



*Department of Health
and Human Services*

*Maine People Living
Safe, Healthy and Productive Lives*

Paul R. LePage, Governor

Mary C. Mayhew, Commissioner

2011 Report of Oversight Activities and Funding

of the
The Interim Spent Fuel Storage Facility Oversight Fund

prepared for
Joint Standing Committee on Energy, Utilities and Technology
Pursuant to 22 MRSA §670

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EXECUTIVE SUMMARY

The Radiation Control Program, Maine CDC, DHHS (the Department) has prepared the following report which specifically details the costs and activities, conducted under the Interim Spent Fuel Storage Facility Oversight Fund (the Fund), for calendar year 2011. The reporting parties are the Department of Health and Human Services, the Department of Environmental Protection, the Office of Public Advocate, the Department of Public Safety, and Maine Yankee (the Oversight Group). Each of the organizations represented on the group has reported their specific activities over the year. The Oversight group recommends allowing the Oversight Fund to return unexpended or unbudgeted surplus to Maine Yankee or to allow us to bill Maine Yankee for the necessary funding up to the statutory limit ([22 MRSA §669](#)) depending on agreement of the Oversight Group.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Radiation Control Program, Maine CDC

The Maine CDC's Radiation Control Program (RCP) was charged with the financial oversight of the Fund ([22 MRSA §668](#)) and regular meetings of the Oversight group as defined in [22 MRSA §670](#). The Oversight group met four times during 2011 (January 11, April 12, July 12, October 11).

The RCP involvement is primarily through the program manager and included the following activities that are budgeted to account for 18% of the manager's time:

- Review of State Nuclear Safety Inspector's monthly reports and annual report
- Billing and disbursement of Fund monies in accordance with budget.
- Bi-weekly conference calls with Nuclear Waste Strategy Coalition
- Quarterly conference calls regarding Federal Energy Regulatory Commission rate case settlements and interim spent fuel storage alternatives.
- Annual meeting with Maine Yankee Citizen's Advisory Panel
- Annual Report to Legislature of Oversight group
- Quarterly meetings of the Oversight group
- Website management
- Quarterly environmental radiation samples

During 2011 the RCP assisted in the review and coordination of a comment package on the draft Blue Ribbon Commission on America's Nuclear Future (BRC) Report to the Secretary of Energy on the back end of the nuclear fuel cycle. These comments were channeled through the Eastern Regional Conference of the Council of State Governments, Northeast High-Level Radioactive Waste Transportation Task Force. The letters from Maine's Governor Paul LePage, DHHS Commissioner Mary Mayhew, and Maine CDC Director Dr. Sheila Pinette are attached to this report for your information. The final

report from the BRC was released on January 26, 2012 and is available from the BRC website at www.brc.gov.

In 2010, the RCP, instituted a more stringent cost management program, and changed the 2011 budget sheet, from the one submitted with this report last year, to better reflect the time costs of activities related to the Maine Yankee site, and time spent on other projects that do not relate to Maine Yankee. The State Nuclear Safety Inspector has been tasked with assisting the x-ray inspection program and these costs are now being reimbursed to the Oversight fund. The RCP has adjusted the 2011 budget sheet one last time for this report primarily to address the sick time and vacation time that was actually paid out over the year when the time was taken. We have subtracted 14% from this total earned time because this was the percentage of time the State Nuclear Safety Inspector spent on other projects during 2011. The excess budgeted vacation and sick time earned but not taken after 2011 will remain in the Oversight fund account until the State Nuclear Safety Inspector takes the time.

The RCP will continue to budget this account using these constructs in the future, adding in earned time, subtracting time taken, and subtracting time spent on other projects, with balancing monetary transfers happening once per year. This year the Department has tightened up the accounting with more exact tracking of time spent on projects and tighter budget projections based on that time tracking. These adjustments led to an increase in the original expected carry over from 2011 to 2012 to nearly \$24,000.

