

Statement of Elicia Sanchez

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Third Meeting**

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Madam Chairwoman and members of the committee, thank you for this opportunity to share with you the progress being made by Interim Storage Partners LLC (ISP) on the licensing of our consolidated interim storage facility (CISF) in west Texas and the outreach and coordination efforts we are undertaking in anticipation of that facility's operation. The top focus of ISP is the safety of the public and our workers and we are developing the design of the facility with this in mind. As ISP is actively working through the resolution of adjudication regarding our Nuclear Regulatory Commission (NRC) license application, I will do my best to provide the most comprehensive overview that I can while being mindful of the NRC process underway.

Interim Storage Partners is a joint venture between Orano USA LLC and Waste Control Specialists LLC (WCS). ISP was formed in 2018 to design, license, and then eventually construct and operate a facility for the temporary storage of commercial used nuclear fuel in Andrews County Texas, my home. The CISF is proposed to be constructed on land adjacent to WCS' existing operations. Since 1997, WCS has safely operated a world-class facility for the management and disposal of both commercial and government nuclear materials. Orano is a demonstrated world leader in the safe handling, packaging, and transportation of commercial nuclear materials. NAC International and Orano TN are the technology suppliers to the project. The members of the ISP team are each the best at what they do, and our combined capabilities deliver proven technologies and a commitment to transparency and engagement backed by our direct, credible experience as nuclear site operators.

Some may ask, why do we need such a facility? As we sit today, both electricity generating and shutdown reactor sites are operating in 34 states across the country. All of these sites safely store used fuel, awaiting transfer to the government for disposal in a Federal repository as required by law. But they are required to maintain site safety and security infrastructure resources that must be replicated across each individual site. Until the government is able to take the used fuel, each site operator continues to incur these costs in order to safely manage and secure the used fuel at their site. At sites where the reactors have already been decommissioned, the ongoing storage of used fuel is the sole remaining cost of operations and all that prevents the release of the site for unrestricted use.

Because the courts have ruled that DOE is responsible for these costs, site operators recoup these expenses which ultimately are borne by US taxpayers – and costs us all \$2.2M a day. This is already the largest government obligation paid out of the Judgment Fund on an annual basis, and the taxpayer liabilities are only accelerating. In this context, the ISP value proposition is straightforward: consolidating the fuel from multiple sites at a purpose-built interim storage facility

optimizes management and oversight and reduces the ongoing storage costs borne by all of us as taxpayers. It also permits the release of numerous former reactor sites for other beneficial uses. By utilizing proven technologies and an experienced workforce, and operating in a knowledgeable and engaged host community, ISP can offer a valuable solution for improving the management of commercial used fuel pending availability of a permanent Federal repository.

ISP's approach applies proven commercial technologies and proven commercial capabilities to offer *commercial* storage services to used fuel titleholders awaiting disposal at a repository. In fact, the ISP license application states that either Fuel Title holders or the US DOE will be the customers of ISP and that ISP will never take title to the Used Nuclear Fuel. ISP is not stepping into the shoes of the government – we are a commercial operator with directly relevant capabilities organized around delivery of a cost-saving solution. This commercial solution does not replace the inherently governmental responsibility for development and operation of a permanent Federal repository site. However, we believe the availability of this interim storage solution can help the government satisfy its obligation in a timely and cost effective manner. ISP views the proposed CISF in Andrews County as supportive of and complementary to the government's national repository program.

PROJECT DETAILS

ISP has applied to the NRC for a 40-year license, beginning with an initial capacity of 5000MT. ISP has analyzed the environmental impacts of possible future expansion of up to 8 phases to a total of 40,000MT. Each phase would require separate NRC licensing action. The first phase is currently progressing through review by the NRC. ISP will add additional rail to the existing rail system on the WCS property in Texas, and the facility will consist of concrete storage pads, a Cask Handling building, and a Security and Administration building. The application includes a physical security plan with robust features appropriate to the facility and its location.

The used fuel will be stored above ground, in the same storage systems that are currently used around the country to safely store commercial used fuel today. The fuel is stored in NRC approved dry storage systems. Fuel is stored in dry, sealed, inert canisters within concrete storage casks or vaults. The application does not seek authority to remove fuel from the sealed canisters. The above ground configuration simplifies the handling, inspection access and eventual retrieval for shipment to a permanent Federal repository.

Environmental impacts have been extensively analyzed in the region where the CISF will be built. The Texas Commission on Environmental Quality recently conducted environmental reviews supporting issuance of a Low Level Waste license for the current operation of the existing WCS facilities. As well, the NRC prepared an environmental impact statement for the adjacent URENCO enrichment facility in New Mexico. The proposed licensing approach ensures cumulative environmental impacts are analyzed for all of the phases of the project

Thanks to the existing operations of the WCS facility, the rail on site already has been upgraded to accommodate heavier loads than will be necessary for the shipment of fuel to the CISF. For example, steam generators were shipped by barge to Houston and then by rail to the WCS facility for disposal. Those packages weighed 450,000 pounds each and successfully made the trip from Houston without any encumbrance. When the time comes for ISP to take delivery of used fuel packages at the facility, the transportation process will be the responsibility of the Fuel Title Holders and both the NRC and the DOT will review and approve the routes to be used as well as enforce strict, existing regulatory guidance with the shippers. In addition there will be notifications

of stakeholders, including the state governors along the route, as required by and to the extent allowed by US law.

