Dave Huizenga Returns to NNSA, Mark Whitney Takes Over as Acting Assistant Secretary for EM

This month, Secretary Moniz and Deputy Secretary Poneman announced that Dave Huizenga would be returning to NNSA after three years of leading the Office of Environmental Management (EM). On July 10, Huizenga returned to his role as NNSA Principal Assistant Deputy Administrator for Defense Nuclear Nonproliferation.

In an email to DOE employees, Moniz and Poneman described several EM accomplishments during Huizenga’s tenure and noted that “From day one, Dave made working with stakeholders a (Continued on page 9)

DOE Land Transfer - Where Are the Asset Revitalization Initiative (ARI) Reports?

Local communities and DOE constantly have successes and struggles when it comes to shrinking DOE/NNSA's footprint and the community reusing DOE's land and other assets. Over the years, DOE has saved hundreds of millions in cleanup costs and created job opportunities. However, with the success comes the struggles. At closure sites minority of decision-makers in DOE still think that these formerly contaminated (or perceived to be contaminated) sites should be sold to communities that have lost thousands of jobs - despite the fact the communities have to invest millions to improve the site to prepare them for reuse. Further, some at DOE still think that the community indemnification legal authority that ECA and many at DOE fought (Continued on page 8)
If you are a long-time reader of the ECA Bulletin you know that this year’s budget process is like Yogi Berra’s saying, “It's déjà vu all over again.”

**Appropriations Another CR**

This year Congress will almost certainly resort to using a continuing resolution (CR), as it has for the past several years, to keep the federal government running when the new fiscal year starts on October 1. Although the House has passed several appropriations bills, including Energy and Water, the Senate is unlikely to take up any of the FY15 spending bills that have been approved by the Appropriations Committee, including the energy and water appropriations measures.

The Senate has not debated any spending bills this year, a record of total gridlock that can be attributed to a failure of the chamber’s Democratic and Republican leaders to allow virtually any legislation to advance.

With lawmakers in Washington for only a handful of weeks before the midterm elections, agencies likely will be operating under a CR until late in the calendar year. CQ is reporting that a vote on a CR to fund the government through the first few months of FY15 could come as early as the week of July 28. Under one likely scenario, Congress would pass a massive omnibus spending bill to fund the federal government after it returns to Capitol Hill in November for a lame-duck session, reported CQ. It’s also plausible that Congress defers final action on FY 2015 spending until next year.

**Defense Authorization**

Further, there is speculation that the National Defense Authorization bill will not move until after the November elections. This is likely due to the non-movement of other bills and the speculation that many of the provisions in the bill are issues that members don’t want to take up until after they know the balance of power in Congress after the elections. Currently the House has passed its version of the Defense Authorization bill and the Senate Armed Services Committee has approved its version, but the Senate has not taken any action on the bill.

**OMB Issues Statement of Policy Opposing the House Energy and Water Appropriations Bill**

On July 9, the Office of Management and Budget (OMB) issued a Statement of Administration Policy that states, “the Administration strongly opposes House passage of H.R. 4923, making appropriations for energy and water development and related agencies for the fiscal year ending September 30, 2015.” The statement goes on to say: “If the President were presented with H.R. 4923, his senior advisors would recommend that he veto the bill.”

While many ECA members were happy to see the House Energy and Water Appropriations bill address MOX and Yucca Mountain, those were two of the topics OMB specifically criticized in the statement of policy. In regards to the disposition of weapons-useable plutonium, “The Administration strongly objects to language that would require the Secretary of Energy to continue construction of the Mixed Oxide Fuel Fabrication Facility. The Administration plans to move the facility into cold stand-by in FY 2015 as it continues to explore the potential for more cost effective alternatives while maintaining the U.S. Government's commitment to disposing of unneeded plutonium.”

In regards to Yucca Mountain, the statement says: “The Administration objects to the DOE funding provided in the bill for Yucca Mountain and is disappointed with the Committee's rejection of the practical solutions proposed in the Administration's nuclear waste strategy. As reflected in the FY 2015 Budget request, this strategy incorporates important and workable elements for a successful waste program, such as consent-based siting, interim storage of waste, and program funding reforms that are essential to the success of a Nuclear Waste

*(Continued on page 10)*
WIPP RECOVERY AND FUNDING

By John Heaton, Chair, Carlsbad Mayor’s Nuclear Task Force

The Senate and House, Republicans and Democrats, all seem to be on the right track when it comes to providing adequate funding for the Waste Isolation Pilot Plant (WIPP) recovery effort next year. Both the House and Senate have approved budgets that will provide baseline funding and recovery funding to push the underground repository for defense-generated transuranic (TRU) waste in the right direction. It will be up to the Department of Energy and its contractors to take the next step and make sure those resources are invested properly.

This bipartisan effort shows that everyone gets it – the nation needs to invest in restoring WIPP. For 15 years, WIPP operated safely and efficiently and during that time was responsible for legacy TRU cleanup at 22 locations around the nation. The February fire and radiological incident didn’t change that, but it did highlight a need, recognized by our legislative body, to make some improvements.