The very nature of the oversight program for the various agencies involved in the oversight causes financial swings in the bottom line from year to year for this fund. The Radiation Control Program expects a relatively stable budget for DHHS, Office of the Public Advocate and DEP for the future based on the budget for the 2012 calendar year. The one unknown for the future is any costs that the Oversight group agrees upon for the Department of Public Safety (DPS). The DPS charges have been fairly large and variable since the 2008 inception of this program. The current financial assessment paid by Maine Yankee will be more than adequate for the next few years based on these expected needs. Currently, the surplus in this fund is rolled over to the next year which is the requirement of the State Nuclear Safety Program ([22 MRSA 159-A](#)). The RCP is presently only allowed to disburse funds to State agencies. The Oversight group has discussed the possibility of returning future surplus to Maine Yankee based on the Oversight Group's agreement but cannot do this due to the wording of the statute. If the wording of the statute was changed to allow the return of assessment fees or to allow us to vary the assessment based on need up to the present value of \$220,000 per year, the Department we would have more flexibility managing the fund and the Interim Spent Fuel Storage Facility would receive a refund of a portion of their fees.

Office of Nuclear Safety

The State Nuclear Safety Inspector (SNSI) was established by [Title 22 Chapter 159-A](#). The SNSI is required to provide monthly reports, an annual report of activities, and an annual report regarding revenues and expenditures to the Legislature. The monthly reports and the annual activities reports can be found at: www.maineradiationcontrol.org and may help answer any questions.

LEGISLATIVE MANDATES

- Submitted monthly reports to the Legislature for the months of December 2010 and January through August of 2011 on SNSI activities at the Maine Yankee site.
- Submitted monthly reports for September through November 2011, which are under management review.
- Participated in the quarterly meetings of the Oversight group overseeing the Maine Yankee site.
- Submitted the annual accounting report of all revenues received and disbursed from the Interim Spent Fuel Storage Facility Oversight Fund to the Joint Standing Committee of the Legislature having jurisdiction.
- Provided reports on current and projected activities for inclusion in the Annual Oversight and Funding Report to the Joint Standing Committee of the Legislature.
- Submitted SNSI's Annual Activities Report, which is under management review.

RADIOLOGICAL ENVIRONMENTAL MONITORING PROGRAM

- Performed quarterly thermo-luminescent dosimetry (TLD) field replacements around the ISFSI to measure ambient radiation levels.
- Evaluated and reported the results of the nuclear fallout from Japan's Fukushima reactor accidents from the sampling of the air, snow, rain, drinking water and seaweed. The analyses were performed by the Maine CDC's Health and Environmental Testing Laboratory (HETL).
- Implemented the consolidation of the Maine Yankee environs, ISFSI and Bailey Cove TLD programs into one TLD program monitoring the ISFSI.
- Developed and instituted a two year assessment program to better quantify the impact of transit and storage exposures associated with the State's TLDs used around the ISFSI.

GROUNDWATER MONITORING

- Reviewed and provided comments on Maine Yankee's fifth annual groundwater monitoring report covering the sampling period from September 2009 through November 2010.
- Reviewed Maine Yankee's annual cost summary report for the groundwater radiation monitoring program.
- Commented on two analyses not meeting agreed upon quality control criteria. One sample was re-analyzed and found satisfactory.
- Issued a waiver letter to Maine Yankee providing a technical basis for the State's acceptance of the quality control result of the remaining sample.
- Recommended to the Department of Environmental Protection closure for all radiation tasks associated with the post decommissioning groundwater monitoring agreement between Maine Yankee and the State.

DECOMMISSIONING

- Submitted preliminary draft of the Confirmatory Summary Report detailing the State's involvement and findings from the decommissioning. The report is under management review.