ENGAGEMENT AND BENEFITS

A commercial approach to interim storage, as advanced by ISP, will be complementary to a national repository effort. It will help to better organize the management of commercial used fuel in dry storage at decommissioned sites throughout the country – and eliminate many of the duplicative associated costs now borne by taxpayers. It will be an investment in improved safety, security and maintenance. It will drive the manufacture of additional transportation assets that could be re-used for transport to a final repository. Communities at shutdown, decommissioned sites will be able to repurpose their land for more productive economic benefit, providing for confidence in the processes and oversight governing the management of commercial used nuclear fuel.

There will be economic development and diversification benefits to the host communities as well, including in New Mexico. As a joint venture member in ISP, WCS has been operating for over 20 years, with deep roots in the community and a workforce – including many New Mexicans – who contribute daily to the regional economy. In fact, just in the past three years to date WCS alone has spent over \$1 million in various contributions and purchasing supplies and services in New Mexico. This amount does not include our permanent New Mexico workforce. ISP will be adding additional staff during the construction and operational phases and will purchase goods and services locally whenever possible. In addition, the NUHOMS storage systems will be constructed in nearby Andrews County with additional favorable economic impacts to the entire region.

ISP understands and welcomes the importance of open and transparent communications. While we are working our way through the formal NRC licensing process right now, we are informed by our long operating experience on the need to conduct our business within a broad social license that can only be earned through diligent and sincere engagement with stakeholders.

Over the 22 years that WCS has been in operation, safety, environmental compliance, communication and overall transparency has always been at the forefront of the company's mission. ISP has followed this same mission during this licensing process. A WCS community outreach center is open in Andrews, Texas to ensure interested parties have a location to come in and learn about WCS and ISP operations. Both WCS and ISP have translated their websites so that they are available in both English and Spanish. WCS has also ramped up a site tour campaign with an ISP focus that is available to all members of the public. Through participation in various social clubs, Chamber of Commerce memberships and community committees we continue to spread the word about our project and invite the public to come and be informed about the storage of spent nuclear fuel. The social media campaign #FueledByFacts was organized by ISP to provide public information to include basic facts about radiation to areas that are specific to the ISP project.

To ensure proper communication and early planning for the project, ISP has already began reaching out to local law enforcement agencies (LLEA) regarding all applicable aspects of needed engagement. This effort is a continuation of the partnership that is already in place between LLEA and WCS.

In conclusion, we appreciate the opportunity to appear before you today and give you an update on our project. Mindful of our current licensing status, I am happy to answer your questions.

APPENDIX

ISP Project details:

- Environmental impacts will be analyzed considering possible storage of up to 40,000 metric tons of heavy metal (MTHM) in canisterized storage systems.
- CISF will have up to 8 separate phases; with storage of up to 5,000 MTHM in each phase.
- The initial license will be for 40 years with possible renewals if necessary.
- Initial Safety Analysis Report (SAR) includes selected NAC International and TN NUHOMS canisterized storage systems which prioritize shutdown sites.

Status of the License Application:

- License application was submitted on April 28, 2016.
- The NRC began its review when they received the license application. NRC sent Requests for Supplemental Information 2QTR2016.
- Completed RSI responses July through Dec 2016.
- The NRC started review of the Environmental Impact Statement (NEPA) during the review of the RSI responses.
- NRC Accepted for Review in 1 QTR 2017
- Review Suspended in 1 QTR 2017 pending change of WCS ownership.
- Restart requested June 8, 2018.
- Security RAIs received in Nov 2018.
- First part of RAI round 1 received Nov 2018, second and third parts of RAI round 1 received in March and April, 2019
- Public meeting with NRC to discuss RAI responses held in 2019
- ASLB Oral Arguments were held in Midland, TX July, 2019. In August, 2019 the ASLB ruled that one contention submitted by the Sierra Club was admissible. No other contentions were admitted. Petitioners have proposed additional contentions and appealed the ASLB's initial ruling to the Commission.
- NRC review scheduled to be complete in May 2021. A hearing before the ASLB on remaining contentions, if any, would occur subsequent.
- With the NRC review process underway it is important to note that approval of transportation packages for the canisterized fuel is handled by the NRC under 10 CFR Part 71, and is not part of the scope of the ISP licensing process under 10CFR Part 72.

The initial fuel included in the license application is targeted at stranded Independent Spent Fuel Storage Installation (ISFSIs) with fuel that is essentially ready to ship today. This focuses on systems that are currently licensed by the NRC and in fact are the very same systems that are safely storing, cooling and protecting the fuel at the shutdown reactor sites. This logical approach to simply recreate the concrete storage overpacks at the WCS CISF and transport the canisters to the

CISF in previously approved transportation overpacks minimizes the scope of the licensing review to confirmation that the existing dry fuel storage technology is suitable for use at the site in Texas and incorporating that dry fuel storage technology in the application. It is ISPs aspiration to be able to store all kinds of DFS technology at the CISF through the appropriate NRC licensing process.

