SOUTH CAROLINA NUCLEAR ADVISORY COUNCIL

September 2, 2004
Room 209 Gressette Building
Columbia, South Carolina
(Approved March 3, 2005)

Members present: Chairman – Mr. Ben Rusche, The Honorable Robert Perry, Dr. Carolyn Hudson, Dr. Vince Van Brunt, Mr. Bill Mottel, Dr. David Peterson, and Mr. Steve Byrne

Staff present: Ms. Kate Billing, Ms. D'Juana Wilson

Special Guest of the Council: Mr. Benjamin A. Johnson, Chairman, Atlantic Compact Commission

I. Welcome and Opening Comments

The Governor's Nuclear Advisory Council convened on September 2, 2004, at 1:30 PM. Mr. Ben Rusche, Chairman of the Council, called the meeting to order and welcomed the speakers and guests.

II. Approval of Minutes, June 10, 2004

Dr. Vince Van Brunt moved to approve the minutes from the June 10, 2004, meeting.

Dr. Carolyn Hudson seconded the motion and the Council agreed.

III. National Nuclear Security Agency – Savannah River Site Office (NNSA-SRSO)

After a brief introduction, Mr. Rusche introduced Mr. Rick Arkin, Manager, and Mr. Bruce Wilson, Deputy Manager, of the National Nuclear Security Agency – Savannah River Site Office. A presentation was given discussing the following:

An overview of NNSA Nuclear Weapons Complex;

- Federal organizational structure at SRS;
- Division of responsibilities among the DOE and NNSA offices at SRS;
- Defense Programs National Security missions at SRS;
- Tritium Extraction Facility; and
- Ten-year outlook for NNSA Missions at SRS.

<u>Please click here for a copy of the presentation</u>; or you may obtain a copy from D'Juana Wilson at the SC Energy Office.

Discussion followed the presentation. Mr. Mottel asked if the site is still doing reservoir reclamations, and Mr. Bruce Wilson responded that this is being done at the site.

Mr. Rusche asked Mr. Arkin to explain the interaction between NNSA and SC Department of Health and Environmental Control (DHEC) and the Environmental Management (EM) connection. Mr. Arkin replied that it is a "soft" interaction. They comply with the site requirements in regard to environmental issues. Mr. David Wilson, DHEC, stated that DHEC's association with NNSA covers permitting, and there are no issues, NNSA has given full disclosure in terms of permitting requirements.

Mr. Byrne asked if the Tritium coming from TVA will be adequate. Mr. Arkin responded that it will and the site is not pursuing any other production measures for Tritium.

Mr. Mottel then referred to May 31, 1974, and the lessons learned from this spill. Mr. Bruce Wilson stated that the last chemical spill was in 1987. Mr. Wilson also emphasized that it is critical to the citizens that the DOE has effective crisis evaluations. Dr. Van Brunt asked about the Emergency Management process and Mr. Kevin Smith,

SRS, responded that EM has practiced immediate notification and there are well established policies and measures in place.

Chairman Rusche thanked Mr. Arkin and Mr. Wilson for the presentation and said that he looks forward to continued communication with them and future presentations to the Council.

IV. Barnwell Today and the Future

Dr. John Clark, Director, SC Energy Office, gave a brief introduction. He stated that the low-level waste facility at Barnwell was begun by Chem-Nuclear as a private lowlevel waste disposal site in the early 1970's. By the 1980's there were only three sites in the country, and Barnwell was one of the three. There were efforts around the country to make sure of the following: 1) there was a place for low-level waste to go; and 2) areas in the country creating the waste might take greater responsibility for disposal of that waste. Out of those efforts, legislation grew in the 1980's in Congress, followed by legislation in South Carolina in the 1980's; and more legislation in South Carolina in 1992 and 1995. Dr. Clark reported that where we are now is the product of legislation passed in 2000. This legislation re-constituted the Governor's Nuclear Advisory Council. The Budget and Control Board, South Carolina Energy Office, is involved with the legislation every day, and the office is looking at long-range considerations. In addition to the Nuclear Advisory Council, another part of the legislation was the creation of the Atlantic Compact Commission, which is chaired by Benjamin Johnson. One of the driving forces in 2000 that was not in the previous years was the realization that the licensing space in Barnwell was running out. In the beginning, Barnwell had 30 million cubic feet of licensed disposal space, and by the year 2000, 27 million had been used. The question under consideration was what would be done with the 3 million cubic feet of disposal space that was left. In thinking about the future, there are three important things to keep in mind:

- 1) the year 2008 the last year that, according to federal law, the Barnwell site will take waste outside of the Atlantic Compact states (Connecticut, New Jersey and South Carolina);
- 2) the year 2050 the approximate date of the end of the clean up of the last commercial reactor in South Carolina; and
- 3) what will occur over the next hundred years and how the future is prepared to handle radioactivity.

Dr. Clark stated that the State of South Carolina is responsible in the following ways: the SC Department of Health & Environmental Control (DHEC) is responsible for environmental concerns; and long-term care and financial activities are the responsibility of the Budget & Control Board, SC Energy Office.

After saying this, Dr. Clark then turned back to Chairman Rusche for remarks from Mr. Benjamin Johnson, Chairman, Atlantic Compact Commission; Mr. Henry Porter, Division Director, SC DHEC, and Mr. Bill Newberry, Manager, SC Energy Office.