- Reviewed Maine Yankee's Cumulative Risk Report submittal to the Department of Environmental Protection on the site's characterization of chemical and radiological risks.
- Performed a final assessment of the radiation levels on the East Access Road portion abutting the ISFSI.
- Issued a final closure letter to Maine Yankee officially ceasing all of the State's decommissioning survey activities at the site.

INDEPENDENT SPENT FUEL STORAGE INSTALLATION (ISFSI)

- Reviewed shift status reports on the ISFSI's daily operations.
- Participated in the annual Emergency Plan exercise.
- Participated in periodic Maine Yankee communications drill with the State Police.
- Maintained training and background checks for site and security clearance access and safeguards qualifications for security sensitive information.
- Reviewed and commented, when appropriate, on Maine Yankee submittals to the U.S. Nuclear Regulatory Commission on exemption requests to their regulations, Emergency Plan, Off-Site Dose Calculation Manual, Annual Radiological Environmental Operating Report, Annual Effluent Release Report, Annual Decommissioning Funding Assurance Status Report, Annual Special Nuclear Material Report and Annual Individual Monitoring Report on personnel exposure.

OTHER NOTEWORTHY ACTIVITIES

- Participated in quarterly Federal Energy Regulatory Commission rate case settlement briefings on the litigation status on the Maine Yankee, Connecticut Yankee and Yankee Rowe in Massachusetts lawsuits against the U.S. Department of Energy.
- Participated in periodic briefs as the State's representative to the Northeast High Level Radioactive Waste Transportation Task Force (NEHLRWTTF), an affiliate of the Council of State Governments, Eastern Regional Conference.
- Participated in the Blue Ribbon Commission (BRC) on America's Nuclear Future's public meeting held in Boston and submitted comments on the BRC's draft recommendations to the NEHLRWTTF for inclusion in the Northeast Region's response to the BRC's draft recommendations.
- Participated in bi-monthly Nuclear Waste Strategy Coalition conference calls on the national and congressional issues raised with the Obama Administration's opposition to the geologic repository at Yucca Mountain in Nevada and the de facto imposition of long term storage of spent nuclear fuel and high level waste at existing operating and decommissioned reactor sites.

STATE NUCLEAR SAFETY INSPECTOR PROJECTED ACTIVITIES FOR 2012:

1. Complete the annual oversight fund report to the Legislature.
2. Maintain tracking system on invoices to better reflect actual expenditures.
3. Provide annual activities summary to the Radiation Control Program for inclusion in their annual report to the Legislature.
4. Submit monthly reports to the Legislature and other interested parties.

5. Review daily operations reports from the Independent Spent Fuel Storage Installation (ISFSI) for trends, issues, condition reports, etc.
6. Review and comment, if appropriate, on Maine Yankee's five annual reports to the U.S. Nuclear Regulatory Commission (NRC) or any other correspondence with the NRC.
7. Participate in the annual NRC inspection of the ISFSI, or any other NRC inspection.
8. Participate in the annual Maine Yankee emergency plan training and exercise.
9. Provide an annual update to local representatives on the Maine Yankee Community Advisory Panel on the State's activities.
10. Advise senior State officials on any spent fuel storage issues that may impact public health and safety.
11. Provide annual report to the Legislature on the State Nuclear Safety Inspector's activities for the previous calendar year.
12. Maintain an appropriate independent environmental surveillance program of the Maine Yankee environs and assess public health impact from ISFSI operations.
13. Finalize the State's Confirmatory Summary Report of the Maine Yankee decommissioning.
14. Ensure all the data, analyses and reports issued by the State's decommissioning consultant are captured in a retrievable format for archiving.
15. Develop a timetable for issuing eleven special technical summary reports covering historical operational and decommissioning events at Maine Yankee.
16. Forward up to 30 selected soil samples to the Environmental Protection Agency (EPA) for in depth analysis of transuranics and hard-to-detect radioactive elements.
17. Evaluate the distribution of radioactive environmental contaminants from the site characterization and marine sediment/tidal study samples.
18. Act as the State's radiation expert to the Department of Environmental Protection's (DEP) on radiation issues.
19. Maintain appropriate duties from the terminated State Nuclear Safety Advisor position.
20. State representative to the Northeast High Level Radioactive Waste Transportation Task Force on spent fuel shipments.
21. Collaborate with State Archives in developing a storage and retrieval system for historical operating and decommissioning information on Maine Yankee.
22. Forward appropriate State Nuclear Safety Inspector's files, (several hundred boxes), to State Archives.
23. Complete printing and binding of all photos of the Maine Yankee decommissioning.
24. Commence arrangements for the disposal of decommissioning soil samples.
25. Evaluate the implementation of a gamma/neutron survey plan for the ISFSI.
26. Develop and implement a review schedule for Maine Yankee's final status survey release reports and engineering calculations.
27. Request gamma survey information from the ICI sump and surveyed buildings and appropriate ISOCS information for remediation or final status release.
28. Develop a list of State's lessons learned from the decommissioning.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

