

January 2009

ECA Bulletin

Local Concerns. National Impact

Inside

Page

<i>Next Secretary of Energy</i>	1
<i>Future of EM — Footprint Reduction?</i>	2-3
<i>Legislative Update</i>	6-7
<i>GNEP and Nuclear Energy</i>	8-10
<i>Yucca Mountain Project</i>	11
<i>Future of the Nuclear Weapons Complex</i>	12

ECA Annual Conference

February 12-13, 2009
Liaison Hotel, Washington, D.C.
Information and Agenda on pgs 12-15.

ECA Board Elections

(see page 5)

Senate Approves Steven Chu as Secretary of Energy

Confirmation Hearing Provides a Glimpse into the Future of DOE Programs



Just hours after President Obama's inaugural ceremonies, the Senate voted to approve a number of cabinet picks, including the next Secretary of Energy, Dr. Steven Chu. Chu, former Director of the Lawrence Berkeley National Laboratory and a Nobel prize-winning physicist, brings a scientific and technical background to the Department, while at the same time having considerable experience managing thousands of federal employees and contractors.

During his confirmation hearing this month, Chu was warmly greeted by the Senate Energy and Natural Resources Committee. Senator Jeff Bingaman (D-NM), Chair of the Committee, commented that Chu has great "insight and vision" and looked forward to

working with him. In addition to widespread praise of Chu's credentials, the Senate committee focused on various components of a comprehensive energy policy – ranging from renewable energy, clean coal, and nuclear power to energy efficiency and other conservation measures.

Much of Chu's remarks and questions from Senators focused on the need to aggressively move forward on energy independence and climate change issues, but questions and comments were also raised about other major parts of the DOE portfolio, including nuclear weapons stockpile management, nuclear waste disposal, and defense environmental cleanup.

(Continued on page 5)



Energy Communities Alliance

Executive Committee

Chair
Councilmember
Lorraine Anderson
Arvada, Colorado

Vice Chair

Councilmember
Robert Thompson
Richland, Washington

Treasurer

Councilmember
Fran Berting
Los Alamos, New Mexico

Secretary

Commission Chairman
Seth Beal
Butte County, Idaho

Past Chair

Mayor
Kevin Phillips
Caliente, Nevada

EM's Footprint Reduction Plan and Energy Parks Initiative

Are These Initiatives the Near Term Focus of the Office of Environmental Management?

As referenced in Secretary of Energy Chu's confirmation hearing as well as in Congressional language concerning the economic stimulus package, a main priority for the Office of Environmental Management (EM) in the new administration may be the newly floated "Footprint Reduction Plan" and "Energy Parks Initiative." Currently, the Senate and House are seemingly far apart on funding levels, but it appears that both support, in principle, the concept paper developed by EM titled *Reduction of EM Footprint and Establishment of Energy Parks*. (See, www.energyca.org for a complete copy). The paper, drafted in December '08, has been floated on the Hill as a strategic opportunity for EM to "achieve about ninety percent footprint reduction for a total reduction from 900 square miles to 135 square miles by 2015 or earlier" and in the process, create jobs in the short term. As a result, the paper argues that "footprint reduction makes large tracts of EM land and infrastructure available to support new beneficial site missions, such as, the establishment of Energy Parks that will sustain local and regional economies." Although the idea of "footprint reduction" is not new, it is once again getting traction as a method of conveying that cleanup may lead to economic opportunities and save taxpayer funds over the long-term.

DOE's plan focuses on four (4) major sites – Hanford, Oak Ridge, Idaho, and Savannah River – as well as potential applications at smaller sites such as Los Alamos, Paducah, and Portsmouth. Below we have highlighted the various components from the EM report on footprint reduction plans for the respective sites, as well as a description of the Energy Parks Initiative:

Savannah River Site

"The Savannah River Site proposal focuses on accelerated cleanup of numerous reactor and industrial areas and associated soil contamination. It would result in approximately 90 percent footprint reduction and the release of a large majority of the entire site from access and security restrictions, nominally more than 200 square miles. This land, along with the infrastructure and trained workforce that currently support major industrial and nuclear

operations and chemical processing, would be available for other uses such as advanced energy projects." (See, pg. 3 of the report)

Hanford Reservation

"The Hanford proposal results in approximately 90 percent footprint reduction and is targeted at environmental cleanup and closure of the 100 and 300 Areas which abut the Columbia River. This includes completion of the River Corridor cleanup by 2015 which reduces significant environmental risk by focusing on ground water remediation and D&D of excess radioactive facilities." (See, pgs. 3-4 of the report)

Idaho National Laboratory

"The Idaho proposal results in approximately 70 percent footprint reduction and would focus on accelerated D&D of INTEC facilities, the Materials Test Reactor Complex, and buried waste exhumation which would allow for an accelerated D&D of the Radioactive Waste Management Complex" (see pg. 4 of the report)

Oak Ridge

"At the Oak Ridge Reservation footprint reduction would focus on three primary areas: the Oak Ridge National Laboratory central campus; the Y-12 facility; and the demolition of ETTP buildings K-25 and K-27. These efforts would address some of the highest environmental risks on site and reduce the overall surveillance and maintenance costs across the site." (See, pgs. 4-5 of the report)

Small Sites

"Small sites analyzed near-term completion options that accelerate their remaining EM work scope. This footprint reduction would allow management to focus resources on large site cleanup. With additional investments EM can close 12 sites by 2015, 10 of these sites are on schedule to be complete between now and 2015 and two others would be accelerated to 2015." (See, pg. 6). The paper also states that "...EM is proactively examining footprint reduction opportunities at both Gaseous Diffusion plants in Portsmouth, Ohio and Paducah, Kentucky. We anticipate similar results allowing

(Continued on page 3)

investments to energize these depressed economies and freeing up land for potential reuse (see, pg. 6 of the report)

The Energy Parks Initiative

“A way to leverage Departmental and EM assets to address the Nation’s critical energy and environmental needs is through the Energy Parks Initiative (EPI). Under the EPI, the Department would work with the commercial sector and stakeholders to facilitate the building and operating of commercial energy supply facilities....A significant benefit of implementing the EPI is that states and local communities would see that there are future activities which could provide jobs and a tax base.”

