

STATEMENT BY

LYNN M. SHISHIDO-TOPEL
BEFORE THE
U.S. TECHNICAL REVIEW BOARD

January 5, 1992

Good afternoon. I am extremely pleased to participate in these discussions on interim storage. I am here today as a member of the National Association of Regulatory Utility Commissioners (aka NARUC) as well as a public utility Commissioner from the Illinois Commerce Commission. The NARUC is a quasi-governmental non-profit organization of the governmental agencies engaged in the regulation of public utilities and carriers located in all fifty states, the District of Columbia, Puerto Rico and the Virgin Islands. The chief objective of the organization is to serve the consumer interest by seeking to improve the quality and effectiveness of public regulation in America. Ratepayers are the primary source of revenue for the nuclear waste disposal fund. It is therefore in their interest that the national effort to safely and efficiently dispose of high level waste (HLW) and spent nuclear (SNF) fuel be successful and timely.

NARUC has made it a priority since 1984 to follow the progress being made in developing a disposal system for commercial spent nuclear fuel through its subcommittee on nuclear waste/issues. I am the current chairman of that committee, having just recently succeeded Cas Robinson of Georgia. Being relatively new to the subcommittee, I have spent some time reviewing past reports and minutes, including Ron Callen's remarks to you two years ago regarding at-reactor storage. This reading revealed that, unfortunately, many of the past concerns regarding cost-effectiveness and timeliness of the program still remain unresolved.

Two years ago, former subcommittee chairman Mike Wilson despaired that there may be a fitting analogy between the waste disposal problem and Dickens' Bleak House, where an agonizing lawsuit called Jarndyce v. Jarndyce goes on and on, "perennially hopeless". Indeed, although some progress has been made, the level of frustration and concern about the waste disposal program today has only increased. The recent fury over whether DOE has an obligation to accept nuclear waste by 1998 reflects the mounting frustration of regulators and, I think, of all concerned that ratepayers may receive very little in return for their enormous payments into the nuclear waste fund.

However, I believe that state regulators and ratepayers should be encouraged by two recent events. First is DOE's new initiative. The initiative is responsive to many of NARUC's concerns and

provides a new opportunity for all stakeholders to work together toward efficient waste storage. Second is the nomination of Hazel O'Leary for Secretary of Energy. While I do not know her personally, Ms. O'Leary's familiarity with nuclear waste disposal ~~waste~~ issues including interim on-site and off-site storage, and with state regulator concerns make her a very promising successor to Secretary Watkins. For example, in testimony recently before the U.S. Senate Committee on Energy and Natural Resources Ms. O'Leary addressed the need for federal interim waste storage. In addition, Ms. O'Leary joined NARUC in urging that the Nuclear Waste Trust Fund be taken "'off-budget', in the same manner as the Social Security Trust Fund" and in supporting the FY 1993 DOE budget request for the waste storage program. (March 31, 1992)

My job today is to present the regulator's point of view on interim storage. I will try to do this by providing a little background on the concerns and views recently voiced by the NARUC on interim storage. In addition, I want to provide some personal, preliminary, comments regarding DOE's new initiative.

But first, a relevant bit of background. NARUC is planning a conference to be held at the beginning of our February meeting in Washington, D.C. The agenda will include a concerted review of waste issues including interim storage. The conference will be coordinated by the newly established NARUC Nuclear Waste Office directed by Cas Robinson and funded by a cooperative agreement with DOE. The goal of the conference is to provide sufficient information and discussion in order to develop a specific list of desired Congressional and NARUC actions regarding issues such as interim storage. So today's discussions and the DOE new initiative could not be more timely. My intent today is to learn as much as possible from all of you.

The NARUC is deeply concerned that interim storage will impose greater and greater costs on ratepayers, ^{in the future} ~~over the next few years~~. Utility ratepayers have to date accepted the responsibility of paying for disposal of waste created by nuclear power plants. The critical question from a ratepayer's and NARUC's perspective, however, is how much is reasonable to pay for such disposal?

It is now clear that there can be no permanent receipt of HLW and SNF before the year 2010. As a NARUC resolution passed in November outlined, approximately 30 percent of the Nation's spent fuel pools will reach capacity by 1998 and approximately 80 percent of the Nation's pools will reach capacity by the year 2010. If nothing changes, there will continue to be over 70 little MRS's in the country. An increasing number of ratepayers may therefore have to pay twice to store the same waste. Once, for the yet-to-be built repository and MRS through the millage fee, and again in higher rates for additional at-reactor storage to accommodate waste that has no where else to go. This is not a desirable situation. In addition to the obvious cost dilemma for ratepayers, on-site

storage is problematic because it could complicate reactor decommissioning or license renewal processes. It is also not consistent with past national policy and can detract from the credibility of the disposal program.