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Resource Conservation Recovery Act Chemical Sampling of Groundwater

This monitoring program started in September 2005 and is scheduled to terminate 30 years from that date. Baseline monitoring was conducted from 23 wells (reduced to 21 wells after June 2008) on a quarterly basis during the months of September, December, March and June for a three-year period that ended with the submittal of the *Third Annual Report of Groundwater Monitoring of Bailey Point, September 2007 – June 2008, With Three-Year Monitoring Overview and Trend Analysis, Wiscasset, Maine, December 16, 2008*. Additional chemical monitoring is to be conducted three times per year every fifth year until 2033, and three times per year for the final two years (2034 and 2035). The next RCRA groundwater monitoring event at Maine Yankee will occur in September, 2013.

Radiological Sampling of Groundwater

The last radiological sampling was conducted in March and June of 2010. Due to laboratory issues, some data were compromised. Maine Yankee agreed to resample and analyze in late 2010 in order to obtain complete and accurate data. The laboratory and compromised data issues were addressed to the satisfaction of Maine's State Nuclear Safety Inspector's in Maine Yankee's final radiological sampling report, *Annual Groundwater Monitoring of Bailey Point, September 2009 – October/November 2010, Wiscasset, Maine, Rev. 1*. As stated in a December 5, 2011 letter from Harold Nilsson (Maine DEP) to James Connell (Maine Yankee), the State considers the report acceptable, and all groundwater radiological monitoring tasks at Maine Yankee to be satisfactorily completed.

Natural Resource Damage Assessment

Montsweag Brook continues to recover various stream and riparian habitats resulting from the 2010 removal of the Montsweag dam funded by this assessment.

Anticipated Activities

Project Manager (Harold Nilsson): Project orientation, attend meetings, coordinate communications with Department staff, Maine Yankee personnel and the Department of Health and Human Services, coordinate review of technical data by Department staff, monitor financial accounts, prepare correspondence.

Project Geologist (Rob Peale): Review and comment on groundwater monitoring issues.

Project Chemist (Deb Stahler): Review and comment on technical issues. Monitor quality assurance for analytical data.

Database Manager (Diana McKenzie): Configure analytical data for the Department's EGAD database.

Environmental Supervisor (Stacy Ladner): Project orientation, assist project manager.

Division Director (Scott Whittier): Assist environmental supervisor and project manager.

Clerical Support (varied): Clerical personnel support for copying, mailing, phone communications.

DEPARTMENT OF PUBLIC SAFETY

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During 2011, the State Police were not called upon to respond to any incidents at the facility. The response team continues to train and drill in order to be well prepared in the event of a call for service. The State Police also has an incident management team that is ready to respond in the event that an incident does occur. The Incident Management Assistance Team (IMAT) has trained jointly with MEMA and is a fully certified team. They have responded to various incidents across the State and have managed large scale incidents. Currently, two of the Team Commanders are cleared at the Secret level through the Department of Homeland Security.