The paper continues: “The initiative involves four phases: (1) initial evaluation of key assets for which accelerated completion of the EM mission is feasible, and in collaboration with state and local stakeholders, define the boundaries for opportunity; (2) optimizing the value of the assets in relation to opportunity; (3) enabling development by a third party; and (4) participation, as appropriate, in achieving performance objectives. An investment of about \$25 million would initiate phases (1), (2) and (3). The approach emphasizes early success, enabling the initiation of the process and public visibility within six months of Secretarial commitment, such as to secure industry commitment to Energy Parks at a DOE site. The Department will explore alternative re-use opportunities with the local communities.”

Key Questions on

DOE’s Footprint Reduction Plan and Energy Parks Initiative

DOE’s Footprint Reduction Plan and Energy Parks Initiative make intuitive sense as evidenced by recent Congressional interest via the stimulus package; however, several questions should be discussed before leaping into uncharted territory. Here are some initial questions and concerns that ECA communities have:

1. What is the role of local governments in DOE’s plans?
2. When will DOE begin to speak with local governments about its plans?
3. How much will the plan cost?
4. If EM is provided with additional funding, how will DOE distribute funding among the sites?
5. How will DOE prioritize projects within the proposed framework?
6. Will the proposed funding for footprint reduction (\$6 billion over 4 years) and energy parks (\$25 million) mean that DOE won’t be able to spend money on other high risk and complex cleanup tasks such as tank waste removal and soil and groundwater remediation?
7. Does DOE envision leasing or conveyances to local communities?
8. How will DOE coordinate with state and federal regulators on its plans?
9. What is the timing for implementation of the plans?

ECA will continue to discuss these questions with its members, DOE, and Congress as the proposal moves forward. We have tentative plans to conduct an ECA Peer Exchange on this subject later this year.

(Continued from page 1)

Some observers are anticipating that increased funding for renewable energy and energy efficiency programs may trade-off with funding for NNSA's weapons programs and DOE's environmental management program, but Dr. Chu attempted to temper those fears. "I recognize that the Department of Energy's mission is extremely broad" and "...many additional priorities will command my attention and focus," said Chu in his opening statement. (However, see the recently posted *Obama Administration Plan for Energy: An Overview*, which excludes any discussions of environmental cleanup, nuclear energy, and nuclear weapons stockpile management; the Obama plan is available at <http://www.doe.gov> under "Special Features.")

Below, we highlight specific comments and Q&A's related to the issues important to members of the Energy Communities Alliance (DOE-EM, NNSA, DOE-RW, and DOE-NE)

DOE Environment Management

"The Department also has legal and moral obligations to clean up the wastes left over from 50 years of nuclear weapons production. I know that many of you represent states where the Department has not yet fulfilled these obligations. Cleanup of these materials is a complicated, expensive, long-term project, but I pledge to you to do my best to accelerate these efforts in order to protect human health and the environment, and to return contaminated lands to beneficial use." -Dr. Chu, Prepared Statement/Opening Remarks

Senator Maria Cantwell (D-WA) used her allotted time to focus her questioning on DOE's cleanup of the Hanford Reservation, which consumes roughly 10% of the overall DOE budget according to the Senator. Cantwell asked Chu if he supports the Tri-Party Agreement, which governs Hanford cleanup, and whether he supports the requirement for 99% of buried tank waste to be removed as opposed to left in place. Chu responded that he supports the Tri-Party Agreement and believes that DOE has a "legal and moral obligation to cleanup those sites." "Frustration with the speed of cleanup is a concern," added Chu. In response to questions about the cleanup budget, Chu said that he will "make funds available and used effectively," adding, "there has been some concern that funds have not been used effectively." In a specific question related to cleanup funding in the forthcoming economic stimulus package, Chu said it "makes sense to me" and supported an infusion of funding to DOE-EM projects.

For additional analysis on what the future may hold for the Office of Environmental Management, see related article on pages 5-6.

National Nuclear Security Administration

"The work of the National Nuclear Security Administration in maintaining our Nation's nuclear defense and promoting nonproliferation throughout the world is critical to our national security. I take this responsibility extremely seriously, and I am committed to working with the President, the National Laboratories, other agencies, Congress and other organizations in the community to assure a safe and reliable nuclear stockpile and to address proliferation concerns as part of a long-run vision of a world without nuclear weapons." -Dr. Chu, Prepared Statement/Opening Remarks

For additional analysis on what the future may hold for the National Nuclear Security Administration, see related article on page 10.

DOE Radioactive Waste Management and Nuclear Energy

In his opening laundry list of priorities, Chu stated that under President Obama's leadership he will support "a continued commitment to nuclear power and a long-term plan for waste management and disposal." These issues – new nuclear power and nuclear waste disposal – generated the largest amount of questioning from the Senate committee. Ranking Member Lisa Murkowski (R-AK) commented that nuclear energy is a key part of the overall energy mix and asked Dr. Chu (1) what he is going to do about the legal obligation in the Nuclear Waste Policy Act that DOE must take possession of spent nuclear fuel from commercial sites; and (2) what his thoughts are on nuclear waste recycling/reprocessing. In response, Chu said that he is supportive of nuclear energy and that the DOE needs to develop a plan for safe storage and disposal, adding that "new science is coming to the fore." While not mentioning the Yucca Mountain license application currently pending in the Nuclear Regulatory Commission, Chu's testimony acknowledged that something must be done in terms of waste disposal. On the issue of nuclear waste recycling, Chu supported continued commitment to research and development and said that proliferation-resistance and economic feasibility questions must be addressed. Chu gave similar answers in response to questions from Senator Burr (R-NC), Senator Sessions (R-AL), Senator DeMint (R-SC), Senator Corker (R-TN) and Senator Landrieu (D-LA), all of which were keenly interested in promoting nuclear.

