Jan. 6–Jan. 12, 2012

A report to members of the Nuclear Energy Institute

NUCLEAR ENERGY
Overview

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Uranium Ban Condemned by Nuclear Industry and Legislators

Jan. 12, 2012—The Interior Department's decision to withdraw almost 1 million acres of uranium-rich Arizona land from new mining activity for at least 20 years has generated a hailstorm of criticism from Congress and the industry.

Interior Secretary Ken Salazar on Jan. 9 banned commercial use of the land within the Arizona Strip, a parcel of land that borders the Grand Canyon and Colorado River to the south and Utah to the north.

While Salazar cited protection of the landscape and water supply as reasons for the decision, it runs counter to an opinion of the Arizona Department of Environmental Quality (ADEQ).

At a House hearing in November, Richard Myers, NEI's vice president of policy development, planning and supplier programs, pointed out that the ADEQ "saw no basis for a blanket withdrawal."

"As the lead regulatory agency responsible for the protection of Arizona's environment," Myers said, "ADEQ closely regulates uranium mining activities in northern Arizona. The environmental risks posed by mining in Arizona have been successfully managed by both state and federal environmental requirements currently in place."

The reaction from industry and Congress to the decision was immediate.

"Because there is no scientifically verified threat to the Grand Canyon's environment from uranium mining," said Alex Flint, NEI's senior vice president for governmental affairs, "the nuclear energy industry opposes the prohibition … Without scientific justification, the administration's decision prevents mining for some of the nation's best high-grade uranium deposits."

Several congressional figures also criticized the decision, noting the lack of scientific backing for the decision and the impact on the local economies in Arizona and Utah.

"The Obama administration's ban on uranium mining is a devastating blow to job creation in northern Arizona, particularly in Mohave County," Sen. John McCain (R-Ariz.) said. "This decision is fueled by an emotional public relations campaign pitting the public's love for the Grand Canyon against a modern form of low-impact mining that occurs many miles from the Canyon walls and in no way impacts the quality of drinking water from the Colorado River."

Sen. Orrin Hatch (R-Utah) said, "Mining this land poses no environmental threat and is expected to create thousands of jobs, but the administration continues to pander to extremist environmentalists who oppose one of the cleanest sources of energy we have."

Salazar said that some mining would continue in the area, though no new permits will be issued.

NUCLEAR ENERGY INSTITUTE

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Climate Registered™

fire induced circuit failure workshop

Feb. 7-8, 2012
Royal Sonesta New Orleans
New Orleans, La.

This two-day workshop will build on the NEI Fire Protection Information Forum and the MSO Resolution Workshop, allowing participants to conduct in-depth discussions on the implementation of NEI 00-01, Rev. 2 and Reg Guide 1.189, Rev. 2.

This workshop will feature updates from the NEI Fire-Induced Circuit Failure Task Force, the NRC and the NRR Fire Protection Branch.

For more information and to register to attend, go to: http://www.nei.org/newsandevents/conferencesandmeetings/ficf

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Citing a Bureau of Land Management study, the Interior Department said that 11 uranium mines, four of them already approved, can still be developed based on pre-existing rights, "meaning the jobs supported by mining in the area would increase or remain flat as compared to the current level."

Sen. John Barrasso (R-Wyo.) said he believes the ban breaches the Arizona Wilderness Act of 1984. "Secretary Salazar's decision is irresponsible and overturns a reasonable, decades-old compromise between conservationists and uranium producers," he said. "With 8.5 percent unemployment [in the area], we need the good-paying jobs and the energy that America's uranium producers provide."

The Arizona Wilderness Act bans uranium exploration on over 650,000 acres outside the Grand Canyon by designating it as wilderness. But another portion of the act affirms the compatibility of mining with conservation interests in other areas, including the Arizona Strip. << Mark Flanagan, *mpf@nei.org*

NRC Draft Assumptions for Extended Fuel Storage Up for Comment

Jan. 12, 2012—The NRC is seeking public comments on a draft report on its preliminary assumptions for an environmental impact statement that will analyze the potential effects of storing commercial used nuclear fuel for 200 years beginning around 2050.

The agency said the draft report, "Background and Preliminary Assumptions for an Environmental Impact Statement—Long-Term Waste Confidence Update," is an early effort to obtain public input on the general scope, assumptions and scenarios of the environmental study that will be developed to analyze the impacts of long-term handling, storage and transportation of commercial spent fuel and high-level waste. The NRC said it would conduct the study in accordance with the National Environmental Policy Act.