The Department of Public Safety uses money from the Interim Spent Fuel Storage Facility Oversight Fund to purchase equipment that is directly related to the protection of public health and safety if the State Police respond to an incident at the Independent Spent Fuel Storage Installation. The periodic equipment purchases are necessary to replace equipment that is outdated and no longer provides the protection to the wearer due to its finite shelf life.

In 2010 the Department of Public Safety completed the development of the State's designated intelligence fusion center, the Maine Information and Analysis Center (MIAC). The MIAC is designated as the focal point for the exchange of intelligence between the federal intelligence community and the State of Maine. Watch staff at the fusion center monitor classified and unclassified intelligence and threat streams and are able to identify items that may affect Maine Yankee. The Director of the MIAC toured the ISFSI and briefed the security staff on intelligence issues that may have impact to the facility. This relationship is expected to continue and to strengthen as the intelligence needs are identified and incorporated into future exercises. This past year the Director of the MIAC and members of the response team (TAC Team) have changed. Because of these changes, the team is going to schedule a tour of the facility. It is the goal of the team to be familiar with the facility in the event a response is required.

MAINE YANKEE ATOMIC POWER COMPANY **Spent Nuclear Fuel Removal/Disposal Update**

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Blue Ribbon Commission on America's Nuclear Future

After concluding Yucca Mountain is no longer an option for the disposal of the nation's spent nuclear fuel, on January 29, 2010 the Obama Administration appointed the Blue Ribbon Commission on America's Nuclear Future (BRC) to examine the spent nuclear fuel disposal issue and make recommendations for the Department of Energy (DOE) to

fulfill its obligation under the Nuclear Waste Policy Act and contract to dispose of this material. The BRC issued its Draft Report July 29, 2011.

During 2011 Maine Yankee, the State of Maine, the Maine Congressional delegation, the Maine Yankee Community Advisory Panel and other regional stakeholders were actively engaged in providing the Commission with information about the unique circumstances of decommissioned reactor sites like Maine Yankee that exist only to store spent nuclear fuel until the DOE fulfills its obligations.

Of particular importance to New England stakeholders was the October 12, 2011 BRC meeting in Boston co-hosted by the BRC and the Council of State Governments Eastern Regional Conference (COSG-ERC). Testimony was provided by Maine Yankee CAP Chair Marge Kilkelly who is also deputy director of the COSG-ERC, CAP members, Maine Yankee, and a joint letter from Congressman Michaud and Congresswoman Pingree was submitted to the BRC shortly after the Boston meeting. State Nuclear Safety Inspector Pat Dostie participated in the meeting for the State of Maine.

On January 26, 2012 the BRC issued its Final Report to the Secretary of Energy and the President. Maine Yankee supports the report's eight key recommendations and is especially encouraged by the three below that recommend priority removal of spent nuclear fuel from shutdown reactor sites to one or more consolidated interim storage sites and the necessary near-term transportation planning to accomplish that objective:

- The prompt establishment of a voluntary, incentive-based siting program that would lead to the licensing of a consolidated interim storage facility (or facilities);
- The establishment of a "first in line" priority for the movement of spent fuel and other material being stored at permanently shutdown reactor sites to those licensed consolidated storage sites; and
- The prompt initiation of programs to coordinate federal, state and local efforts to plan for the transportation of this material to consolidated storage and disposal facilities.

Maine Yankee is appreciative that the BRC listened to what we, our community advisory boards, and others in New England provided as comments and that it makes no sense to keep this material at scattered sites around the region. New England ratepayers met their obligation to pay for the federal government to begin picking this material up in 1998 and it's time for the government to fix this program and put it on a footing that will lead to success in that mission.