But there is a huge, obvious hurdle on the horizon – the possibility of a continuing resolution (CR). A CR could be devastating for the WIPP recovery effort, and such a blow would be a further setback to the nation’s entire nuclear waste cleanup effort. A CR could force WIPP to operate on its previous budget and make many of the recovery efforts impossible. And, as most of you already know, we’ve recently had more CR years than non-CR years.

I know I’m preaching to the choir here when I say that a CR needs to be avoided at all costs, but what can we do about it besides wringing our hands and hoping everyone gets along?

First, I’d ask that all of our ECA communities show a unified front when it comes to recognizing the importance of getting WIPP back in operations. Whether you live near Hanford, Savannah River, Idaho Falls, Oak Ridge, Los Alamos or elsewhere, please let your elected representatives know that WIPP’s recovery is important to your community. WIPP’s recovery is only one of a plethora of very good reasons why a CR or government shutdown should be avoided, but additional arguments never hurt.

Second, if a CR appears to be inevitable, encourage your elected officials to find a workaround to keep the WIPP recovery effort fully funded. Projects deemed essential to the nation can be made exempt from CR freezes (an anomaly), and I believe WIPP’s recovery effort perfectly fits this model.

Finally, if a CR budget is unavoidable, I believe it would be proper to consider other DOE projects making a small joint sacrifice in terms of funding reprogramming in order to make sure the recovery costs for WIPP are funded. All roads lead to (and through) WIPP’s successful recovery – there is no more important cause.

But the best solution is to avoid a CR entirely. While the Accident Investigation Board (AIB) reports on WIPP revealed significant needs for improvement, many of the processes worked as intended. The switch to HEPA-filtration went as anticipated and the Carlsbad Environmental Monitoring and Research Center did its job in reporting detections. The WIPP system works, and we know that WIPP can recover and resume operations. On behalf of the members of the Carlsbad community, who are all still very proud of this project, we appreciate your support.
In July ECA is hosting its Peer Exchange on Next Steps for Nuclear Energy to facilitate discussion of nuclear strategies, policies and technologies that are priorities for the next two years.

The current political and economic environment present challenges to the development of small modular reactors (SMRs), new nuclear plant licensing, the longevity of existing nuclear power plants, and the development of waste storage facilities. Sessions at the meeting will consider these challenges, the role of nuclear energy as part of the future U.S. energy portfolio, policies to address nuclear waste management, and the role of local governments in creating momentum around key issues and in support of new nuclear development. In addition, the meeting will allow local officials to coordinate with stakeholders at the state, regional, industry and federal levels.

**Wednesday, July 30, 2014**

7:15 am – 4:15 pm  Tour of National Nuclear Security Site (NNSS)

**Thursday, July 31, 2014**

8:00 – 8:30 am  Breakfast and Registration

8:30 – 9:00 am  Welcome

*Chuck Smith, Council Member, Aiken County, SC, Vice Chair, ECA*

*Seth Kirshenberg, Executive Director, ECA*

*Kara Colton, Director of Nuclear Energy Programs, ECA*

9:00 – 9:30 am  Aligning Nuclear Priorities at the Federal and Local Level

*Leslie Jones-Huddleston, Partnership for Science and Technology*

*Dr. Pete Lyons, Assistant Secretary for Nuclear Energy, U.S. DOE*

9:30 – 10:45 am  Panel Discussion: What is the Future of Nuclear Energy in the U.S.?

*Bob Thomson, Councilmember, City of Richland, WA*

*Dr. Pete Lyons, Assistant Secretary for Nuclear Energy, U.S. DOE*

*Dr. Ron Faibish, Argonne National Lab, Fellow with the U.S. Senate Committee on Energy and Natural Resources*

*Paul Genoa, Nuclear Energy Institute*

This panel discussion will consider the outlook for nuclear power generation in the near-term as well as part of a future “all of the above” energy strategy for the U.S. Panelists will also address the long-term costs and impacts of nuclear reactor shutdowns.
(Continued from page 4)

**Peer Exchange on Next Steps for Nuclear Energy**

10:45 – 11:00 am  **Break**

11:00 – 12:00 pm  **Small Modular Reactors: How Will They Move Forward?**

*Gary Petersen, Tri-City Development Council*

*Mike McGough, NuScale Power*

This session will highlight SMRs and SMR development today, whether SMRs have multiple applications that can benefit local communities, and opportunities for energy communities interested in supporting SMR deployment.

12:00 – 1:30 pm  **Lunch: Waste Management Update**

*Frank Marcinowski, Office of Environmental Management, U.S. DOE (Invited)*

1:30 – 2:30 pm  **Building It Up: Developing New Nuclear Technologies**

*Darrell Lacy, Nye County Nuclear Waste Repository Project Office*

*William Boyle, Office of Nuclear Energy, U.S. DOE*

This session will consider advanced reactor, fuel cycle and nuclear waste management technologies being researched and developed by the Office of Nuclear Energy.