In response to questions regarding the loan guarantee program under the Energy Policy Act of 2005, Chu said that he supports expansion of the current \$18.5 billion for new nuclear in order for new reactors to get licensed and

(Continued on page 5)

constructed. Overall, it seemed that Chu's commitments on nuclear amounted to: (1) near term support of new reactors through expansion of the loan guarantee program and other tools; (2) a longer term advancement of nuclear waste recycling to reduce the volume of waste as well as toxicity; and (3) a long term plan for safe storage and ultimate disposal.

For additional analysis on what the future may hold for the Office of Civilian and Radioactive Waste Management, see related article on page 9.

For additional analysis on what the future may hold for the Office of Nuclear Energy, see related article on pages 7-8.

Summary

Dr. Chu's confirmation hearing covered a lot of ground in a short amount of time. Many issues important to ECA communities were addressed but there are still many unknowns. To learn more about the future of DOE and New Leadership in 2009, come to the ECA Annual Conference on Feb. 12. (See pgs. 12-15)

ECA Chair Honored by the Rocky Flats Cold War Museum



The Rocky Flats Cold War Museum presented awards to five people for political and financial support, for starting the oral history project, for starting a newsletter and for long-time participation. The awards were given at the Cold War Museum's annual meeting on Dec. 10, 2008.

Amongst the five awardees was Lorraine Anderson, Chair of ECA. According a press release, "Lorraine Anderson, Arvada City councilwoman for 25 years was presented a governmental support award for her help and promotion of the museum and its activities as well as Rocky Flats workers, the Rocky Flats Stewardship Council and the national Energy Communities Alliance which she chairs."

New ECA Executive Committee to be Elected in February at ECA Board Meeting

Following the 2009 ECA Annual Conference, the Energy Communities Alliance will hold a Board of Directors Meeting on Friday, February 13, 2009, where members will elect the new ECA Executive Committee. The Executive Committee — the governing board for the organization — is comprised of a Chair, Vice-Chair, Secretary, and Treasurer, as well as the Immediate Past-Chair. Duties include providing oversight of ECA operations setting priorities, oversight of budgets, member outreach, and being the public voice of the organization.

We have received nominations for the various Executive Committee positions, but welcome your future candidates to be added to the slate. Please contact the Lorraine Anderson, ECA Chair and Pam Brown, City of Richland (together operating as the Nominations Committee) with additional candidate nominations. Lorraine can be reached at lorraine-arvada@comcast.net and Pam can be reached at PBrown@ci.richland.wa.us.

Current Nominees for the ECA Executive Committee to date are:

- Chair—Robert Thompson, Richland, WA
- Vice Chair—Seth Beal, County Commissioner, Butte County, ID
- Treasurer—Open
- Secretary—Chuck Smith, Aiken County, SC





Legislative Update

Economic Stimulus Package Moving Through Congress

Funding for DOE Environmental Cleanup to be Included

The House of Representatives released its version of the economic stimulus package this month, which contains separate bills on appropriations, taxation, and energy and commerce projects that will be combined together into one large “stimulus package” once the bills hit the House floor. The appropriations portion of the package currently includes “\$500 million for nuclear waste cleanup at sites contaminated as a result of the nation’s past nuclear activities,” according to a summary released last week. The House Appropriations Committee also noted that \$500 million in funding for DOE’s Environmental Management program “will create jobs in environmental cleanup and remediation services; address legal requirements with states to perform mandated cleanup activities; and accelerate the completion of capital projects, shortening out-year mortgage costs.”

The potential for additional cleanup funds is welcome news for communities that host DOE sites; however, some observers, including a powerful coalition of United States Senators, believe that \$500 million is not a sufficient funding allocation. On January 15, a group of Senators sent a letter to the Senate Appropriations Committee requesting that it provide \$6 billion in additional funding to “address the environmental cleanup of the Department of Energy’s environmental liabilities...” The letter states that “increasing funding by \$6 billion will create over 10,000 jobs and accelerate the protection of human health and the environment.” In bolstering their case, the group of Senators highlight the impacts on ECA communities:

Communities that have hosted DOE facilities since the 1940’s and 50’s and their workforces have made important contributions to this nation’s national defense, but with the end of the Cold War production work at these facilities came to a halt and the communities have been left with contaminated facilities and polluted soil and groundwater. It is time to get these facilities cleaned up so workforces, surrounding communities, and the nation can take advantage of the vast infrastructure and potential reuse applications at these sites.

The Senators who signed on to the letter were Senator Brown (D-OH; Portsmouth Site), Senator Bingaman (D-NM; Los Alamos National Laboratory), Senator Udall (D-NM; Los Alamos National Laboratory), Senator Crapo (R-ID; Idaho National Laboratory), Senator Risch (R-ID; Idaho National Laboratory), Senator Cantwell (D-WA; Hanford Reservation), Senator Wyden (D-OR; Hanford Reservation), and Senator Graham (R-SC; Savannah River Site).

The Senate letter resulted in \$6.4 billion for EM cleanup, according to a summary released by the Senate Appropriations Committee on January 23. This sets up a potential clash with the House, which has only supported \$500 million thus far. In order to reconcile differences between the two chambers, a conference committee will be

(Continued on page 7)

named and a compromise number would have to be reached. Oftentimes, if the Senate and House are far apart on appropriations numbers as will likely be the case with the stimulus, then a starting point for negotiations would be an even split, which would be roughly \$2.7 billion. \$6 billion may be ideal for DOE and communities; however, \$2.7 billion is still a significant amount of funding that will need to be well-spent. But this is simply conjecture at this point based on the state of play between the House and Senate – we will have to wait and see how conference negotiations progress early next month (assuming the timeline of sending legislation to the President by February 16 stays in place). Overall, the funding would likely support DOE-EM’s Footprint Reduction and Energy Parks Initiatives, which was provided to the Obama transition team and Hill staffers over the last several weeks (see related article with details on pages 5-6).