The commission issued its final waste confidence decision and rule in 2010, which expressed the agency's confidence that used fuel could be safely stored for at least 60 years after a reactor's operating license expires and that geologic repository disposal is technically feasible and would be available when necessary.

At the same time, the commission asked agency staff to prepare a long-term update that would cover extended storage of used fuel.

The staff presented the commission last February with its plan (SECY-11-0029) for the long-term update of the waste confidence decision, which includes the environmental impact statement now being planned.

The environmental study will consider a storage period of 200 years, beginning mid-century, because by then some used fuel will have been in storage for 60 years after the expiration of the reactor's lifetime—the end of the period covered by the existing waste confidence decision.

The draft report says the NRC is "anticipating that spent nuclear fuel will be stored longer than originally intended because of the uncertainties in the national strategy" for disposal.

The 2012 NEI Top Industry Practice program will be open for online submittals until Feb. 6, 2012.

The TIP Awards highlight the nuclear industry's most innovative techniques and ideas. They recognize excellence in 14 categories, with an additional Best of the Best Award.

For more information on the TIP program and on how to submit online entries, go to: http://www.nei.org/member-services/top-industry-practice-tip-awards/.

The Obama administration said in 2009 it does not consider the potential Yucca Mountain repository in Nevada to be a "viable option" for used fuel disposal. Accordingly, DOE has terminated the project and the NRC last year closed its review, citing lack of appropriated funding.

The secretary of energy established the Blue Ribbon Commission on America's Nuclear Future in 2010 to develop recommendations for used fuel policy, including consolidated interim storage and disposal. The commission's final report is due at the end of the month.

The NRC's draft report proposes to consider four scenarios for the environmental study—continued used fuel storage at reactor sites; storage at regional facilities; storage at one centralized facility; and limited reprocessing of used fuel with additional storage of the resulting high-level radioactive waste. A major assumption in the report is that used fuel storage in the future would be controlled under a regulatory framework similar to today's.

The study would consider recommendations of the blue ribbon commission. Also included would be the earthquake at the North Anna facility in Virginia, the nuclear accident at Fukushima and the environmental impacts of an act of terrorism.

NEI intends to comment on the draft report by the Feb. 17 deadline. Rodney McCullum, NEI's director for used fuel programs, said the industry "appreciates that the NRC is sharing its preliminary thinking with the public and providing an opportunity for feedback on an important part of the process of assuring the storage of used nuclear fuel for extended periods."

McCullum added, "However, this does not mean that we are endorsing extended storage at reactor sites. It remains important for DOE to fulfill its statutory and contractual obligations to begin removing used fuel from reactor sites in the timeliest manner possible. Nevertheless, given the current uncertainties in the repository program and the likelihood that used fuel could continue to be stored at consolidated interim sites after it is removed, it is prudent that the NRC is taking this step, and specifically that it is addressing consolidation in doing so."

The draft report is available on the NRC's spent fuel storage and transportation website. The agency also is planning to hold a webinar Jan. 30 to discuss the draft report and answer questions from the public. << Chris Charles, *cic@nei.org*

NRC Nears Completion of Revised Environmental Rule for License Renewal

Jan. 12, 2012—The NRC staff is nearing completion of a revised rule governing environmental reviews for license renewal, incorporating lessons learned from more than 40 plant-specific license renewal reviews for 71 reactors in a process that has spanned several years and included seven public meetings and the review of more than 1,000 pages of public comments.

The changes update the 1996 rule and the technical basis provided in the generic environmental impact statement (GEIS) for license renewal.

"The license renewal process has proven thorough, well-reasoned and effective," said Ralph Andersen, NEI's senior director of radiation safety and environmental protection. He added that the GEIS as updated has made the process more efficient. "The revised document is better organized and will help applicants prepare submittals that are more transparent [to the public]," he said.

The GEIS assesses the environmental impacts associated with continued operation of nuclear power plants during the license renewal terms. It classifies most of the environmental impacts as generic (Category 1) and others as plant-specific (Category 2). The Category 2 impacts are evaluated on a site-specific basis.

However, Andersen reiterated the industry's concern that the NRC has not provided a "clearly articulated legal and regulatory basis" for adding any issues to license renewal reviews.