2:30 – 2:45 pm  **Break**

2:45 – 3:45 pm  **Roundtable: View from the Sites**

During this roundtable session, each community will provide an update on waste management and nuclear priorities at its site. This session will help outline the challenges faced by communities that remain interested in hosting new nuclear energy and waste facilities; and will also focus on how to create momentum around key issues.

3:45 – 4:00 pm  **Wrap Up and Setting the Stage for Day Two**

*Allison Finelli, Deputy Executive Director, ECA*

(Continued on page 6)

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To sign up for the ECA email server please visit our website:  
[www.energyca.org](http://www.energyca.org)
Peer Exchange on Next Steps for Nuclear Energy

Friday, August 1, 2014

8:00 – 8:30 am  Breakfast

8:30 – 9:30 am  Roundtable: How Can Public/Private Partnerships Build Momentum for a Nuclear Future  
Mayor Rebecca Casper, City of Idaho Falls, ID  
Bob Edmunds, AREVA

As the debates regarding nuclear energy and waste continue, local governments and private sector project managers face common challenges. During this panel discussion, local government officials and private sector representatives will consider how they can work together to provide waste management alternatives, to spur the consent-based siting process forward, to maintain the nuclear workforce and support a nuclear future.

9:45 – 10:45 am  Developing Effective Outreach and Education Programs on Nuclear Energy  
Rick McLeod, SRSCRO  
Alison Kennedy, Office of Nuclear Energy, U.S. DOE  
Kristen Ellis, Office of Environmental Management, U.S. DOE

A key role of local governments is to help ensure their communities understand the benefits and challenges associated with nuclear energy and nuclear facilities in order to build support for the future. This facilitated discussion will help identify the types of outreach that are most effective, the issues that should be prioritized in education campaigns, and opportunities to share information at the local, state and federal levels.

10:45 – 11:00 am  Wrap Up and Developing Action Items

Each community will choose a representative to identify its priorities for moving forward and help develop a list of action items/next steps for ECA and local governments on nuclear energy issues.
Energy Communities Alliance released an update of *A Community Handbook on Nuclear Energy: Understanding Nuclear Energy and Alternatives for the Future*. Written from the perspective of local governments, the Handbook considers the myriad issues related to nuclear energy production and nuclear waste management, and the risks and opportunities for communities as future nuclear policies are developed. ECA will provide notice when the Handbook is available.

The Handbook presents concepts, terminology, benefits and challenges that local governments should understand as they consider hosting nuclear facilities. The updated version includes discussion of a number of efforts that developed over the past two years to prioritize and address nuclear waste management:

As the debate regarding nuclear energy and nuclear waste policies continues, ECA notes several new questions have evolved:

1. Why would a community want to host a new facility?
2. What is the role of local government in communities that become host to interim storage or permanent waste management?
3. What is the role of local government in supporting, manufacturing or utilizing nuclear technologies like SMRs?
4. What incentives exist for hosting a new nuclear facility?

The revised Handbook is updated to help communities address these questions. ECA provides recommendations for local governments at the end of each chapter, and highlights new opportunities that local governments have to engage with state and federal decision-makers to develop, support and implement plans for the future of nuclear energy.

*A Community Handbook on Nuclear Energy: Understanding Nuclear Energy and Alternatives for the Future* was prepared by ECA with funding from the U.S. Department of Energy (DOE), Office of Nuclear Energy. To request hardcopies, please contact Sharon Worley at Sharon.worley@energyca.org.
DOE Land Transfer - Where are the Asset Revitalization Initiative (ARI) Reports?

so hard to obtain - to ensure that these sites can be reused quickly and economically and that the community and lenders do not incur liabilities for DOE's pre-existing contamination - should not be provided to certain communities.

Through this ECA has published reports on the outcomes and now DOE has published its own reports. ECA recently participated in meeting at the former Mound site in June where DOE announced that the following reports are in concurrence at headquarters and that ECA expects to see soon:

1. **ARI Tool Box for Sustainable Asset Management and Reuse**
   - Collection of best practices on reuse for DOE and NNSA sites to partner with communities for reuse of DOE/NNSA unneeded assets.

2. **Land and Asset Transfer for Beneficial Reuse**
   - Communicates DOE's past successes in disposing of land and facilities.

3. **Asset Transfer to Build a Diversified Economy**
   - Communicates ways DOE sites, labs and programs create opportunities for economic development.

4. **Impacts of DOE Sites on their Local Economies**
   - Provides data on DOE's impact at 6 sites on the impact on the local economy (I am sure it only says positive things but I would still like to read it).

The reports (assuming we get to read them soon) are a step forward for DOE to release its data on successes and issues that have arisen from the asset revitalization program.

