

May 7, 2015

MEMORANDUM

TO: Senator John Arthur Smith

FROM: Connor Jorgensen, LFC Fiscal Analyst

THROUGH: David Abbey, Director, LFC 

SUBJECT: WIPP Settlement Agreement

The New Mexico Environment Department and the United States Department of Energy (DOE) reached consensus on a General Principals Agreement (GPA) relating to the 2014 radiation leak at the Waste Isolation Pilot Plant (WIPP). The agreement includes \$46 million in funding for road projects including \$12 million to improve DOE-owned transportation routes at LANL and \$34 million “to fund necessary repairs to New Mexico roads used for the transportation of DOE shipments of transuranic waste.” The GPA specifies that a portion of the \$34 million be used to repair 13 miles of the WIPP North Access Road. Assuming the road is in poor condition and in need of major rehab (a conservative approach), the cost per lane mile would be approximately \$500 thousand resulting in a \$13 million cost, leaving \$21 million to be used for other WIPP routes statewide.

In response to a request from Chairman Smith, LFC staff contacted NMDOT to determine how additional funding would be used and what, if any, impact additional funding may have on NMDOT’s ability to fund previously unfunded road construction projects. Secretary Church declined to provide LFC staff with information on project funding until NMDOT and DOE have agreed on the projects and funds are released.

LFC staff reviewed the State Transportation Improvement Plan (STIP) to identify WIPP route projects funded in fiscal years 2015-2017. The review found there are 35 projects with a total state cost of \$17.8 million. Of these, 18 projects with a state cost of \$7.4 million are scheduled for fiscal years 2016 and 2017. If NMDOT is allowed to use DOE settlement funds for the state match portion of these projects, the funds freed up may be able to be used to leverage additional federal funds or may be used to pay for construction and maintenance on state-owned roads.

STIP projects on WIPP Routes by Year

District	Route	2014	2015	2016	2017
	2 US 285			655.2	
	2 US 285				291.2
	2 US 285	67.2			
	2 US 285		218.4		
	2 US 285		145.6		
	2 US 285			873.6	
	2 US 285		1,949.1		
	2 US 285				145.6
	2 US 285			29.1	
	4 I-25	120.1			
	4 I-25		145.6		
	4 I-25	40.5			
	4 I-25		124.9		
	4 I-25				246.0
	4 I-40			504.8	368.8
	4 I-40	90.4			
	4 I-40		288.2		
	4 I-25		145.6		
	4 I-25			160.5	
	4 I-40	65.6			
	4 I-40			214.8	
	4 I-25			728.0	
	4 I-25	29.4			
	4 I-25	154.6			
	4 I-25	77.3			
	4 I-25	772.6			
	4 I-25	728.0			
	4 I-40	661.4			
	4 I-25		687.5		
	6 I-40	162.4			
	6 I-40				436.8
	6 I-40		537.9		
	6 I-40		103.0		
	6 I-40	260.2			
	6 I-40	1,570.5			
	6 I-40	553.3			
	6 I-40		876.7	368.4	
	6 I-40	1,411.2			
	6 I-40				990.4
	6 I-40				344.6
	6 I-40	43.4			
	6 I-40		895.6		
	6 I-40				990.1
	3 I-40	14.6			
	3 I-40		535.6	78.0	
	3 I-40	159.9			
	3 I-40		436.8		
	3 I-40		2,600.0		
	5 I-25	2,643.4	517.6		
	5 US 84	33.8			
	5 I-25		121.7		
	5 US 84				57.6
	5 US 285	1,600.3			
	5 I-40	21.8			
Total WIPP by Year		11,281.9	10,329.8	3,612.4	3,871.1

NEW MEXICO DESIGNATED WIPP ROUTES (EXCLUDING LOS ALAMOS COUNTY)