At our last meeting in November, the NARUC issued a resolution encouraging efforts and activities that promote cost-effective off-site receipt of HLW and SNF by 1998. In 1991, another NARUC resolution recognized: 1) that an MRS could be advantageous to the Nation's ratepayers if it helps to reduce the total costs of storing and disposing of nuclear waste including the costs of additional at-reactor storage, and 2) that an MRS could among other things accelerate the removal of spent nuclear fuel from the nuclear reactors and help in coordinating the transportation of spent fuel. The NARUC therefore supported the de-linking of the schedules for licensing and constructing the permanent repository and the monitored retrievable storage facility. However, the resolution made clear that the NARUC "has not and does not take a position in favor of or opposing the MRS since it has not been demonstrated whether or not an MRS would be cost-effective to the Nation's ratepayers." (July 24, 1991) In other words, while the NARUC sees the value to ratepayers of off-site interim storage, the NARUC also finds it in the ratepayer's interest that such storage be cost-effective and reasonably priced.

Thus, as the date for permanent receipt of HLW and SNF recedes into the future, the NARUC is concerned that interim storage measures taken, be they on-site or off site, are consistent with ratepayer interests. At our February conference, the focus on interim storage will therefore be two-fold. First, we will discuss short term actions required to deal with HLW and SNF disposal before 2010 (including methods of payment for at-reactor storage). Second, we will address the feasibility and desirability of an MRS and the roles of the DOE and the Nuclear Waste Negotiator.

The DOE initiative is therefore extremely relevant to NARUC's concerns and I have just a few comments about the initiative at this time. My thoughts here are strictly personal, since it is premature to comment as a representative of NARUC.

The initiative involves four things:

1. Refocuses spent fuel container design activities on development of a standardized system with capability for receipt, dry storage, transport, and disposal of spent fuel. The purpose of this activity is to reduce costs and provide more efficient storage at both an interim storage site and nuclear plant sites. It would also simplify the design of a storage facility.
2. Plans for use of Federal Government sites for interim storage by 1998, as authorized and required by Congress

to select a site by December 31, 1993.

3. Recommends that the Nuclear Waste Fund be taken off budget.
4. Begins the exploration, as a contingency action, of possible concepts for compensation and resolution of utility equity issues regarding on-site storage. These would be based upon payment or credit from the Nuclear Waste Fund and on no increases in millage fee.

Let me frame my remarks here with a reference to St. Dennis, who after being beheaded, is said to have walked a great distance carrying his head in his hands. This was truly remarkable. As a wise man observed, however, the length of the journey was not so remarkable as the first step. The DOE's initiative is similarly a remarkable and important first step toward addressing the immediate concerns surrounding the nuclear waste problem. But where we go after this first step is what's really important. Regulators need to know where we are headed, how we will get there, and how much the trip will cost.

For example, for the reasons stated before, I am concerned that the initiative not automatically default to at-reactor, on-site interim storage. Rather, the costs of on-site interim storage should be compared carefully with the costs of off-site interim storage.

In addition, I think regulators would like to know the answers to the following type of questions:

1. How does the multi-purpose system affect the design and cost of an MRS? What are the cost savings likely to be of an MRS system using the multi-purpose container system relative to an MRS system without the multi-purpose container system and relative to on-site storage?
2. The Monitored Retrievable Storage Review Commission reported in 1989 that the net benefits of an off-site MRS relative to on-site interim storage increase the longer the permanent repository is delayed, and the faster the MRS could begin to accept waste. Report of the Monitored Retrievable Storage Review Commission, Nuclear Waste: Is There a Need for Federal Interim Storage?, at xvi (November 1, 1989). How are cost-savings affected with respect to changes in waste acceptance dates at the MRS?
3. What is the process envisioned for siting an MRS on federal lands?
4. What are the limitations of the multi-purpose container

system?

5. What is the expected cost of these containers and who will pay for them?
6. What effect on decommissioning and license renewal processes and costs will/could the multi-purpose container system have?
7. How does the multi-purpose container system impact transportation issues?
8. In the event that Yucca Mountain is not characterized, how able will the multi-purpose cask system be in meeting the resulting storage demands, both on an absolute and relative basis?

As a social scientist, I know that questions such as these can never be answered with absolute certainty. The quest to do so would be doomed to failure and much too expensive. However, reasonable decisions can be made with reasonable estimates provided by rigorous analysis. In this regard, since the Technical Review Board is the body empowered by Congress to evaluate the technical and scientific validity of activities undertaken in this area, the NARUC and I are particularly interested in its expert advice and analysis.

In closing, I again wish to thank the TRB for the opportunity to participate in this very timely discussion and I look forward to further discussions with all of you on this and related subjects. In addition, as I mentioned before, the NARUC nuclear waste office headed by Cas Robinson is now established. With this extra resource, the NARUC hopes to work more closely with all of you to reach our common goal of safe and efficient nuclear waste disposal.