To keep track of the appropriations portion of the stimulus package, visit the following websites:

- House Appropriations Committee (includes bill text, bill summary, and markup summary): <http://appropriations.house.gov/>
- Senate Appropriations Committee (bill text and summary forthcoming; markup tentatively scheduled for Tuesday, January 27, 2009): <http://appropriations.senate.gov/>

FY09 OMNIBUS APPROPRIATIONS UPDATE

According to Speaker Pelosi, House Appropriations Chairman Obey, and congressional staffers, Congress has set a goal to complete the FY09 Omnibus Appropriations in early February. Because Congress failed to complete many appropriations bills prior to the start of fiscal year 2009 (Oct. 1, 2008), a Continuing Resolution (CR) was passed to fund government programs – including DOE – at FY08 levels through March 2009. In an effort complete its work to ensure that the stopgap CR is not needed for the entire fiscal year, Senate and House staff are currently in negotiations on FY09 appropriations bills, including Energy and Water which funds DOE/NNSA programs.

Here are the some of the relevant numbers that are currently being negotiated:

DOE Environmental Cleanup

House – \$5.8 Billion
Senate – \$6.1 Billion
FY09 Request – \$5.5 Billion

NNSA Weapons Activities

House – \$6.0 Billion
Senate – \$6.5 Billion
FY09 Request – \$6.6 Billion

It appears that negotiations, which were mostly completed by staff in December, will result in appropriations tilting toward the Senate figures for EM and NNSA, which is the higher side. Interestingly, the *Defense Environment Alert* reported that the omnibus bill may include legislative language making EM “accountable for cost overruns, failure to meet cleanup milestones and other major problems with the cleanup program stemming from the department’s historically poor management and oversight.”

LANL Complex Named After Senator Pete Domenici

In one of his last acts in office, former Secretary of Energy announced that several buildings at Los Alamos National Laboratory (LANL) will collectively be known as “Pete V. Domenici National Security Complex.” Senator Domenici, who retired on December 31 after serving 36 years in Senate, is known for being a stalwart supporter of LANL and the states other national laboratories and military installations.

“Senator Domenici has been a strong advocate for the important work done across the DOE complex and particularly at Los Alamos National Laboratory,” said Secretary Bodman in a January 16th press release, referencing his leadership on the Senate Energy and Water Appropriations Subcommittee, which oversees funding for Department of Energy projects and the nuclear weapons complex. “He realized that it was the people at the lab, selflessly serving our country, who made the lab what it is today. I appreciate the support he gave to them, to me, and to the Nation.”

The three buildings that will be collectively known as the “Pete V. Domenici National Security Complex” include the National Security Sciences Building, the main administrative office building; the Nicholas C. Metropolis Building for Modeling and Simulation, where the Roadrunner supercomputer is located; and the Nonproliferation and International Security Building, which houses LANL’s Threat Reduction Division.

The Global Nuclear Energy Partnership and the Office of Nuclear Energy

What is the Role for Communities?

During his confirmation hearing on January 13, 2008, Steven Chu outlined the elements of President Obama's comprehensive, long-term energy plan he will pursue when he is officially appointed Secretary of Energy. A continued commitment to nuclear power and the development of a long-term plan for waste management and disposal is included among them. But President Obama has stated that the security of nuclear fuel and waste, waste storage and proliferation must be addressed before nuclear energy use is expanded in the U.S.

In regards to reprocessing, Mr. Chu said he is open to it. "I think [nuclear fuel] recycling can be part of the solution . . . This is a research problem." However, the future of the Global Nuclear Energy Partnership (GNEP) is unclear. According to *The Washington Post* Mr. Chu stated "the current methods of reprocessing nuclear waste, a solution favored by the Bush administration, were 'not ideal' and 'We don't need a solution today or even ten years from today.'"¹

Overall, it appears that in the Obama administration, DOE priorities in regards to nuclear energy will be:

1. Near-term support of new reactors through expansion of the loan guarantee program and other tools.
2. A longer-term advancement of nuclear waste recycling to reduce the volume and toxicity of waste.
3. A long-term plan for safe, long-term disposal solutions.²

These priorities present some new and renewed opportunities for coordination with the Office of Nuclear Energy. ECA and local governments remain well positioned to help NE build support and to provide continuity and insight to DOE.

In regards specifically to GNEP, ECA can stay engaged in the discussion of key components of GNEP, regardless of what form the initiative eventually takes.

These components include:

- Waste management
- Advancing nuclear energy use/production
- Developing new nuclear technologies
- Developing reliable fuel services
- Strengthening the non-proliferation regime

Furthermore, 10 national laboratories³ have been involved with the Advanced Fuel Cycle Initiative (AFCI) - the technology development element of GNEP. Given

Mr. Chu's previous post as Director of the Lawrence Berkeley National Laboratory, the stated need for additional research and development into waste management solutions, and funding from Congress for the AFCI in the FY 2009 budget,⁴ ECA may see new or continued missions for the national labs related to reprocessing.

¹Mufson, Steven. "Chu Tempers Comments at Confirmation Hearing." 12 January 2009. [Washington Post.com http://www.washingtonpost.com/wp-dyn/content/article/2009/01/13/AR2009011301723.html?hpid=topnews](http://www.washingtonpost.com/wp-dyn/content/article/2009/01/13/AR2009011301723.html?hpid=topnews)

²According to their New Energy for American plan, Barack Obama and Joe Biden do not believe Yucca Mountain is a suitable site for nuclear waste storage. They plan to lead federal efforts to look for safe, long-term disposal solutions based on objective, scientific analysis. In the meantime, they will develop requirements to ensure that the waste stored at current reactor sites is contained using the most advanced dry-cask storage technology available. http://www.barackobama.com/pdf/factsheet_energy_speech_080308.pdf

³Argonne National Laboratory (IL), Brookhaven National Laboratory (NY), Idaho National Laboratory (ID), Lawrence Berkeley National Laboratory (CA), Lawrence Livermore National Laboratory (CA), Los Alamos National Laboratory (NM), Pacific Northwest National Laboratory (WA), Sandia National Laboratory (NM), and Savannah River National Laboratory (SC).

