



NUCLEAR WASTE: Areva inks deal to build, operate Texas storage site

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French nuclear giant Areva Inc. signed an agreement yesterday to build and operate the first U.S. private, temporary storage site for spent reactor fuel in the arid western corner of Texas.

The company will work with Dallas-based Waste Control Specialists LLC to build the interim storage site on 1,000 acres in Andrews County, about 350 miles west of Dallas.

The companies are hoping to score the Department of Energy as their No. 1 customer.

Mike McMahon, a senior executive at Areva who will oversee the project, said in a statement that the community-backed project in Texas offers a viable option for waste management in the United States, even as debate swirls about where a national repository will ultimately move forward.

"Our partnership with WCS brings a high level of expertise and technical knowledge to support the construction of this facility, including our history of safely transporting and storing used nuclear fuel at facilities around the world," McMahon said.

The Areva-WCS agreement denotes Areva as the exclusive primary subcontractor for the design, development, construction, operation and maintenance of the interim facility. Areva will also support the transportation of fuel to the site and work with WCS as it moves through the license process.

WCS President Ron Baltzer said Areva's experience in the nuclear field adds weight to what the companies can jointly offer DOE, namely the disposal of fuel at decommissioned nuclear power plants around the country.

WCS announced in February that it would ask the Nuclear Regulatory Commission next year for a license to build the project. Baltzer at the time said WCS could enter into an agreement under which DOE would pay the company to store used reactor fuel -- and ultimately remain liable for the waste. The cost and amount of material to be stored, he said, is not yet clear.

President Obama included \$5.7 billion in his fiscal 2016 budget proposal for work on a nuclear waste storage pilot project and the search for a repository. The administration has scuttled work on the planned repository at Yucca Mountain, Nev.

But WCS isn't the only developer vying for DOE's attention.

Holtec International Inc. last month said that it also intends to move forward with an underground storage facility in southeastern New Mexico, where the government could store casks of used fuel.

Holtec President and CEO Kris Singh said the project's underground cavities could store waste in canisters for a century. The \$5 billion venture, he said, will use technology that has been tested around the world (E&E Daily, April 30).

Both Holtec and WCS are touting their proposals as a lifeline for DOE, one that aligns with recommendations from Obama's Blue Ribbon Commission on nuclear waste.

With the Yucca Mountain repository at a standstill, DOE has for decades failed to comply with 1980s agreements to dispose of spent nuclear fuel from the nation's approximately 100 nuclear plants and could face \$13 billion in lawsuits by 2020.

WCS has said that ratepayers who bear the brunt of lawsuits could save up to \$500 million a year.

The projects could also dovetail with legislation taking shape on Capitol Hill for finding short- and long-term waste solutions, including the now-abandoned repository under Yucca Mountain.