Competition in nuclear waste storage will make facilities better, WCS president says

Tuesday, May 19, 2015 4:59 PM ET SNL * Exclusive

By Annalee Grant

Several years ago the thought of projects competing to store spent nuclear fuel may have been unimaginable. But that is just the situation that Waste Control Specialists LLC President Rod Baltzer finds himself in, and he welcomes the new competition as encouragement to build an even better facility.

SNL Energy caught up with Baltzer on May 19 after two major nuclear waste storage developments followed WCS' announcement in February that it would seek to license a new high level nuclear waste spent fuel storage facility in Texas.

In March, U.S. Department of Energy Secretary Ernest Moniz announced plans to <u>develop</u> a consent-based siting process with the ultimate goal of building one or more pilot facilities to store commercial spent nuclear fuel. The following month Holtec International <u>announced</u> a memorandum of agreement signed with several southeastern New Mexico counties and towns to build a new interim underground storage facility near Carlsbad, N.M., that could hold spent fuel for up to 100 years

Holtec plans to store the fuel underground, while WCS plans to store canisters of fuel on a concrete pad. However, the facilities will effectively offer the same service to the DOE, which is responsible for the nation's commercial spent nuclear fuel.

The WCS facility will be built in Andrews, Texas, in a community that is well aware of the risks associated with storing nuclear waste. The Valhi Inc. subsidiary has operated there since 1995 after being invited to do so by the community, according to Baltzer.

Baltzer said the progression to storing high level waste was a natural one after the company completed construction on its low level site in 2012, right around the time a Blue Ribbon Commission recommended the use of a consent-based process for creating a permanent nuclear waste storage site.

Baltzer said WCS will file an application to license its storage facility with the Nuclear Regulatory Commission in 2016. Since announcing the proposal in February, WCS has been actively working on the application for licensing. He was not surprised to hear of another community and state willing and ready to take the nation's nuclear fuel when Holtec made its announcement in late April.

"Being in the region we understand the willingness of the communities to do some things that other communities may not be willing to do," Baltzer said. "I think they have a different take on

risk ... and they understand that if you use the right technology and you use the right regulatory oversight you can do some risky things and still do them safely."

But the two facilities will be very different. Baltzer called the dry cask storage system WCS plans to build with the help of AREVA the "traditional" approach to nuclear waste storage, while Holtec plans to store the fuel underground. Both will be interim sites with the ultimate goal of moving the fuel to a permanent geologic repository in the future. Even the underground waste at the Holtec facility can be removed in a process that takes about four hours, the company said.

"For us we just don't see a need to put them underground. Typically you'd do that if you had an enhanced terrorist threat or seismic activity or something else," Baltzer said. "We're in a very low seismic region. We don't really have threats that you can't identify from 20 miles away because it is very isolated and remote, and flat."

Consent-based siting is the only way to go

The storage of nuclear waste has long been a hot issue, with Nevada engaging in a decadeslong dogged fight to keep the Yucca Mountain geologic repository from opening in the state. Baltzer sees a shift in the narrative, with communities now seeing storage as a possible benefit.

"I think there's been an issue needing a solution for a long time, and I think we've finally gotten to a point where people are looking outside the normal box and trying to develop new" ideas, Baltzer said.

Baltzer believes what WCS is doing will fit right in to Moniz's new consent-based siting process and was encouraged to hear about the secretary's plan because it is a strategy that has worked well in Andrews County. "I guess you could possibly get [a nuclear waste storage facility] licensed, but you would not be successful unless you did have the consent of the community that's hosting you, and have their faith that you can operate safely and compliantly," Baltzer said.

For the DOE to be able to compensate WCS for the service of storing fuel, Baltzer said some legislation or policy changes may be needed. The company has been in touch with the DOE to discuss those issues, but no specific plans for addressing them have been developed yet. Moniz himself in March called the WCS proposal "encouraging."

WCS does not propose to be the end-all solution to the nuclear waste storage debate. The facility will hold about 40,000 metric tons if all five phases are built, while the nation currently has approximately 70,000 metric tons waiting to be shipped to a storage site. The Yucca Mountain repository as proposed would hold 70,000 metric tons.

"We don't want to take the focus off a permanent repository," Baltzer said. "There's a debate out there, and we don't want to look like we're trying to influence that debate. Let that go as it may."

In the meantime, Holtec's planned facility, and perhaps even more interim storage sites, will be needed. "We're glad we started this process, and competition is always good and it makes everybody better, so we look forward to it," Baltzer said.