The panel's final report also calls on Congress to create a new, single-purpose organization to implement a focused, integrated program for the transportation, storage and disposal of spent nuclear fuel and nuclear waste and to amend its budget rules so that this new organization would have assured access to the existing Nuclear Waste Fund and the revenues generated by annual payments to that fund. Finally, the panel cites the international consensus regarding the ultimate need for deep geologic disposal of this material and urges the creation of a siting process that provides incentives to host localities and states.

Maine Yankee believes that the members of the BRC have put forward a credible and solid set of recommendations. We hope that the President and Congress will carefully, but promptly, review and act to implement them. While some will obviously require changes

to existing law, others, such as the initiation of transportation planning efforts and a dialogue with local communities that have expressed an interest in hosting one or more of these consolidated interim storage sites can be conducted under current law and should begin immediately. Several quotes from the report are below:

Quotes from the Final Report of the Blue Ribbon Commission on America's Nuclear Future supporting the early removal of spent nuclear fuel from decommissioned reactor sites like Maine Yankee

- "The arguments in favor of consolidated storage are strongest for "stranded" spent fuel from shutdown plant sites. Stranded fuel should be first in line for transfer to a consolidated facility so that these plant sites can be completely decommissioned and put to other beneficial uses." P. xii.
- "Accordingly, DOE should (1) finalize procedures and regulations for providing technical assistance and funds for training to local governments and tribes pursuant to Section 180(c) of the NWPA and (2) begin to provide such funding, independent from progress on facility siting. While it would be premature to fully fund a technical assistance program before knowing with some certainty where the destination sites for spent fuel are going to be, substantial benefits can be gained from a modest early investment in planning for the transport of spent fuel from shutdown reactor sites." P. xiii
- "The magnitude of the cost savings that could be achieved by giving priority consideration to shutdown sites appears to be large enough (i.e., in the billions of dollars) to warrant DOE exercising its right under the Standard Contract to move this fuel first. Although this action would disrupt the queue specified in the Standard Contract, as utilities continue to merge and a growing number of reactors reach the end of their operating licenses, every utility (or nearly every utility) will have one or more shutdown plants. In the context, giving priority to moving fuel from decommissioned sites is likely to be seen by all parties involved as being in everyone's interest." P. 42.

The full BRC report can be found at <http://brc.gov/>.

The State of Maine and Maine Yankee Working Together

Since the early 1990's the State and Maine Yankee have been members of the Nuclear Waste Strategy Coalition. The NWSC includes state utility regulators, state attorney generals, electric utilities and associate members representing 45 organizations from 32 states and Washington, D.C. Its mission: "To reform and adequately fund the U.S. civilian high-level nuclear waste transportation, storage, and disposal program in a manner that ensures timely and safe waste removal from operating and decommissioned nuclear power plants and that protects ratepayers' substantial investment in the program." The State and Maine Yankee participate in regular conference calls and other activities of the NWSC.

On a quarterly basis the State of Maine and Maine Yankee participate in a meeting of New England policy makers called the Interim Storage Alternatives Effort. This initiative is part of the Federal Energy Regulatory Commission settlement agreements for Maine

Yankee, Connecticut Yankee, and Yankee Rowe. Its purpose is to share information and to identify interim spent nuclear fuel storage alternatives outside New England.

Maine Yankee is also a member of the Decommissioning Plant Coalition. The DPC is comprised of the three Yankee plants, and decommissioned plants in Wisconsin, Michigan, and California. The DPC is active in Washington, D.C. representing the unique interests of shutdown plants whose only function is the safe storage of spent nuclear fuel until the federal government honors its commitment to remove this material.

Yucca Mountain License Application dispute in federal court

For now the Yucca Mountain project has ceased to exist even though the Nuclear Waste Policy Act remains the law of the land. DOE's Office of Civilian Radioactive Waste Management which had jurisdiction over the Yucca Mountain project has been eliminated, radioactive waste management functions have been folded into the office of Nuclear Energy, and there is no funding for the Yucca Mountain license application.

