

# **GOVERNOR'S NUCLEAR ADVISORY COUNCIL**

## **MINUTES**

(Approved 12/06/07)

June 14, 2007

Room 209 Gressette Building  
Columbia, South Carolina

---

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

Absent: The Honorable Greg Ryberg, Mr. Bill Mottel

Staff present: Mr. Michael Hughes

Transcribed by: D'Juana Wilson

---

### **I. Welcome and Opening Comments**

The Governor's Nuclear Advisory Council convened on June 14, 2007, at 1:30PM. Mr. Ben Rusche, Chairman of the Council, called the meeting to order and welcomed the speakers and guests.

### **II. Approval of Minutes, March 8, 2007, meeting**

Dr. Vincent Van Brunt made a motion that the minutes from the March 8, 2007, meeting be approved. Dr. Carolyn Hudson seconded the motion. There was one edit given to Mr. Hughes to change the spelling of Mr. Sain's last name. The change was noted and the minutes were unanimously approved.

Chairman Rusche noted that he would be changing the order of the agenda, and introduced Mr. Benjamin A. Johnson, Chairman of the Atlantic Compact Commission.

### **III. Atlantic Compact in the Future**

Mr. Benjamin A. Johnson, Chairman, Atlantic Compact Commission addressed the Council. Mr. Johnson thanked Chairman Rusche for the invitation and introduced the Executive Director, Mr. Max Batavia. Mr. Johnson invited the audience to visit the

office, located at 1201 Main Street, Suite 1830, and to visit the Atlantic Compact Commission (“the Commission”) web site at: [www.atlanticcompact.org](http://www.atlanticcompact.org). Mr. Johnson began by giving the history of the Barnwell site and events leading up to the formation of the Atlantic Compact Commission and the passage of the Atlantic Implementation Act in 2000.

Mr. Johnson said that in March of this year, per the expectation of the Atlantic Compact Act, the Commission notified the SC Budget and Control Board (“the Board”) that the volume of low-level nuclear waste to be disposed at the Barnwell facility may not generate sufficient operating income after 2008 unless there is adjustment in the site’s current Operating Plan and operations. Mr. Johnson said this recommendation resulted in a letter from Mr. Henry White, Executive Director of the Board, to Chem-Nuclear requesting a new Operating Plan appropriate for reduced volume and more limited operations post-2008, per the Atlantic Compact Act. Copies of the Board letter dated April 24, 2007, were presented to the members. Chem-Nuclear is expected to submit this Plan by July 30, 2007. Mr. Johnson said that the site operator knows its operations better than anyone, and he expects the operator to look at ways to minimize costs, perhaps including scheduling shipments and cross-training employees, among other efficiency measures. He said that this Plan will be reviewed first by the Commission and the Board and other interested parties such as the region’s generators, and eventually the new Operating Plan will be submitted for review and approval by the Public Service Commission. Once the expected operating costs are known, Mr. Johnson said that a number of new revenue options are available. Some of these possibilities are outlined in Mr. Johnson’s letter to Governor Mark Sanford dated March 19, 2007.

Mr. Johnson also brought to the Council's attention a copy of a letter from Dr. John Clark, of the SC Energy Office, to the Commissioners dated May 22, 2007. Mr. Johnson expressed the hope that the region's generators will continue to support the site by sending appropriate levels of Class A waste to Barnwell instead of Utah to help defray operating costs and to help avoid implementation of other new revenue options that are available to the Commission and Board.

In closing, Mr. Johnson said that there will be a lot of activity in the Fall 2007. There will be a new Cost Plan from Energy Solutions to review and a great deal of discussion among generators and interested parties on how best to raise revenues sufficient to cover the expected costs.

Chairman Rusche thanked Mr. Johnson for bringing the Council up to date.

Mr. Johnson said that he feels that the Atlantic Compact Act of 2000 was a significant achievement for the state of South Carolina, and he is confident that the various parties can work together to make the Barnwell operation a success for in region needs per the Act after 2008.

Chairman Rusche expressed to Mr. Johnson that it is his hope that there will be a close interaction process between the NAC and the Commission.

Dr. Vincent Van Brunt asked if there was a time frame for a response for the letter from Dr. John Clark. Mr. Johnson replied that after Energy Solutions' submittal of the new Operating Plan, input from various parties will be sought.

Mr. Steve Byrne raised a question regarding the Extended Care Fund and Mr. Johnson replied that they have already identified \$1.37 million in costs to care for the site

immediately after closure. The Fund is adequately funded at this time to help cover costs thanks to Governor Sanford and the General Assembly's efforts.

Chairman Rusche thanked Mr. Johnson and said that he hopes they will have an opportunity to interact with the Commission again.

#### **IV. DOE Activity**

Chairman Rusche asked Mr. Jeff Allison, DOE to address the Council with an update on the site. Mr. Allison began by discussing some of the accomplishments in the area of safety and construction at the Savannah River Site. Mr. Allison was pleased to report that Bechtel, SRS's construction division, recently completed 20 million hours without a loss work day due to injury. To put this in perspective, he said that an average company with 20 million work hours would have an average of 241 recordable injuries. He said he was pleased to celebrate this accomplishment with the employees of Bechtel.