⁴Congress cut the FY 2008 budget request for the Advanced Fuel Cycle Initiative (AFCI, the technology development element of GNEP) by half - from \$395 million to \$179 million - providing only for research and development and specifically banning funding for the construction of any commercial facilities or demonstration projects. The FY 2009 budget request for the AFCI was \$301.5 million. In the Senate, the Defense Authorization Act provided \$229 million for the AFCI - \$50 million more than the FY 2008 enacted level and \$139 more than appropriated by the House. In the House Appropriations Committee markup of the Energy and Water Appropriations Bill, the AFCI is funded at \$90 million - \$211.5 million below the budget request for GNEP. The GNEP program specifically received no funding.

Additional opportunities are outlined in the table on the following page.

ECA OPPORTUNITIES IN 2009

OFFICE OF NUCLEAR ENERGY

Influence nuclear energy policy development

- Given the unique expertise in nuclear issues, ECA members should engage with NE to ensure the potential impact to local communities are considered as any new nuclear policies are developed and to understand the messages NE will take to Congress.

Reinvestment in existing nuclear infrastructure

- With confirmation that nuclear energy will continue to be part of the energy mix, but uncertainty regarding new plants and technology development, NE will likely reinvest in existing nuclear infrastructure. Local communities should seek new economic development and diversification opportunities as NE looks to maintain, upgrade or build new facilities to help achieve new missions.

Pursue discussions of interim storage

- Given a lack of support for Yucca Mountain as well as direction from Congress to engage with the 11 sites that volunteered to host GNEP facilities, local governments should work with NE to discuss feasibility, economic incentives, transportation, and health and safety monitoring and oversight needs for potential interim storage.
- The *Strengthening Management of Advanced Recycling Technologies (SMART) Act (S.3215)* introduced by Senator Domenici in June 2008 provides economic incentives for communities willing to host interim storage facilities for waste. The SMART Act is funded by allowing access to a small portion (around five percent) of the \$20 billion Nuclear Waste Fund.

Pursue opportunities for public-private partnerships

- In 2008, legislation was introduced in the Senate that is not specific to GNEP but does support nuclear fuel recycling. The bills present opportunities for public-private partnerships and communities interested in hosting a facility. The *Strengthening Management of Advanced Recycling Technologies (SMART) Act (S.3215)* mentioned above promotes the establishment of public-private partnerships to own and operate used nuclear fuel storage and recycling facilities.
- The *United States Nuclear Fuel Management Corporation Establishment Act of 2008 (S. 3661)* introduced by Ohio Senator George Voinovich, establishes a corporation to maintain spent nuclear fuel management services in the U.S. Among other powers, the Corporation would be able to construct spent fuel reprocessing and fuel fabrication facilities to conduct engineering-scale demonstrations of nuclear fuel reprocessing R&D conducted by DOE or by public or private organizations.

Help local universities win research and development funding to advance nuclear energy use, technology systems

- Through the Nuclear Energy Research Initiative (NERI), NE will designate at least 20 percent of funds appropriated to its R&D programs for work to be performed at university and research institutions. In addition, under the 2009 University Programs (NEUP) research and development (R&D) solicitations, NE expects to awards between \$13M -\$50M to universities. Program areas include 1) Advanced Fuel Cycle Initiative (AFCI); 2) Generation IV Nuclear Energy Systems Initiative (Next Generation Nuclear Plant); 3) Nuclear Hydrogen Initiative (NHI); 4) Light Water Reactor Sustainability (LWRS) program; and 5) Plutonium 238 (Pu238) Development program.

Promote communities' technical expertise and trained workforce

- ECA communities offer uniquely trained workers, academic programs and companies with vast experience in the nuclear industry, all of which are critical in maintaining existing facilities, building and operating new nuclear facilities, and developing and demonstrating advanced nuclear technologies. Local governments can engage with NE on outreach, training and restructuring efforts.

ECA OPPORTUNITIES IN 2009 *(continued)*

Identify partnership opportunities to increase energy efficiency and independence at DOE federal facilities

- The Obama administration is focused on reducing federal energy consumption, increasing the use of renewable energy technologies, and increasing energy efficiency across the DOE complex. Local governments can promote economic development and diversification opportunities and help DOE meet their targets at the nuclear facilities managed by NE by identifying contracting opportunities for Energy Service Companies within their communities.

GNEP INITIATIVE

Demonstrate continued support for nuclear energy and reprocessing

- Recognizing that many of the key components of GNEP are intertwined with the future of nuclear energy, ECA can continue to work with NE to provide educational resources on reforming the fuel cycle and to provide a forum for communication among ECA members, NE officials and related stakeholders on reprocessing and recycling spent nuclear fuel.

OFFICE OF NUCLEAR ENERGY

Continue to provide feedback on GNEP and comment on the Draft GNEP PEIS

- The comment period on the Draft GNEP PEIS has been extended to March 16, 2009. ECA is tentatively planning a second GNEP meeting in late spring/early summer 2009 after the comment period closes to discuss comments received and the future of GNEP.

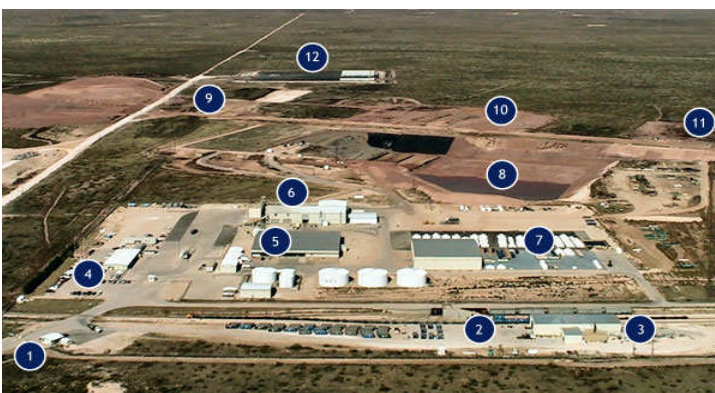
Initiate discussion of transporting waste for reprocessing

- While no siting decisions or demonstration facilities are currently considered in the Draft GNEP PEIS, if reprocessing facilities are eventually built, new transportation routes to move waste from the current storage sites to the recycling centers will be necessary. ECA can begin to look at issues surrounding the transport of waste and identify lessons learned from other programs at DOE.