However, the states of South Carolina, Washington, and Aiken County Georgia brought litigation before the U.S. Court of Appeals asking the Court to determine that the U.S. Nuclear Regulatory Commission unreasonably delayed consideration of the Yucca Mountain license application and to compel the NRC to immediately resume consideration and rule on it. The government's brief filed January 11, 2012 argues that Congress was responsible for stopping the NRC's review of the DOE's 2008 license application by providing no funding for it in the agency's 2012 budget. Oral arguments in the case have been scheduled for May 2, 2012.

Though the BRC report is encouraging and we hope the Administration and Congress will act promptly to implement its recommendations, given the failure of the Yucca Mountain program and the current lack of policy direction spent nuclear fuel could remain at Maine Yankee and other sites for many years to come.

Spent Fuel storage costs likely to increase over time

As a Nuclear Regulatory Commission licensee it is Maine Yankee's responsibility to safely and securely store the spent nuclear fuel in accordance with all applicable regulations. Recognizing that the DOE will legitimately challenge the prudence and appropriateness of all expenditures, the current annual cost to ratepayers for Maine Yankee's Independent Spent Fuel Storage Installation is \$8-\$10 million. The longer this material remains on site the more costly it will be for ratepayers as there could well be increased costs for security or other regulatory changes.

Nuclear Regulatory Commission staff studying safety of extended spent fuel storage at reactor sites or off-site storage

On December 23, 2010 the NRC finalized revisions to its Waste Confidence Rule to extend the time spent nuclear fuel can be stored safely at independent spent fuel storage installations to at least 60 years beyond the licensed life of a reactor. The Commission has

made clear that, “the revisions of the waste confidence findings and rule are not intended to signal an endorsement of indefinite storage of spent fuel at reactor sites.”

The Commission has now directed the NRC staff to develop a plan for a longer-term Waste Confidence Rulemaking and Environmental Impact Statement to assess the environmental impacts of storing spent fuel for as long as 200 years beyond the licensed life of a reactor. The NRC staff held several meetings and webinars in 2011 to present plans and solicit public feedback. In early January 2012, the NRC issued a press release to announce it is seeking public comment on a report entitled, “Background and Preliminary Assumptions for an Environmental Impact Statement – Long-Term Waste Confidence Update.”

Waste confidence is a regulatory concept created by the NRC after a Supreme Court challenge to licensing nuclear power plants in the early 1980s. The waste confidence findings generally say that the Commission has confidence that spent fuel will be appropriately managed.

Seeking monetary damages for ratepayers from the Federal Government

Since 1998, Maine Yankee and other utilities have sued the federal government for monetary damages resulting from DOE’s delay. The litigation is ongoing and likely to continue for some time; however, the courts have found DOE liable for proven damages resulting from the agency’s failure to start picking up the spent nuclear fuel. The question is how much.

On September 7, 2010 the U.S. Court of Federal Claims issued a favorable decision in the Yankee Companies’ ongoing litigation over the U.S. Department of Energy’s failure to remove Spent Nuclear Fuel and Greater than Class C Waste from the three New England Yankee nuclear reactor sites (Maine Yankee, Connecticut Yankee, and Yankee Atomic) as required by contract and law. The approximate damages awarded were \$143 million. Of that, Maine Yankee was awarded approximately \$82 million for damages from 1998-2002. The government appealed the decision in November 2010. The oral argument on the appeal took place November 7, 2011 in Washington, DC.

On December 13, 2007 the Yankee Companies filed a second round of damages claims in the U.S. Court of Federal Claims for a total of approximately \$264 million. In this case Maine Yankee is seeking approximately \$43 million in damages for 2003-2008. The trial took place in Washington, DC October 11-13.

Maine Yankee hopes for a decision in both cases during 2011.

For more information about Maine Yankee go to www.maineyankee.com.

