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February 4, 2013

MEMORANDUM

TO: Senator John Cleveland and Representative Barry Hobbins, Co-Chairs of the Joint Standing Committee on Utilities, Energy and Technology

FROM: Mary Mayhew, Commissioner 
Department of Health and Human Services

SUBJECT: State Nuclear Safety Inspector's Annual Accounting Report to the Legislature on the Interim Spent Fuel Storage Facility Oversight Fund

Legislation enacted in the spring of 2008 requires the State Nuclear Safety Inspector to provide an annual accounting of all funds received into and all disbursements out of the Interim Spent Fuel Storage Facility Oversight Fund. The report must be submitted annually to the Joint Standing Committee on Utilities, Energy and Technology by the first Monday in February. This non-lapsing fund is used for oversight activities performed by various state agencies at the Maine Yankee Independent Spent Fuel Storage Installation in Wiscasset.

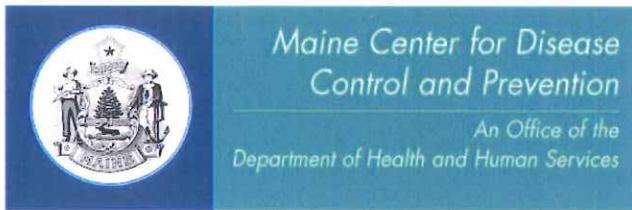
The enclosed report provides the information required under Title 22 of the Maine Revised Statutes Annotated §668, as enacted under Public Law, Chapter 539, in the second regular session of the 123rd Legislature.

Should you have questions about its content, please feel free to contact Mr. Patrick J. Dostie, State Nuclear Safety Inspector, at 287-6721.

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Enclosure

cc: Kathleen Newman, Deputy Chief of Staff, Governor's Office
Dr. Sheila Pinette, Director, Maine Center for Disease Control and Prevention 
Patricia W. Aho, Commissioner, Department of Environmental Protection
Richard Davies, Maine Public Advocate, Office of the Public Advocate
Lt. Anna Love, Special Services Unit, Department of Public Safety



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State Nuclear Safety Inspector's 2012 Report

On the

Interim Spent Fuel Storage Facility Oversight Fund

to the

Joint Standing Committee on Utilities, Energy and Technology

In the interests of the public's health and welfare, legislation was enacted in the second regular session of the 123rd Legislature and signed by Governor John Baldacci in the spring of 2008, re-establishing a state nuclear safety inspector (SNSI) program for the monitoring, regulatory review and oversight of the Maine Yankee Independent Spent Fuel Storage Installation in Wiscasset, Maine. The legislation went into effect on June 29, 2008.

As part of that legislation an Interim Spent Fuel Storage Facility Oversight Fund, referred to as "the Fund", was created as a non-lapsing fund for oversight activities performed by various state agencies, including the Maine Center for Disease Control's Radiation Control Program, the Health and Environmental Testing Laboratory of the Department of Health and Human Services, the Department of Environmental Protection, the Department of Public Safety and the Office of the Public Advocate.

The legislation required the State Nuclear Safety Inspector to prepare an annual accounting of all the funds received into and all disbursements out of the Interim Spent Fuel Storage Facility Oversight Fund to the Joint Standing Committee of the Legislature having jurisdiction over Utilities, Energy, and Technology matters by the first Monday in February of the following year, or February 4th this year.

The fund accounting period is for the calendar year 2012. The subsequent tables provide the information required under Title 22 of the Maine Revised Statutes Annotated (MRSA) §668, as enacted under Public Law, Chapter 539. Table 1 below exhibits the 2012 revenues received for the Interim Spent Fuel Storage Facility Oversight Fund. Maine Yankee pays a quarterly assessment of \$55,000 to the Fund based on an annual fee of \$220,000. An on-going charge to the Fund is the Department's Indirect Cost Allocation Plan (DICAP). The DICAP is defined as a charge to other than general fund appropriation accounts using a percentage assessment against actual expenditures representing the proportional value of indirect benefits received within the department or agency. The DICAP is considered negative revenue. Table 1 also denotes a second negative entry that the State Inspector recently discovered in preparing the annual report. Apparently, there was an old Radiological Health Maine Yankee account that has been obsolete since June of 2007 and had a deficit of \$10,047.24 from prior year expenses. In order to inactivate this account the accounting division charged the Oversight Fund account the deficit balance in June 2012. In the coming year the State Inspector will investigate ways on how best to address this transaction.

