yucca Mountain License Application

As mandated by the U.S. Court of Appeals for the D.C. Circuit in August 2013, the NRC continues its review of the DOE's Yucca Mountain License Application until its existing appropriations are expended (note: DOE withdrew the application in 2010 and NRC suspended the licensing proceeding due to a lack of additional funding by Congress). The NRC issued the Yucca Mountain Safety Evaluation Report, Volume 3: "Repository Safety After Permanent Closure" on October 15th. The report stated that the DOE's license application meets the NRC's long-term nuclear waste repository regulatory and safety requirements, including whether Yucca Mountain would remain safe for one million years. The NRC expects to complete their review of the four other Safety Evaluation Reports by January 2015. The NRC staff will also complete the Supplemental Environmental Impact Statement requested by the Commissioners. It remains uncertain whether the next Congress will appropriate the funding necessary to complete the license application review process.

<u>Bipartisan Policy Center Initiative America's Nuclear Future: Taking Action to Address Nuclear Waste</u>

The Bipartisan Policy Center (BPC) is a Washington, D.C. based think-tank promoting bipartisan solutions to issues facing the nation. It was founded in 2007 by former Senate Majority Leaders George Mitchell and Robert Dole. As stated on the BPC website: "The goal of this project is to expand the national and regional conversation on nuclear waste and to develop policy options that ultimately could lead to an implementable nuclear waste strategy."

The BPC is holding four regional meetings to hear from stakeholders about the barriers to reforming the SNF management/disposal program and what needs to be done to overcome those barriers. The first regional meeting was held in Boston on June 10 at MIT. The topic was Identifying a Path Forward on America's Nuclear Waste. Yankee President Wayne Norton was invited to participate in the invitation only morning session and also participated as a panelist in the public afternoon session with about 50 attendees. The meeting addressed identifying barriers to progress on the SNF issue and ways to overcome those barriers. Key barriers identified were a lack of urgency to address the SNF issue and a lack of public confidence in the government, congress and industry.

The second BPC meeting on the SNF issue was held in Atlanta, GA at Georgia Tech on September 5. The topic was Impacts of Consolidated Nuclear Waste on Communities. Wayne Norton was invited to participate in a roundtable discussion the night before the public meeting focused on interim consolidated storage and consent based siting. Future meetings are planned for Chicago in November and then in California.

DOE SPENT FUEL LAWSUIT STATUS UPDATE

Phase I Case

The Phase I case is completed.

[Background note: In February 2013, the federal government paid the Yankee Companies (Connecticut Yankee, Maine Yankee, and Yankee Atomic) nearly \$160 million in damages for the costs related to the government's failure to honor its contract obligations to begin removing spent nuclear fuel and Greater than Class C waste from the three Yankee sites by January 1998. These Phase I litigation damages represent damages through 2001 for Connecticut Yankee and Yankee Atomic and through 2002 for Maine Yankee. The US government did not to appeal the US Court of Appeals judgment of May 18, 2012 that confirmed the US Court of Federal Claims awards to Connecticut Yankee in the amount of \$39,667,243; and Maine Yankee of \$81,690,866; and Yankee Atomic of \$38,268,655. The Federal Energy Regulatory Commission (FERC) approved a filing effective July 1, 2013 following the award of the Phase I damages funds that accepted an agreement reached between the three Yankee Companies and state utility regulators in Connecticut, Maine and Massachusetts that have historically intervened in the companies' FERC rate cases. That agreement detailed an approach for applying the Phase I damages proceeds and future damages awards that best serves the interests of the ratepayers in their state.]

Phase II Case

The federal government did not appeal U.S. Court of Federal Claims Judge 's ruling of November 14, 2013 that awarded Connecticut Yankee, Yankee Atomic, and Maine Yankee approximately \$235.4 million in total damages (CYAPCO recovered \$126.3 million, YAEC \$73.3 million, and MYAPCO \$35.8 million). These Phase II litigation awards represent damages that CYAPCO and YAEC incurred from January 1, 2002 through December 31, 2008, and that MYAPCO incurred from January 1, 2003 through December 31, 2008. The Phase II funds were transferred from the U.S. Treasury to the three companies to be disbursed consistent with the provisions of the Phase I award related 2013 FERC Order. The three companies and the state utility regulators agreed on the disbursement of the Phase II DOE litigation proceeds that were reported in an informational filing to FERC on April 28, 2014.

Phase III Case

In August 2013 the three Yankee companies filed a Phase III round of damages claims in the U.S. Court of Federal Claims for the years 2009-2012. The ongoing litigation between the three companies and the DOE is being conducted in phases as an earlier U.S. Federal Appeals Court decision ruled that utility companies, such as the three Yankee companies, cannot receive damage awards for costs that have not yet been incurred. As a result, the three companies have, and expect to continue to litigate with the DOE every several years to request damages for costs incurred by their ratepayers.