Mr. Johnson thanked the Council for allowing him the opportunity to join them. He stated that he was appointed by Governor Hodges in 1998 to serve on the S.C. Nuclear Waste Task Force, chaired by former Congressman Butler Derrick. The Task Force recommended that South Carolina look to join a regional waste Compact. This

resulted in SC joining the former Northeast Compact, which included CT and NJ. The Atlantic Compact Act of 2000 enjoyed broad public and bi-partisan support. Mr. Johnson was later appointed as Chairman of the Atlantic Compact, and he continues to serve in this position at the pleasure of Governor Sanford.

Mr. Johnson commended the staff of South Carolina's Energy Office, which includes Dr. John Clark, Mr. Bill Newberry, Ms. Kate Billing, Ms. D'Juana Wilson, as well as Mr. Henry Porter of DHEC and Mr. Max Batavia, the Executive Director of the Compact. He said that this staff has received national recognition for work that they have done in the low-level radioactive waste area. He said that the waste importation limits set forth in the Act are beginning to "kick-in," and this puts added pressures on the staff. Parties who are affected by these waste limits are naturally resistant to change. The Board and its staff are now simultaneously dealing with the (1) site operator and the changes that necessarily come with lower volume of activity, and (2) utilities/generators as they compete for limited disposal space and the higher costs that result from limited supply. Long term, our business models and state policies will need to accommodate a low volume operation.

Mr. Johnson gave a brief background on the Act and encouraged members to consult the Report of the Task Force. After considering several options, the Task Force recommended joining the former Northeast Compact. There was overwhelming support that South Carolina should take advantage of the Compact system and regain control of its future waste needs. There was strong support that South Carolina should (1) limit the amount of non-region waste that was brought into the state, and (2) preserve space for SC's own nuclear waste when its reactors are decommissioned beginning in about 2040.

SC's utilities/generators were very supportive of the Act, and this support was key to the Act's passage. As Governor Sanford made clear this year, there continues to be strong public support for the course SC has chosen through adoption of the Atlantic Compact Act.

Mr. Johnson also reported that there are complicated legal arrangements involving the Compact. As host state, South Carolina has an obligation to provide space at certain "not-to-exceed" prices to in-region generators. He further stated that SC does not have a majority vote on the Compact, though many operational decisions have been delegated to the Budget and Control Board. He reminded the Council that there are important liabilities that could create monetary exposure if SC violates its commitments to NJ and CT, and he cited this exposure as a reason we should be especially cautious about changing the balance set by the Act.

For this reason, he said that in 2004 the Compact opposed SC's selling an additional 100,000 cubic feet of space to the site operator. In his opinion, the House proposal was prepared without regard to the aims of the Act and was otherwise a bad business deal for SC. The Compact encourages long-term thinking and discourages – and will oppose if necessary - short-term decisions that threaten the goals set by the Act. To this end, the Compact would to like see more suggestions from the staff, the site operator, and the affected utilities/generators as to how the site can best be operated on a low - volume basis, especially after 2008, when only in-region waste may be accepted at Barnwell. The remaining disposal capacity at Barnwell is a valuable SC resource and this value should be maximized when disposal prices are set, for among other reasons to

reduce the burden on the state budget to fund the continuation of in-region operations at Barnwell that will remain SC's responsibility after 2008.

Chairman Rusche thanked Mr. Johnson for his comments. He agreed that we need to know more about how we do business, and once we know how, we will be able to discuss any necessary changes to the process.

Mr. Henry Porter then addressed the Council. His presentation covered DHEC's derived authority to regulate the Barnwell Low-Level Waste Facility and how DHEC exercises their authority. In his presentation, he also touched on a couple of specific areas that were applicable to the other presentations and discussions.

<u>Please click here for a copy of Mr. Porter's presentation</u>, or you may obtain a copy from D'Juana Wilson at the SC Energy Office. There was no additional discussion.

Mr. Bill Newberry then addressed the Council. Mr. Newberry's presentation included the following topics:

- Disposal site operations and regulatory oversight;
- Site utilization and commercial considerations;
- Regulation of Operating Costs; and
- Site stewardship and post-closure planning.

<u>Please click here for a copy of Mr. Newberry's presentation</u>, or you may obtain a copy from D'Juana Wilson at the SC Energy Office.

There was discussion during Mr. Newberry's presentation. Mr. Mottel made a suggestion that Mr. Newberry highlight the issues and then have the subcommittee on Barnwell meet and prepare a report back to the full Council. Representative Perry agreed with Mr. Mottel's suggestion. Representative Perry also suggested that having the

subcommittee review the issues and bringing it back to the Council would also allow officials from Chem-Nuclear the opportunity to respond to questions. Dr. Van Brunt suggested that Mr. Newberry complete the full presentation. Mr. Newberry was asked to proceed with the highlights of the presentation. Mr. Steve Byrne said that he would have the subcommittee on Barnwell prepare a report to the Council on the issues highlighted in Mr. Newberry's presentation.

There was a brief discussion on what will happen in the Compact states beyond 2050 and the closing of the plants. Dr. Van Brunt suggested that the legislative members of the Council look into this matter and discuss at the next meeting.

A motion was made by Mr. Bill Mottel to adjourn. The motion was seconded by Representative Perry, and was unanimously approved.

The meeting was adjourned at 3:50 PM.