WCS Receives Low-Level Waste Disposal License

In January, the Texas Commission on Environmental Quality voted to grant licenses to Waste Control Specialists (WCS), which would permit them to receive low-level radioactive waste (LLW) from around the country, including waste from DOE's defense environmental cleanup site. One license deals with a compact between the state of Vermont and Texas on waste disposal and the other relates to radioactive materials from federal facilities such as Los Alamos

National Laboratory, Hanford and others. In May, the Commission granted a license to accept by-product waste, largely from the Fernald site in Ohio. The recent license approvals come following years of regulatory efforts, but are welcome to those in industry and government who are concerned with overall LLW disposal capacity in the country.



A Look at the WCS facility

1. Access road to 1,338-acre fenced site (guarded entrance)
2. On-site rail spur and rail-unloading facility
3. Maintenance building
4. Administration building with analytical and radiological laboratories
5. Container Storage Building (CSB)
6. Stabilization Building (SB) (left portion) and Mixed Waste Treatment Facility (MWTF) (right portion)
7. Bulk/Bin Storage Units (BSUs) 1-3 (bin storage area [BSA-1] is covered)
8. RCRA subtitle C landfill (being expanded to the East)
9. Proposed location for 11e (2) byproduct material landfill
10. Proposed location for Federal LLW/MLLW landfill
11. Proposed location for Texas Compact LLW landfill
12. Ten-acre storage area for low-specific-activity (LSA) waste

Yucca Mountain Transportation Plan Released

What is the Future of the Yucca Project?



DOE's Office of Civilian Radioactive Waste Management (OCRWM) is seeking comment on its recently released *National Transportation Plan, Revision 0*. The Nuclear Waste Policy Act of 1982 (NWPA) requires DOE to

develop and implement a system to transport spent-nuclear fuel and high-level waste to the proposed repository at Yucca Mountain, Nevada. The *National Transportation Plan* details DOE's current strategy to meet that requirement by outlining: (1) the elements of the national transportation system that OCRWM is developing; (2) the phases of that development effort; and (3) the framework for future collaboration with stakeholders in the development and implementation of the national transportation system.

The Plan, developed under the Bush Administration, looks at two capital projects established by DOE to support the development of the OCRWM transportation system. **The National Transportation Project** is responsible for the acquisition of rail and truck cask systems; the design, acquisition, manufacture, testing and acceptance of rolling stock; and the development of facilities to maintain and store casks and rolling stock. **The Nevada Rail Infrastructure Project** is responsible for the design and construction of a new rail line and associated support facilities within Nevada. It also includes the design, acquisition of materials and equipment, construction, testing, and certification of a Nevada rail line for the transportation of SNF and HLW to Yucca Mountain.

In addition, the plan examines major transportation system components and activities, such as capital asset acquisitions and operations development.

While Yucca Mountain is not expected to open for business earlier than 2020 – the date projected in the license application DOE submitted to the Nuclear Regulatory Commission (NRC) in June 2008 – the transportation planning process is underway now to ensure consideration of input from State, Tribal, local officials and other stakeholders. OCRWM notes the unique qualifications of local officials to provide information on transportation conditions and impacts within their jurisdictions. OCRWM expects to interact with local governments through designated State officials or directly when appropriate. Furthermore, OCRWM

states it will provide grants and technical assistance to States and Tribes for training local public safety officials pursuant to Section 180(c) of the NWPA.

According to OCRWM, the Plan will be updated as appropriate to reflect the incorporation of stakeholder/public comment, progress in the development and implementation of the transportation system, and/or changes to the waste management system.

Comments on the *National Transportation Plan* should be submitted electronically via the Web at http://www.ocrwm.doe.gov/transport/ntp/ntp_comments.shtml. Written comments should be directed to Mr. Frank Moussa, U.S. Department of Energy, OCRWM Office of Logistics Management, 1000 Independence Ave, SW., Washington, DC 20585-0001. *Comments must be submitted on or before April 30, 2009.*

Is This Transportation Plan Premature? What is the Future of the Yucca Mountain Project?

OCRWM's Transportation Plan, as detailed above, may turn out to be inconsequential if federal funding for the project is slashed and the NRC license application does not proceed as planned. At play is Senator Harry Reid's public commitments to kill the project by cutting FY09 appropriations as well as future year's funding. Reid's comments, coupled with Dr. Chu's reluctance to specifically address the Yucca Mountain license application during his confirmation hearing, signal that the project may be approaching its last leg in the new Administration and new Congress.

Obama and Chu have stated that a long-term waste disposal option is necessary, essentially ignoring decades of Congressional deliberations and studies that led to the federal government's choice of a final repository at Yucca Mountain. For many ECA communities, a move away from Yucca is concerning because, as highlighted in DOE's recent report to Congress on environmental management initiatives, "based on the date the Federal repository [at Yucca Mountain] is scheduled to open (2020) and its acceptance schedule, compliance agreements to remove all high-activity waste are in jeopardy." "DOE could eventually be required to build additional on-site interim storage facilities while awaiting Federal repository availability and acceptance," according to the DOE report. Sites primarily impacted would be: Savannah River Site, Hanford, and Idaho National Laboratory.

The Future of Nuclear Weapons Policy

What Are the Implications for NNSA Weapons Labs?