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**NRC SEeks Public Comment on Proposed Revisions to Requirements for Medical Uses of Radioactive Materials**

The NRC is seeking public comment on proposed revisions to its rules related to medical uses of radioactive materials. While implementing the current regulations, NRC staff, stakeholders, and NRC’s Advisory Committee on the Medical Uses of Isotopes identified the need for the proposed revisions, published in the July 21 Federal Register, for 120 days of public comment.

The NRC proposes to amend 10 CFR Part 35 and make some conforming changes to Parts 30 and 32. The changes would amend the definition of medical events associated with permanent implant brachytherapy; update training and experience requirements for authorized users, medical physicists, radiation safety officers, and nuclear pharmacists; address a petition the NRC received seeking to recognize the qualifications of board certified physicists and radiation safety officers not specifically named on a license; change requirements for measuring molybdenum contamination and reporting generator tests that exceed allowed contamination levels; allow associate radiation safety officers to be named on a medical license; and make several minor clarifications.

Public comments on the proposed revisions will be accepted through November 18. They may be submitted through the Federal e-Rulemaking portal by searching for Docket ID NRC-2008-0175; by email; by mail to Secretary, US Nuclear Regulatory Commission, Washington D.C. 20555-0001, ATTN: Rulemakings and Adjudications Staff; or by fax to 301-415-1101.

See announcement [here](#).
Dave Huizenga Returns to NNSA, Mark Whitney Takes Over as Acting Assistant Secretary for EM, Whitney Tells ECA He Will Work Closely with Local Governments on Cleanup

priority, which was a key to EM’s continued success over the past three years.”

Moniz added “To provide continuity, I have asked that Dave, in his new role, lead discussions with the State of Washington on the path forward for the tank waste mission at Hanford and serve on the Secretary’s Working Group with the State of Nevada.”

ECA always appreciated Huizenga’s straightforward attitude when working with local governments. Huizenga always worked with the community and always told the truth - even when it was difficult for the community or contractor to accept what they were being told. Huizenga is one of the longest standing leaders of EM and he definitely made a positive mark on the program.

The next manager of EM has a lot of challenges such as re-opening WIPP, hiring new managers at key sites, addressing cost overruns of large projects, addressing budget problems, negotiating new regulatory agreements. ECA will be working closely with DOE to ensure it stays on the path of working through the issues in a manner that accomplishes the mission and facilitates community involvement in decision-making.

In the same email, Moniz also announced that Mark Whitney will serve as EM’s Acting Assistant Secretary, effective July 10, 2014. Whitney has been EM’s Principal Deputy Assistant Secretary since May 18. Moniz noted, “He is a proven leader with an exceptional ability to develop high-performing organizations and teams. Mark has experience leading field operations and a deep understanding of headquarters operations, and we look forward to working closely with him in this capacity.”

ECA met with Whitney in June and expressed the importance of working with communities and local governments. ECA Chair, Oak Ridge Mayor Tom Beehan told the ECA Executive Board that the city has a close relationship with Whitney and that he expects to continue the practice of EM leadership working with local communities.

Whitney has been a member of the Senior Executive Service since 2005, and has served the Department in a number of key roles. He was Manager of EM’s Oak Ridge Office and Acting Principal Assistant Deputy Administrator for Defense Nuclear Nonproliferation at NNSA. Other positions Whitney held within NNSA include Assistant Deputy Administrator (ADA) for Nonproliferation and International Security and Acting ADA for Fissile Material Disposition.

Other DOE leadership updates

This month the White House nominated Elizabeth Sherwood-Randall from the National Security Council to serve as the next Deputy Secretary of Energy. In June, current Deputy Secretary Dan Poneman, announced plans to leave DOE this fall. Sherwood-Randall serves as the White House Coordinator for Defense Policy, Countering Weapons of Mass Destruction, and Arms Control, and served as Special Assistant to the President and Senior Director for European Affairs at the National Security Council from 2009 to 2013; and as Deputy Assistant Secretary of Defense for Russia, Ukraine, and Eurasia.

The Obama Administration also announced the withdrawal of Elizabeth Robinson’s nomination for the Under Secretary of Energy for Management and Performance position.
DOE ESTABLISHES OFFICE OF INDEPENDENT ENTERPRISE ASSESSMENTS

Last month Secretary Moniz announced the establishment of the Office of Independent Enterprise Assessments (IEA). The new office became operational on May 4, 2014. The establishment of IEA reflects DOE’s commitment to the health and safety of DOE and contractor employees and the public, environmental stewardship, and protection of the Department's national security assets.

IEA will provide an internal management assessment function that will examine activities relating to the environment, health, safety and security of the DOE enterprise, and will provide recommendations in support of - and pursuant to guidance from - the Secretary and Deputy Secretary. This will include assessing DOE operations in safety (nuclear and industrial), security (cyber and physical), and other critical functions. In order to assure its independence, IEA reports directly to the Office of the Secretary.