The industry also reiterated its request for a longer implementation time for the rule, given the complexity of preparing environmental reports for license renewal. Near-term license renewal applicants, such as Tennessee Valley Authority's Sequoyah plant, began their environmental work under the existing rule and will need to adjust to an altered environmental review approach essentially in mid-stream.

Jack Bailey, TVA's vice president for nuclear generation development, said Sequoyah will be the first to submit a license renewal application under the revised rule. TVA plans to submit its application in the first quarter of 2013.

TVA currently is working to ensure that the environmental report to accompany the application will address requirements of both the existing GEIS and the draft revision. Bailey said the report will take about 12 months to develop, followed by three months of peer reviews and another three months for review by the plant operating review committee and local nuclear safety review board.

"The proposed changes to the NRC's regulations and regulatory guidance are expected to be manageable," Bailey said. He urged the NRC to finalize the new requirements as soon as possible to reduce uncertainty and to give prospective license renewal applicants sufficient lead time for producing their environmental reports. Based on TVA's estimated timeline for development of the Sequoyah report, Bailey recommended that the effective date of the rule be 18 months after its publication. However, the NRC staff maintains that 12 months is sufficient.

The staff said it plans to send the final rule package to the commission by May 1.
<< Lynne Prodoehl, *dln@nei.org*

Proposed Calvert Cliffs Reactor Passes State Regulatory Hurdle; Others Remain

Jan. 12, 2011—Maryland's Board of Public Works has approved a wetlands license allowing excavation and dredging of land near the Chesapeake Bay prior to construction of a third reactor at the Calvert Cliffs site near Lusby, Md.

The board last week approved a license "to perform site preparation activities and construct supporting facilities for the proposed construction of an additional nuclear power generation station" at the site.

FORCE-ON-FORCE
NEI WORKSHOP

Laguna Cliffs Marriott
Dana Point, CA
Feb. 14-16, 2012

This workshop is an opportunity for nuclear security professionals to dialogue and learn from the industry and the NRC's experiences in the force-on-force program.

The presentations and panel discussions will focus on lessons learned and the changing environment of force-on-force activities. Sessions will also provide the most up-to-date status on force-on-force changes in cycle IV.

For more information and to register to attend, go to: http://www.nei.org/newsandevents/conferencesandmeetings/fofw.

The proposed reactor faces other regulatory hurdles before it is approved.

In July 2007, UniStar applied for a license to build and operate a 1,500-megawatt AREVA EPR reactor at the site. The NRC's Atomic Safety and Licensing Board (ASLB) is considering whether UniStar meets NRC requirements regarding foreign ownership. In 2010, Électricité de France bought out Constellation Energy's 50 percent stake in UniStar, leaving it without a U.S. partner (see Nuclear Energy Overview, Oct. 28, 2010). UniStar is seeking a U.S. partner for the project.

The ASLB also will hold a hearing Jan. 26 regarding a challenge to the combined operating license application for the proposed reactor. The challenge alleges that the NRC staff's environmental impact statement failed to adequately analyze and discuss alternatives to the proposed reactor.

The NRC's final environmental impact statement in May found no environmental impacts that would preclude granting a combined license for the new reactor (see Nuclear Energy Overview, May 17, 2011).

The ASLB is an independent body within the NRC that conducts adjudicatory hearings and rules on legal challenges to proposed licensing actions. << Thaddeus Swanek, *tjs@nei.org*

NRC Seeks Comment on Draft EIS for New Mexico Deconversion Facility

Jan. 11, 2011—The U.S. Nuclear Regulatory Commission is seeking public comment on a draft environmental impact study for a proposed uranium deconversion facility near Hobbs, N.M. The study says NRC staff expects no large environmental impacts from the facility.

Idaho-based International Isotopes Inc. applied to the NRC in December 2009 for a license to build and operate a facility that would deconvert up to 6,500 metric tons a year of depleted uranium tails produced by Urenco USA's National Enrichment Facility in nearby Eunice.

International Isotopes' facility would deconvert the depleted uranium hexafluoride into high-purity fluorine products for the microelectronics, medical and solar panel industries. Uranium oxides recovered from the process will be in a stable form for long term storage or disposal. Local officials have expressed support for the project.

Urenco USA's enrichment facility, the first to be built in the United States in 30 years and the first in the country to use advanced gas centrifuge technology, began operations in June 2010 (see Milestones, Nuclear Energy Overview, July 1, 2010). Construction is under way to bring the facility to its full capacity, which is expected to be sufficient to fuel half of the U.S. nuclear reactor fleet.