STAGING BUNKERS AT PANTEX USED FOR TEMPORARY STAGING OF NUCLEAR WEAPONS

Both in Steven Chu's confirmation hearing and President Obama's Inaugural Address, the future of nuclear weapons policy was highlighted, albeit briefly. In Chu's remarks before the Senate Committee on Energy and Natural Resources, he stated: "The work of the National Nuclear Security Administration in maintaining our Nation's nuclear defense and promoting nonproliferation throughout the world is critical to our national security. I take this responsibility extremely seriously, and I am committed to working with the President, the National Laboratories, other agencies, Congress and other organizations in the community to assure a safe and reliable nuclear stockpile and to address proliferation concerns as part of a long-run vision of a world without nuclear weapons." In President Obama's Inaugural Address, he said that "we [the Administration] will

work tirelessly to lessen the nuclear threat," perhaps alluding to both international efforts as well as domestic nuclear deterrence activities. Although statements have been made by both the new President and the new Secretary of Energy, the future of nuclear weapons policy is unlikely to change in the short-term.

While the previous administration unsuccessfully sought Congressional approval for the Reliable Replacement Warhead (RRW) program, Secretary of State Hillary Clinton said during her confirmation hearing that the new administration would "set a new direction in nuclear weapons . . . one that reflects the changed security conditions of the 21st century." But the administration's "new direction" will depend largely on the upcoming Nuclear Posture Review, which will not be completed before the end of this year. Adding to the uncertainty are conflicting on the record statements by Secretary of Defense Robert Gates and President Obama, with Gates supportive of RRW and Obama opposed.

In a nutshell, the future of the nuclear weapons complex will likely not change in the short-term; in the long-run, however, there could be considerable changes based on the results of the Nuclear Posture Review. Although, even if the Posture Review directs NNSA to shrink its weapons activities and associated infrastructure, sites like Los Alamos and the Y-12 National Security Complex at Oak Ridge, will likely be protected from widespread layoffs and other reductions. In fact, in NNSA's recent Records of Decision to implement the *Complex Transformation Plan*, many NNSA activities would be consolidated at Los Alamos and Oak Ridge.

Whichever direction the new administration takes on RRW as well as other nuclear stockpile activities will have significant impact on the future of NNSA and communities that host those sites, but it appears for the near-term, business will proceed as usual. Shifting administration priorities and missions over the next couple years, however, could impact NNSA employment, its skilled workforce, and local economic development opportunities.

- A closer look at the Obama Administration's priorities for defense related issues is available at: <http://www.whitehouse.gov/agenda/defense/>
- A closer look at NNSA's Complex Transformation Plan, including Records of Decision and the Supplementary Programmatic Environmental Impact Statement, are available at: http://nnsa.energy.gov/defense_programs/complex_transformation.htm

The ECA 2009 Annual Conference

February 12-13, 2009

The Energy Communities Alliance is proud to hold its 17th Annual Conference – *New Leadership in 2009*. As the country transitions to a new President, a new Administration, and a new Congress in 2009, the ECA Annual Conference will provide critical insight into new priorities that will move forward in 2009. The conference, which is scheduled for February 12-13 in Washington, DC, will include interactive discussion panels featuring senior transition personnel, career DOE officials, and members of Congress and their staff. And, as always, the conference will be highlighted by you: the energy communities that host or surround Department of Energy installations.

Conference participants will have the unique opportunity to learn about the future direction of major DOE programs such as environmental cleanup, nuclear waste disposal, nuclear energy, and transformation of the weapons complex. Learning about political realities facing DOE programs in 2009, as well as the access to key decision-makers and transition personnel, makes the ECA Annual Conference an unparalleled opportunity to gain an insider's perspective into the inter-workings of Washington next year.

Additionally, in contrast with years past, we will be limiting the number of attendees so that we can ensure an interactive roundtable discussion with the various speakers. **See our agenda on the following pages.**

Thank You to Our 2009 Annual Conference Sponsors

Department of Energy
Bechtel
Babcock & Wilcox
Nuclear Energy Institute
Portage Environmental
Idaho National Laboratory



Sponsorship opportunities are still available. Please contact ECA staff at 202.828.2423 or bulletin@energyca.org for details.



ECA 2009 ANNUAL CONFERENCE

New Leadership in 2009

February 12, 2009

Liaison Hotel

415 New Jersey Ave., NW

Washington, DC

Invited Congressional and Administration Speakers:

Dr. Steven Chu, Secretary of Energy
Senator Jeff Bingaman, New Mexico
Senator Patty Murray, Washington
Congresswoman Ellen Tauscher, California
Congressman Zach Wamp, Tennessee
Congressman Doc Hastings, Washington

- 8:30 am Welcoming Remarks and Setting the Stage**
- Seth Kirshenberg, Executive Director, ECA
 - Lorraine Anderson, Mayor Pro Tem, Arvada, CO, Chair, ECA
 - Robert Thompson, Councilmember, Richland, WA, Vice-Chair, ECA
- 8:45 am The Future of NNSA**
- Thomas D'Agostino, Undersecretary of Nuclear Security and Administrator, National Nuclear Security Administration
- 9:30 am Environmental Management Initiatives and Activities**
- Dr. Ines Triay, Acting Assistant Secretary for Environmental Management, U.S. Department of Energy
- 10:15am Break**
- 10:30 am Panel Discussion: The Inside Perspective**
- Sean Todd, Fox Potomac Resources
 - Martin Schneider, Editor-in-Chief, Exchange Monitor Publications
- 11:45 am What Lies Ahead in the Obama Administration?**
Speakers will include new DOE staff
Moderated by ECA Staff
- 12:30 pm Lunch and Keynote Address**