Assessments conducted by IEA are intended to determine whether the Department is meeting its standards of performance, including requirements established in regulations and DOE Directives. On behalf of the Secretary, IEA implements the enforcement functions over DOE contractors that the Congress vested in the Department regarding worker safety and health, nuclear safety, and information security. The activities of IEA will complement, but do not replace, the responsibility of DOE line management - reporting through the Under Secretaries - to oversee contractor performance in complying with environment, health, safety and security requirements.

IEA will undertake the following tasks:

- Analyze DOE operations for risk management and performance, including review of line oversight and contractor assurance results.
- Perform regulatory enforcement as required by federal statute.
- Conduct assessments and investigations, analyze results, and report findings and recommendations to the Secretary and Deputy Secretary.
- Prepare reports and share lessons learned pursuant to Secretarial guidance.

Upon IEA request, DOE federal and contractor management will provide access to facilities, managers and staff, and documents or other data.

The establishment of the IEA is not intended to affect the independent statutory oversight responsibilities of the Office of the Inspector General and Defense Nuclear Facilities Safety Board.

(Continued from page 2)

D.C. Update

Program. Similarly, the Administration objects to funding provided in the bill for the Nuclear Regulatory Commission to continue adjudication of the Yucca Mountain license application.”

Manhattan Project National Historical Park Proposal included in House version of Defense Authorization

The House of Representatives approved its version of the National Defense Authorization Act which included a provision to establish the Manhattan Project National Historical Park as a unit of the National Park System.
U.S. NWTRB TO DISCUSS MANAGEMENT AND DISPOSAL OF DOE SPENT NUCLEAR FUEL AND HIGH-LEVEL RADIOACTIVE WASTE AT AUGUST MEETING IN IDAHO FALLS

The U.S. Nuclear Waste Technical Review Board will meet in Idaho Falls, Idaho, on Wednesday, August 6, 2014, to review U.S. Department of Energy (DOE) plans for the packaging, transportation, and disposal of DOE spent nuclear fuel (SNF) and high-level radioactive waste (HLW). Among the topics that will be discussed at the meeting are DOE SNF and HLW management activities that will affect the eventual disposal of the wastes, including: extended storage of SNF at DOE sites, treatment of DOE SNF in preparation for offsite transportation and disposal, research and development related to dry-cask storage of high burnup SNF, aging management of SNF storage facilities, and the transportation of damaged SNF. The Nuclear Waste Policy Amendments Act (NWPAA) of 1987 charges the Board with conducting an ongoing and independent evaluation of the technical and scientific validity of DOE activities related to implementing the Nuclear Waste Policy Act.

The meeting will be held at the Marriott Residence Inn, 635 West Broadway, Idaho Falls, Idaho 83402; Telephone 208-542-0000.

The meeting will begin at 8:00 a.m. on Wednesday, August 6, 2014, with a call to order and introductory statement by the Board Chairman and is scheduled to adjourn at 5:20 p.m. A detailed meeting agenda will be available on the Board’s website: www.nwtrb.gov approximately one week before the meeting. The agenda also may be requested by e-mail or telephone at that time from Davonya Barnes of the Board’s staff.

The meeting will be open to the public, and an opportunity for public comment will be provided at the end of the day. Those wanting to speak are encouraged to sign the “Public Comment Register” at the check-in table. Depending on the number of people who sign up, it may be necessary to set a time limit on individual remarks, but written comments of any length may be submitted for the record.

Transcripts of the meeting will be available on the Board’s website no later than September 1, 2014. Copies may be requested for transmission by e-mail, on computer disk, or in paper format from Davonya Barnes of the Board’s staff.

The Board was established in the NWPAA as an independent federal agency in the Executive Branch to provide objective expert advice to Congress and the Secretary of Energy on technical issues related to SNF and HLW management and disposal and to review the technical and scientific validity of DOE activities related to implementing the NWPA. Board members are experts in their fields and are appointed to the Board by the President from a list of candidates submitted by the National Academy of Sciences. The Board reports its findings, conclusions, and recommendations to Congress and the Secretary of Energy. All Board reports, correspondence, congressional testimony, and meeting transcripts and related materials are posted on the Board’s website.

For information on the meeting agenda, contact Bret Leslie: leslie@nwtrb.gov or Karyn Severson: severson@nwtrb.gov. For information on lodging or logistics, contact Linda Coultry: coultry@nwtrb.gov. To request copies of the meeting agenda or the transcript, contact Davonya Barnes: barnes@nwtrb.gov. All three can be reached by mail at 2300 Clarendon Boulevard, Suite 1300; Arlington, VA 22201-3367; by telephone at 703-235-4473; or by fax at 703-235-4495.
**HOLTEC TO DEVELOP SMR AT NEW FACILITY**

Holtec International has announced plans to build a factory, reactor test loop and engineering building to support its SMR-160 reactor and fuel storage technology in Camden, New Jersey. Despite failing to win funding through DOE’s cost-sharing program to promote the accelerated deployment of SMRs (DOE awarded funds and established cooperative agreements with B&W for its mPower SMR design and to NuScale Power LLC), Holtec says it will move forward without federal support.