Mr. Allison said that earlier in the week, SRS conducted a site-wise safety conference and this conference proved to be very beneficial in that employees took back to their perspective areas what they learned; and it is an information sharing opportunity.

Regrettably, Mr. Allison reported that there was a fatality at the site on Monday, June 11<sup>th</sup>. A security police officer collapsed from a heart attack after exercising. He was pronounced dead at the scene. He said that in May the officer received a physical and received a clean bill of health, and died a few weeks later. Mr. Allison said they will find out if there are some aspects of their medical area that they will need to enhance so that they can be better informed.

Mr. Allison then reported on a recent project in the K-area, namely the K-area interim surveillance. He said this project allows a destructive and non-destructive evaluation of

the plutonium containers (3013 containers) that are stored in K-area. He said there is a requirement in DOE standard called Standard 3013 where they periodically take a sampling of the containers that are stored to do a destructive or non-destructive evaluation. He said they now have the ability to go in and open up the containers and take out a portion to make sure they are not having any adverse reaction. He said a limited number of testings will be done each year.

Mr. Allison reported that there is also a lot of progress in shipping transuranic waste off of the site. He said they are averaging between 2 and 3 shipments per week. They will continue to focus on the shipping of this waste out of the state of South Carolina to go to a permanent disposal location. He said when they are not shipping, they will continue to characterize those drums and he said recent developments have allowed them to characterize the drums more quickly.

Mr. Allison also mentioned that on June 13, 2007, there was a ground breaking for a new clean energy efficiency fuel plant, a biomass facility, where they will be using wood products. They will burn wood chips and replace coal plants. The plant should be up and operating by September 2008, and is in support of the President's initiative on the Clean Energy Plan. Honeywell will be financing this facility and sell SRS back the steam to cover the costs. He said they estimate a savings of about \$1.5 million a year. Many resources on site will be used. This facility will replace the A-area power house. Mr. Byrne asked if they were anticipating continuing operating the existing D-area power house and Mr. Allison said the existing plant will operate until they bring on new capabilities.

Mr. Allison extended an invitation to the Chairman and the Council to view the site at any time. Dr. Van Brunt asked about the Ecology laboratory and Mr. Allison gave a brief update on the long-term transition of this lab. Mr. Byrne asked about the status of the National Lab and Mr. Allison said the National Lab is doing quite well in all areas. Mr. Bryne then asked when the contract with the operation of the Washington group and the SRS expires and Mr. Allison said it is June 2008. He does not anticipate any changes in ownership with the Washington group.

#### **V. Comments, SRS Washington Group**

Chairman Rusche then asked Mr. Leo Sain to address the Council and address several questions.

Mr. Sain explained to the Council that recently an announcement was made that an offer has been made for Washington Group International by URS Corporation for the sum of \$2.6 billion. He said when looking at URS and their current contracts and their current business, where Washington Energy and Environment is concerned, URS has little overlap with that business, so it is a good match. There is no impact to SRS and no impact to Washington SRS. He said, more importantly, if you look at URS, back in 2002, they bought EG&G and their philosophy, which is apparent from what's happened most recently from EG&G, is going to be the same as it is with Washington Group. He said the philosophy is that EG&G is still called EG&G a division of URS. Mr. Sain said that Mr. Steve Hanks has already announced that he plans to continue to run Washington Group out of Boise, Idaho and in September or October, when this deal is finalized; they will become Washington Group a division of URS. Mr. Sain said there is no overlap between the two companies and the overall company will be strengthened.

Chairman Rusche asked Mr. Sain if there were any relevant changes between the local activity, its new environment and its current situation. Mr. Sain replied that from the briefings they have had, they want everyone to remain in their current roles in the area of energy and the environment.

Chairman Rusche then asked about the status of the procurement that DOE has been working toward. Mr. Allison reported that for the M&O contract, they received bids from companies and began evaluating them June 6<sup>th</sup>. He said for the liquid waste contract, they are in the stages of getting the approval so they can move forward with the final RFP.

A brief discussion followed regarding an article in Energy Daily about activities with GNEP.

Dr. Van Brunt asked if they anticipate any difficulties with the FY08 budget and the processing of waste at the site. Mr. Allison said there may be a need to move some dollars to a different pot, but the overall budget appears to be adequate.