Table 1 - Revenues

<i>Funds Received</i>	
Quarterly Payments from Maine Yankee	\$220,000.00
DICAP Transfer	- \$8,590.00
Charge to account due to prior year expenses	<u>- \$10,047.24</u>
Total Fund Revenue:	\$201,362.76

Table 2 lists the breakdown of disbursements and expenditures from the Fund and is based primarily on available budget reports. In the disbursements to the "Other State Agencies" it should be noted that the fourth quarter transfers for the listed agencies, totaling \$34,727.97, were not disbursed until early January of 2013. Of the \$34,727.97 transferred, \$30,165.97 was earmarked for the State Police to replace their outdated response equipment. Similarly, in the "Other Expenditures" listing the fourth quarter expenses for the services of the Health and Environmental Testing Laboratory and Global Dosimetry were not paid until early January of 2013. Likewise, the Nuclear Waste Strategy Coalition dues were not paid until the third quarter of FY 2013, which means that the 2013 annual report will show \$2,000 for two years' worth of dues paid in one year. Consequently, these transfers and expenditures will be captured in next year's annual report. Finally, the Statewide Cost Allocation Plan (STA-CAP) is a charge to Federal Expenditures Fund, Federal Block Grant Fund, Other Special Revenue Funds or other fund accounts using a percentage assessment against the aggregate of monthly actual expenditures for each class and object codes from 3110 through 5999. The Oversight Fund is from dedicated revenues and is considered a Special Revenue Fund.

Table 2 – Disbursements and Expenditures

Total Disbursements from the Fund:	\$142,142.22
 <i>Disbursements to State Nuclear Safety Inspector (SNSI) Office</i>	
SNSI Salary and Benefits	\$111,350.29
Transportation Expenses	\$288.36
Office Rental, Computers, Utilities, Supplies and Postage	<u>\$7,846.66</u>
Sub-Total	\$119,485.31
 <i>Disbursements to Other State Agencies</i>	
Department of Environmental Protection	\$1,255.68
Department of Public Safety	\$0.00
Department of Health and Human Services' (Administrative Overhead)	<u>\$16,385.82</u>
Sub-Total	\$17,641.50
 <i>Other Expenditures</i>	
Health and Environmental Testing Laboratory Services for the State's Radiological Environmental Monitoring Program	\$336.00
Global Dosimetry Environmental Radiation Devices	\$715.00
Environmental Radiation Monitor Expenses	\$144.28
Nuclear Waste Strategy Coalition Dues	\$0.00
Transfer to General Fund STACAP	<u>\$3,820.13</u>
Sub-Total	\$5,015.41

Table 3 below lists the Fund balance at the end of the 2012 calendar year. It was noted by Maine Yankee in previous oversight meetings that there was no accounting for the State Nuclear Safety Inspector's accrued vacation and sick leave. The computed amount, which is separately listed as an expense, will be maintained as a minimum balance in the account to ensure its proper disbursement should there be a future separation in employment. The "Total Accrued Time" essentially represents the maximum allowable accrued vacation and sick leaves.

Table 3 - Account Balance

Account Balance as of 12/31/11		\$85,131.12
Revenue Received		\$201,362.76
Expenditures		<u>\$142,142.22</u>
Account Balance as of 12/31/12	Sub-Total	\$144,351.66
2011 SNSI's Accrued Earned Time		- \$34,245.04
2012 SNSI's Accrued Earned Time		<u>- \$15,547.68</u>
Total Accrued Time (Maintain as a minimum balance)	Sub-Total	- \$49,792.72
Available Balance as of 12/31/12		\$94,558.94

Presently, there is an ample balance in the account. The calendar year 2013 allocations to the various state agencies providing oversight were previously determined and will be outlined in the Radiation Control Program's 2012 Oversight Activities Report to the Joint Standing Committee on Utilities, Energy, and Technology.