Holtec reports it has signed a 50-year lease at a site in Camden where the facility is projected to occupy 600,000 square feet. Construction costs are estimated at $260 million. Construction is expected to be completed in 2017 with the goal of commissioning the facility by mid-2018.

As announced in its press release, Holtec committed to the State of New Jersey that the facility will initially employ 400 workers, with the number of “local craft labor employment” expected to rise to 2,000 within the first five years of operation. According to local media, state officials expect the median wage for workers will be close to $86,265.

Holtec considered building the facility in Charleston, South Carolina, but a tax break offered by the New Jersey Economic Development Authority (EDA) secured its decision to build in New Jersey. EDA approved $260 million in tax breaks over ten years – the third largest tax break ever granted by the state – provided that Holtec builds the facility and creates or retains 395 jobs (160 of the jobs to be retained may result from relocating employees from Holtec’s headquarters in Evesham, New Jersey).

The announcement follows another development for Holtec which learned in late June that it got the go-ahead on a contract to build an interim spent fuel repository in Ukraine.

See Holtec International press release [here](#).

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**OBAMA ANNOUNCES NRC NOMINEES**

This month President Obama announced his intention to nominate two new commissioners to the U.S. Nuclear Regulatory Commission (NRC):


- **Stephen Burns**, former general counsel to the NRC.

If confirmed, Baran and Burns will fill spots left open by NRC Commissioners George Apostolakis and Bill Magwood.

Apostolakis left June 30 after the White House did not nominate him for another term. Bill Magwood recently announced he is leaving the NRC on August 31 and will assume his new position as the Director-General of the Organisation for Economic Cooperation and Development’s (OECD) Nuclear Energy Agency (NEA) on September 1. Earlier this month, a coalition of environmental groups sent a letter to President Obama seeking Magwood’s resignation. They argued that Magwood compromised his role as an independent safety regulator when he did not recuse himself from NRC safety decisions as he pursued and accepted the position at the NEA. Magwood’s term at the NRC was to run through June 2015.

NRC Press Release announcing Bill Magwood’s departure can be found [here](#).

Letter from 34 environmental groups to President Obama requesting Bill Magwood’s resignation can be found [here](#).
REGULATORS PROVIDE PRELIMINARY APPROVAL TO RESTART NUCLEAR REACTORS IN JAPAN BUT LOCAL APPROVAL STILL NEEDED

Japan’s Nuclear Regulatory Authority (NRA), an independent watchdog established in the wake of the disaster at the Fukushima Daiichi plant in March 2011, has given preliminary safety approval to restart two reactors at a nuclear plant in southern Japan. Regulatory officials held 62 hearings and considered many technical reviews of the plant’s upgraded design and safety features before finding that they meet safety standards established after Fukushima. The new safety standards require safeguards against natural disasters as well as severe nuclear accidents.

But NRA approval is only part of what is necessary before the reactors can restart - as soon as between September and November 2014. First the NRA will commence a one-month public comment period before issuing its final decision. Second, local officials must support the restart. The government has previously stated it will defer to local communities to give final approval before nuclear facilities reopen.

According to a Wall Street Journal article, a top regulator in Japan stated that complete safety does not exist and policy makers should look to local communities near reactors to “obtain understanding.” The Financial Times quotes Japanese Prime Minister Shinzo Abe, “If [other plants] are deemed safe and we can secure the understanding of host communities, I want to move ahead with restarts.”

Public opinion in Japan is likely to be a challenge. A March 18, 2014 survey on nuclear restarts by the Asahi Shimbun found that 59% of the Japanese public oppose restarts of any nuclear capacity, whereas only 28% support it.

Prior to Fukushima, nuclear energy supplied about 30 percent of Japan’s electricity, but today none of the 48 nuclear reactors in Japan are operational. The country has increased its use of imported liquefied natural gas and power rates have risen by an average of close to 20 percent. Restarting the nuclear industry in Japan could reduce costs, and earlier this year the Japanese government approved a plan which would reverse a former government’s decision to phase out nuclear energy. Nine of Japan's electric utilities have applied to restart 19 reactors.

HOUSE VOTES SHOW SUPPORT FOR YUCCA MOUNTAIN

Two measures to kill the Yucca Mountain repository project were defeated in the U.S. House of Representatives this month. Nevada Representative Dina Titus (D) proposed two amendments to the FY 2015 Energy and Water Development Appropriations Act. The first would have given DOE authority to remove the repository as a future option for waste storage. It was defeated, 96-326. The second would have cut all funding related to restarting Yucca Mountain. It was defeated, 75-344.
DEPARTMENT OF ENERGY CITES FLUOR-B&W PORTSMOUTH, LLC FOR WORKER SAFETY AND HEALTH VIOLATIONS

DOE has issued a Preliminary Notice of Violation (PNOV) to Fluor-B&W Portsmouth, LLC (FBP) for three violations of worker safety and health regulations associated with an incident at the Portsmouth Gaseous Diffusion Plant in Piketon, Ohio. The incident took place on October 9, 2012, when a 60-ton mobile hydraulic crane tipped over onto its front end. The crane operator was not injured and was able to climb down from the crane cab.