- 1:45 pm Panel Discussion: Career Agency Leaders Discuss Path Forward**
- Merle Sykes, Deputy Assistant Secretary for Budget and Strategic Planning, DOE Office of Environmental Management
 - Shane Johnson, Acting Assistant Secretary for Nuclear Energy, U.S. Department of Energy
 - David Geiser, Acting Director, DOE Office of Legacy Management
- 2:45 pm Break**
- 3:00 pm Panel Discussion: The Future of High Level Waste Disposal**
- Christopher Kouts, Principal Deputy Director, DOE Office of Civilian Radioactive Waste Management (invited)
 - Geoff Fettus, Senior Project Attorney, Nuclear Program, Natural Resources Defense Council (invited)
 - Steven Kraft, Senior Director, Used Fuel Management, Nuclear Energy Institute
- 4:00 pm Panel Discussion: The Legislative Agenda for the 111th Congress**
- Madelyn Creedon, Majority Counsel, Senate Armed Services Committee (invited)
 - Jonathan Epstein, Office of Senator Bingaman (invited)
 - Taunja Berquam, Majority Staff, House Appropriations Energy and Water Subcommittee (invited)
 - Erin Robinson, Professional Staff Member, House Armed Services Committee (invited)
 - Jessica Gleason, Deputy Chief of Staff, Office of Congressman Hastings (invited)
- 4:45 pm Open Roundtable Discussion: Path Forward with a New Administration and New Congress**
Facilitated by ECA Staff
- 5:00 pm Reception**

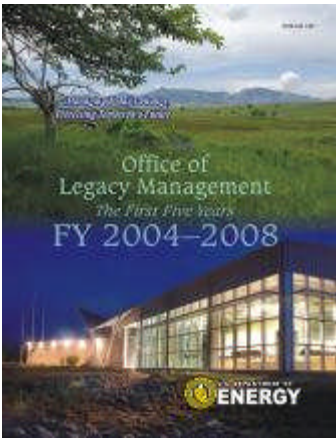
**Annual Board Meeting Agenda
February 13, 2009—8:30am—12:00pm
(ECA members and invited guests only)**

- 8:00 am** Breakfast
- 8:30 am** Opening Remarks, ECA Chair Lorraine Anderson
- 8:45 am** Update from Members on Top Priorities
- 10:00 am** ECA Management and Activities
- Treasure Report
 - Budget Review
 - ECA Activities/Work Plan
 - Peer Exchange
 - Other Programs
- 11:30 am** ECA Executive Committee Election (*Nominating Committee Lorraine Anderson and Pam Larsen*)
- 12:00 pm** Adjourn



NEWS TIDBITS

DOE Office of Legacy Management—The first Five Years



The Department of Energy Office of Legacy Management (LM) recently released a report on its programmatic achievements since the Office's creation in 2003. The report, entitled *The First Five Years: FY2004-2008*, lists LM's achievements that fall under the five (5) guiding goals of the office, which are: (1) protect human health and the environment through effective and efficient long-term surveillance and maintenance; (2) preserve, protect, and make accessible legacy records and information; (3) support an effective and efficient work force structured to accomplish Departmental [DOE] missions and assure contractor worker pension and medical benefits; (4) manage legacy land and assets, emphasizing protective real and personal property reuse and disposition; and (5) improve program effectiveness through sound management.

A complete copy of the report is available on the LM website at:

http://www.lm.doe.gov/pro_doc/firstfiveyears.htm

Department of Labor Paid Out Over \$4.5 Billion to Sick Nuclear Weapons Workers

Congress, during the last legislative session, was extremely critical of the Department of Labor (DOL) for failure to adequately implement the Energy Employees Occupational Illness Compensation Program Act (EEOICPA). The EEOICPA was passed by Congress in 2000, and established a program within DOL to provide compensation and medical benefits to employees who became ill as a result of working in the atomic weapons industry. Earlier this month (prior to the change in administrations), DOL issued a statement that highlighted its \$4.5 billion in payments made under the EEOICPA to date. "We got this program up and running in eight months by July 31, 2001, and I'm very proud that the department has processed more than \$4.5 billion in benefits to workers and their families efficiently and with compassion," said Secretary of Labor Elaine L. Chao.

The complete DOL press release is available at: <http://www.dol.gov/opa/media/press/esa/archive/esa20090071.htm>

Kentucky Academic Grant On Paducah Cleanup Extended by DOE

Earlier this month, Senator McConnell (R-KY) announced that the DOE has approved a \$2.4 million extension to an existing grant with the Kentucky Research Consortium for Energy and the Environment (KRCEE) for environmental research and cleanup at the Paducah Gaseous Diffusion Plant. The funding, which goes through September 30, 2010, will provide the KRCEE with resources to assist in the environmental cleanup (soil and groundwater contamination) and economic development (beneficial reuse) issues at the Paducah plant. KRCEE is a collaborative effort by the University of Kentucky, Murray State University and the University of Louisville. According to the office of Senator McConnell, "the KRCEE was established at UK in 2003, through funds secured by Senator McConnell in FY '03 and FY '04 totaling \$5 million."

For more information on the Kentucky Research Consortium for Energy and the Environment (KRCEE), visit their website at: <http://www.uky.edu/krcee/Welcome.htm>

Upcoming Events

- **February 12-13**—2009 ECA Annual Conference, Washington, DC
- **March/April**—New President Submits FY2010 Budget
- **Spring**—ECA Peer Exchange on EM issues (April/May)
- **Fall**—Intergovernmental Meeting of NGA, NAAG, ECA, ECOS and STGWWG with the Department of Energy

Energy Communities Alliance (ECA) Bulletin

1101 Connecticut Avenue, NW, Suite 1000, Washington, DC 20036

All Rights Reserved © 2009 by the Energy Communities Alliance. No portion is to be reproduced without credit and written notification to the Energy Communities Alliance. The Energy Communities Alliance Bulletin is published monthly via a published and electronic version. If you would like to subscribe to the Energy Communities Alliance Bulletin, please send your name and address to the address above or fax it to us at 202-828-2488 or email Bulletin@energyca.org

Thank you to the Department of Energy's Environmental Management Office for their support of the ECA Bulletin through cooperative agreement No. DE-FC02-02AL67852



Energy Communities Alliance

1101 Connecticut Avenue, NW

Suite 1000

Washington, D.C. 20036

Phone: 202.828.2423

Fax: 202.828.2488

Email: bulletin@energyca.org

VISIT OUR WEB SITE AT
[HTTP://WWW.ENERGYCA.ORG](http://www.energyca.org)