## **VI. Salt Waste Processing**

Chairman Rusche welcomed Mr. Guy Girard, Federal Project Director for the Salt Waste Processing Facility (SWPF), to the Council. Mr. Girard gave the status of the SWPF; and on behalf of Mr. Larry Ling, he updated the Council on interim salt waste processing. Mr. Girard said that in January, the Defense Nuclear Facility Safety Board (DNFSB) issued a letter to the Department citing some concerns regarding seismic geo-tech approaches regarding the SWPF, as well as some questions regarding analytical approaches that were being used for design; and some questions on some quality assurance issues. The Assistant Secretary issued a response in early

February to the Board citing the plan of action. This report was given to the Council at the last meeting. Mr. Girard said that from the January timeframe through the beginning of June, they did not continue to perform any final design activities with the large central processing area. He said they did continue to work on design of the balance of the Plan. Mr. Girard also stated that they are now moving down the path of establishing the cost and schedule baseline associated with the work taking into account the delays associated with having to stop that work to perform the analyses. He said the basic conclusion from the work resulted in a thickening of the base mat of the central processing area. He said they are now moving forward. They have embarked on a series of reviews associated with that baseline and will go through that process for two weeks, followed by a series of reviews by the Assistant Secretary and ultimately presentation to the Deputy Secretary for approval of the baseline. Mr. Girard said this would facilitate start of construction activities in late September of this year. There was a brief discussion regarding the original questions from the DNSFB and Mr. Girard explained he believes that the design they have today is more than enough. He said he believes interactions throughout the process have been more than accurate.

Mr. Girard then gave a brief report on interim processing activities. He said that there is a stay on the permit that allows interim processing at the site presently. The impact associated with the stay is that there is no interim salt processing or DDA occurring as a result of that stay. There have been two motions to dismiss, as well as a motion for declaratory judgment that has been filed by DOE to the court for the purpose of moving that forward. Motion hearings are planned for August 21<sup>st</sup> and a

trial scheduled for late October. In the meantime, the facilities are continuing to make progress toward radiological operations by the end of September 2007. They recently completed testing. There will be some scheduling impacts, but ultimately it is uncertain what the delays will be. For planning purposes, the site is assuming positive resolution of legal issues by January of next year and the resumption of the processing in February. He said based on that approach, the ARP and MCU facility will be available by late November of 2008 or early December; that will be a delay from March 2008. Mr. Girard said he believes DOE and the contractors are working diligently to minimize any further delay associated with the activities.

Dr. Van Brunt wanted information on coal testing. Mr. Girard asked Mr. Ken Howard, Liquid Waste Operations, to speak on the subject. Mr. Howard reported that they have not seen any indication of problems with processing. Dr. Van Brunt asked about the status of Tank 48 and Mr. Howard replied that they finished a technology selection process. There will be additional testing by a technical team so they can continue to move forward. Mr. Steve Byrne asked about the timeframe for the completion of the project, and Mr. Girard said that it will be sometime in 2012.

Chairman Rusche thanked the group for bring the Council up to date. He then introduced Mr. Clay Ramsey, NNSA.

## **VII. MOX Fuel Fabrication Facility Technical Review**

Presentations were given by Mr. David Stinson, Shaw-AREVA MOX Services, and Mr. Clay Ramsey. Mr. Ramsey elaborated on MOX in the Plutonium Disposition Program. He showed a video which provided detail on the facility that they are

planning to build at the site. [Please click here to view a copy of the presentation.](#)

There was a brief discussion following the video.

Mr. Stinson then reported to the Council and a brief discussion followed.

Mr. Rusche then called on Mr. Leo Sain of the Washington Group. Mr. Sain addressed the Council with additional follow up information. He assured the Council that MCU has proven its capabilities. He said that the SRNL analysis will tell them how much above what is required in DF will actually be achieved. He said they know at the stage where they can achieve acceptable DF, which is a huge step. Mr. Sain said that MCU and ARP will support the interim processing plan and it will be good for insuring that when SWPF becomes operable, it will minimize the technical risks. He said what lies ahead to meet the September 30<sup>th</sup> plan is to have MCU and ARP ready for radiological operations for final readiness reviews. He said that one of the other things they have done at the site is to create a position that reports to him for Integrated Regulatory Strategies for the site. Ms. Ginger Dickert is in this position. He also said that the site was going through a voluntary restructuring program that they finished on June 8, 2007. He said this was received very well overall by employees.

Dr. Van Brunt asked if there were any foreseen questions in relation to MCU and ARP. Mr. Sain said they are at point where they can meet the design requirements and have a facility that will work. They are fully focused on meeting the September 30, 2007 deadline. He also said that Washington Group did submit a proposal on the M&O contract for Savannah River. There are orals that the competitors go through

and at the end of the month it will be scored and an announcement will be made in the future on the award.

### **VIII. Public Comments/Adjournment**

Ms. Leslie Minard, Columbia, SC addressed the Council. She gave them information of a website: [savesrel.org](http://savesrel.org), and wanted to make them aware that this information was available via the internet.

Ms. Minard then asked how long it will take to have all of the MOX fuel to be burned at the Catawba Plant. She was told around 2038. She also asked for clarification on the financing of the MOX plant and a brief discussion followed.

Mr. Joseph Ortaldo, Vice Chairman of the Waste Management Committee SRS Citizens Advisory Board made comments regarding the tank closure dates and the urgency of getting the tanks closed. He urged the Council to consider helping in any way that they can to try to expedite the scheduling of the various hearings on their dockets so that a decision can be made. Dr. Van Brunt thanked him for his comments and appreciated the suggestion from the Citizen's Advisory Board.

After additional brief discussion, there being no further business, the meeting adjourned at 3:25 PM.