The Department places high priority on worker safety, and considers this incident to have high safety significance due to the potential for loss of life and/or serious injuries associated with crane operation and the violations that DOE identified. The PNOV cites three violations of DOE worker safety and health requirements enforceable under 10 C.F.R. Part 851, Worker Safety and Health Program, in the areas of hazard identification, assessment, prevention, and abatement; training and information; and crane operational safety. DOE has categorized the deficiencies as two Severity Level I violations and one Severity Level II violation. A Severity Level I violation is a serious violation that could present the potential for death or serious physical harm resulting from a workplace hazard. A Severity Level II violation is an other-than-serious violation that has a direct relationship to worker safety and health.

In response to the crane incident, FBP implemented comprehensive corrective actions that address its own findings and the violations cited in the PNOV. DOE reduced FBP’s contract fee by $150,000 for a negative safety performance trend during fiscal year (FY) 2012 and continuing into FY 2013, specifically citing this incident as one reason for the fee reduction. In accordance with DOE’s statutory authorities, DOE is imposing no further penalty for the violations cited in this PNOV.

The Bob Stump National Defense Authorization Act for Fiscal Year 2003 authorizes the Department to take regulatory actions under 10 C.F.R. Part 851, against contractors for violations of DOE worker safety and health requirements. The DOE enforcement program encourages contractors to identify and correct worker safety and health deficiencies at an early stage, before they contribute to or result in more serious events.

Additional details on this and other enforcement actions can be found here.

TV Series Manhattan Premieres July 27

A new TV series, MANHATTAN, will premier this month on WGN America.

Set against the backdrop of the mission to build the world's first atomic bomb, MANHATTAN follows the brilliant but flawed scientists and their families as they attempt to co-exist in a world where secrets and lies infiltrate every aspect of their lives.

MANHATTAN premieres on WGN America Sunday, July 27 9/8c.
GAO REPORT: NNSA: AGENCY EXPANDED USE OF SOME FEDERAL OVERSIGHT REFORMS, BUT IS STILL DETERMINING FUTURE PLANS

The Government Accountability Office (GAO) released a report to the House Armed Services Committee on July 17, “National Nuclear Security Administration: Agency Expanded Use of Some Federal Oversight Reforms, but Is Still Determining Future Plans.” NNSA has had long-standing problems managing its contracts and projects, and has been identified by GAO as being at high risk for fraud, waste, abuse, and mismanagement. In 2002 and 2003 both DOE and NNSA undertook initiatives to improve contractor performance, and in 2006, concerned that efforts were moving too slowly, the NNSA Administrator tasked its Kansas City Plant (KCP) Field Office and contractor with implementing reforms at that site.

An early version of the National Defense Authorization Act for Fiscal Year 2014 mandated GAO to review the KCP reforms and issues with extending them to other NNSA sites. This report, among other things, (1) identifies key reforms implemented at KCP and reported benefits; (2) describes key factors NNSA and others identified as helping the site implement reforms; and (3) provides information on how NNSA has implemented and plans to implement similar reforms at other sites.

Key reforms at the KCP included (1) streamlining operating requirements by replacing DOE requirements with industry standards, where appropriate; (2) refocusing federal oversight to rely on contractor performance data for lower-risk activities; and (3) establishing clear contractor goals and incentives. A 2008 review of the reforms reported nearly $14 million in cost reductions were achieved at the site by implementing these reforms.

NNSA and KCP federal and contractor staff identified key factors that facilitated implementation of reforms at KCP, including the following:

- High-level support from NNSA and field office leadership
- Unique site conditions and operations
- A cooperative federal-contractor partnership

NNSA has extended to other sites some elements of the reforms, including (1) encouraging greater use of industry standards, where appropriate; (2) directing field office oversight staff to rely more on contractor self-assessment of performance for lower-risk activities; and (3) setting clearer contractor goals by revising how the agency evaluates annual contractor performance. However, NNSA and DOE are re-evaluating implementation of some of these reforms and NNSA officials and other studies noted that key factors enabling implementation of reforms at KCP may not exist at NNSA’s other sites. NNSA is evaluating further implementation of such reforms and expects to report to Congress its findings later in 2014.

During GAO's review, Congress required NNSA to develop a study and plan for implementing the principles of the Kansas City reforms at its other sites. In light of the congressional requirement, GAO is not making additional recommendations at this time. NNSA generally agreed with the findings of this report.

The report is available here.