Documents on the NRC's license review process for the deconversion facility are available on the agency's website. The draft environmental impact statement is available on the NRC's ADAMS online documents database under accession number ML12001A000. Public comments will be accepted until Feb. 27. << Chris Charles, *cic@nei.org*

NEI's New Plant Site Emergency Contacts Database

NEI's Nuclear Plant Site Emergency Contacts database facilitates routine communications among industry professionals and effects a ready response to plant events or other developments.

It contains basic data on U.S. nuclear energy facilities, joint information centers, emergency planning zone populations and emergency plan contacts for all sites, as well as media and public information contacts.

To submit updates for a plant site or for more information, contact NEI's Jennifer Maloney at *jxm@nei.org*.

Milestones

Palo Verde 1 Sets Industry Record for Lowest Personnel Exposure

Palo Verde Unit 1 set an industry record for the lowest-ever total personnel radiation exposure during its November 2011 refueling outage. The cumulative exposure of 20.6 rem was accrued during 106,424 person-hours of work at the reactor and came in lower than the previous 28.2 rem record at a U.S. nuclear energy facility, recorded in 2006.

Bob Bement, senior vice president at Arizona Public Service, noted that Palo Verde has successfully reduced radiation exposure during refueling outages by more than 90 percent over the last 17 years. **<<** NEI Staff, *overview@nei.org*

Contracts

AREVA, Xcel Sign $500 Million Fuel Services Contract

AREVA has signed a 10-year, $500 million deal with Xcel Energy to provide fuel services for six refuelings at Xcel's Monticello plant in Minnesota.

The contract, the first in several decades between a U.S. nuclear utility and a fuel supplier, also covers engineering work to enable the reactor to use AREVA's Atrium 10XM fuel design, part of an uprate plan that should see Monticello's output increase nearly 40 percent.

Japan, Ukraine to Sign Pact to Share Nuclear Accident Information

Japan and Ukraine will sign a pact to share information on nuclear accident mitigation measures, which the Japanese government will use to help facilitate recovery efforts at Fukushima Daiichi.

The pact will cover such topics as radioactive contamination of soil and treatment of people exposed to radiation. The Japanese government also will dispatch experts to Ukraine to examine its response to the Chernobyl accident as well as invite Ukrainian authorities to Japan. **<<** NEI Staff, *overview@nei.org*

Transitions

Industry

AREVA has announced the following executive changes:

- ***Jacques Gerault*** is now senior executive vice president of public affairs.
- ***Cecile Maisonneuve*** is now deputy senior vice president of public affairs.
- ***Tom Franch*** has been named senior vice president of the reactors and services division at AREVA Inc., AREVA's U.S. business unit.
- ***Gary Mignogna*** will succeed Franch as senior vice president of the company's engineering and projects organization in North America.

Stephen Burns will become head of legal affairs at OECD's Nuclear Energy Agency. Burns is currently general counsel at the Nuclear Regulatory Commission.

cyber security Implementation Workshop

Westin Savannah Harbor
Savannah, GA
Jan. 31-Feb. 2, 2012

The NRC has approved the cyber security plans and implementation schedules for all currently operating commercial nuclear power reactors in the United States. The NEI Cyber Security Implementation Workshop will assist licensees in implementing the plan and in meeting milestones in the implementation schedule.

Note: Day 1 of the 3-day workshop is restricted to employees of nuclear power plant utilities.

For more information and to register to attend, go to: http://www.nei.org/newsandevents/conferencesandmeetings/csw.

PSEG has named ***Kathleen Fitzgerald*** vice president of corporate communications. She was formerly global communications leader for KPMG.

Mark Sullivan will join Southern Nuclear as director of public relations, replacing ***Carrie Phillips***, who has retired. Sullivan joins Southern from Constellation Energy Nuclear Group, where he is director of communications.

Ian Hudson will become vice president for performance assurance at URS. He joins URS from the U.K.'s Nuclear Decommissioning Authority, where he is head of program for Sellafield. ***Mark Steele***, the program's deputy head, will succeed Hudson for the interim.

Westinghouse Electric Co. has announced that President and CEO ***Aris Candris*** will retire in March. He will remain with the company as a senior adviser. Westinghouse has created an executive office and has named ***Jim Ferland*** president and CEO and ***Ricardo Perez*** president and chief operating officer. Ferland is currently president for the Americas region at Westinghouse, and Perez is president of operations.