To sign up for the ECA email server please visit our website: www.energyca.org
GAO REPORT: NUCLEAR SECURITY: NNSA SHOULD ESTABLISH A CLEAR VISION AND PATH FORWARD FOR ITS SECURITY PROGRAM

The Government Accountability Office (GAO) released a report on June 30, “Nuclear Security: NNSA Should Establish a Clear Vision and Path Forward for Its Security Program.” NNSA is responsible for protecting sensitive assets at its contractor-operated sites to carry out nuclear weapons-related missions. Contractors provide security at NNSA's sites under the direction and oversight of DOE and NNSA. In response to rising security costs and other concerns, from 2009 to 2012, DOE and NNSA initiated various reforms to identify and eliminate potentially unnecessary security costs; realign security requirements that may be impeding sites' productivity; and streamline federal oversight. After a serious security breach at its Y-12 site in July 2012, however, NNSA reexamined some of its reforms and considered additional actions.

GAO was asked to examine NNSA's security reforms. GAO examined (1) DOE, NNSA, and contractors' implementation of the 2009 to 2012 security reforms, including any benefits or drawbacks they identified for NNSA and its sites, and (2) NNSA's actions or plans to improve security performance and oversight after the Y-12 security breach.

Implementation of security reforms from 2009 to 2012 generally varied among NNSA sites. According DOE and NNSA officials and contractors, some of these efforts helped manage security costs and enhance productivity, among other benefits, but may also have increased security risks and reduced security performance at the Y-12 and other NNSA sites, depending on how the sites implemented the reforms. NNSA officials and contractors at several sites noted that some recommendations made during the reviews may have encouraged inappropriate risks by, for example, calling for cuts in what some of the officials or contractors described as critical protective force posts and patrols. Other actions to implement the reforms may also have increased risks, particularly at Y-12.

After the Y-12 security breach, NNSA took a number of actions designed to improve its security performance and oversight but did so without first developing a clear vision and path forward for its security program and an implementation strategy, including milestones and responsibilities for carrying them out. For example, NNSA initiated actions to reinstate the DOE security directives, which it had previously replaced with its own security policies; started, then discontinued, a security inspection program; and reorganized its headquarters security office twice. According to some DOE and NNSA officials, NNSA undertook these and other actions without first developing the NNSA security “road map” that its Security Task Force had called for in 2012, as a priority recommendation after the Y-12 breach. Without a road map for its security program, NNSA may prolong what some of its own officials have described as a “chaotic” or “dysfunctional” period in NNSA’s security program since the 2012 security breach.

GAO recommends NNSA develop a clear vision and path forward for its security program and an implementation strategy including regular monitoring. NNSA agreed with the recommendation.

The report is available here.
MADELYN CREEDON CONFIRMED AS PRINCIPAL DEPUTY ADMINISTRATOR FOR THE NATIONAL NUCLEAR SECURITY ADMINISTRATION

ECA was pleased to see that the Senate is moving forward with an NNSA nominee. Madelyn Creedon was confirmed by the Senate on Wednesday, July 23, 2014, as the Department of Energy’s (DOE) Principal Deputy Administrator for the National Nuclear Security Administration (NNSA).

As NNSA’s Principal Deputy Administrator, Ms. Creedon will support NNSA Administrator Frank Klotz in the management and operation of the NNSA, as well as policy matters across the DOE and NNSA enterprise in support of President Obama’s nuclear security agenda.

Prior to her Senate confirmation, Ms. Creedon served as the Assistant Secretary of Defense for Global Strategic Affairs at the Department of Defense (DoD), overseeing policy development and execution in the areas of countering Weapons of Mass Destruction, U.S. nuclear forces and missile defense, and DoD cybersecurity and space issues. She was confirmed to serve in this position by the Senate in August 2011.

Previously, Ms. Creedon was counsel for the Democratic staff on the Senate Committee on Armed Services and was the staff lead for the Subcommittee on Strategic Forces as well as threat reduction and nuclear nonproliferation issues While in the Senate she assisted in the development of most of the laws related to DOE’s conveyance of land including the authority for DOE to indemnify local governments against environmental contamination liability when they acquire DOE land. In 2000, she left the Armed Services Committee to become the Deputy Administrator for Defense Programs at the NNSA, and returned to the Committee in January 2001. Prior to joining the Armed Services Committee staff in March 1997, she was the Associate Deputy Secretary of Energy for National Security Programs at the DOE, beginning in October 1995.

Creedon is a graduate of St. Louis University School of Law. Her undergraduate degree is in political science from the University of Evansville, Evansville, Indiana.

Reminder—ECA Dues

ECA Member dues were due on June 30. If you have not paid our member dues, please send them into ECA.

If you are interested in ECA membership, please contact Allison Finelli at (202) 828-2423 or email at Allison@energyca.org.
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Nicki Fatherly, Manager, National FUSRAP Program, USACE

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Mark Whitney, Principal Deputy Assistant Secretary for Environmental Management, U.S. Dept. of Energy
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## 2014 Calendar of Events

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<td>Peer Exchange on Next Steps for Nuclear Energy</td>
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**ECA Articles**

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Kara Colton, Director of Nuclear Energy Programs

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