**ESTIMATED POST DECOMMISSIONING OVERSIGHT EXPENDITURES AND
BUDGETED TRANSFERS FROM ACCOUNT 014-10A-2440-03**

	DEP 014-06A-1790-14	DHHS Safety Inspector 01410A244003	OPA SNSA 01407H041004	PUS STATE POLICE 01416A029104	DHHS DEH RCP 014-10A-2445-03	TOTAL	INCOME
CY 2011							
DEP - Radiological Program	14,803					14,803	
OPA - Nuclear Safety Advisor						-	
OPA- All Other						-	
DHHS - RCP					22,729	22,729	
DHHS - Safety Inspector		135,000				135,000	
DHHS - Contractor and Independent Expert		5,000				5,000	
DHHS - Earned time (vac & sick)		43,919				43,919	
DHHS - Earned time taken		(20,744)					
DPS -Body Armor repl. (5)				45,000		45,000	
Sub - total	14,803	163,175	-	45,000	22,729	266,451	
DICAP - DHHS \$8,000/FTE		8,000			1,360	9,360.00	
Sta - cap rates OPA	0.006391		-			-	
Sta - cap rates DEP - Envir. Prot.	0.02088	309.09				309.09	
Sta - cap rates DHHS - Bur Health	0.03449	5,627.91			783.92	6,411.84	
Sta - cap rates DEP - State Police	0.01163			523.35		523.35	
Total Est. Sta-cap Exp.	309.09	13,627.91	-	523.35	2,143.92	16,604.27	
TOTALS	15,112.09	176,803.16	-	45,523.35	24,872.92	283,055.08	
REIMBURSEMENT FROM OTHER PROG							\$ 66,279.53
CY 2011 FIRST QUARTER	\$ 3,778.02	\$ 57,034.84			\$ 8,290.97	\$ 69,103.84	\$ 55,000.00
CY 2011 SECOND QUARTER	\$ 3,778.02	\$ 57,034.84			\$ 8,290.97	\$ 69,103.84	\$ 55,000.00
CY 2011 THIRD QUARTER	\$ 3,778.02	\$ 5,698.63		\$ 45,523.35	\$ -	\$ 55,000.00	\$ 55,000.00
CY 2011 FOURTH QUARTER	\$ 3,778.02	\$ 57,034.84			\$ 8,290.97	\$ 69,103.84	\$ 55,000.00
TOTALS					\$ 262,311.52	\$ 286,279.53	

**ESTIMATED POST DECOMMISSIONING OVERSIGHT EXPENDITURES AND
BUDGETED TRANSFERS FROM ACCOUNT 014-10A-2440-03**

	DEP 014-06A-1790-14	DHHS Safety Inspector 01410A244003	OPA SNSA 01407H041004	PUS STATE POLICE 01416A029104	DHHS DEH RCP 014-10A-2445-03	TOTAL	INCOME
CY 2012							
DEP - Radiological Program	\$ 1,640.00					\$ 1,640.00	
OPA - Nuclear Safety Advisor						\$ -	
OPA- All Other						\$ -	
DHHS - RCP					\$ 18,264.96	\$ 18,264.96	
DHHS - Safety Inspector		\$ 125,079.39				\$ 125,079.39	
DHHS - Contractor and Independent Expert						\$ -	
DHHS - Earned time (vac & sick)		\$ 17,274.78				\$ 17,274.78	
DHHS - Earned time taken						\$ -	
DPS - equipment						\$ -	
Sub - total	\$ 1,640.00	\$ 142,354.17	\$ -	\$ -	\$ 18,264.96	\$ 162,259.13	
DICAP - DHHS \$8,100/FTE		\$ 8,100.00			\$ 1,377.00	\$ 9,477.00	
Sta - cap rates OPA 0.006391			\$ -			\$ -	
Sta - cap rates DEP - Envir. Prot. 0.02088	\$ 34.24					\$ 34.24	
Sta - cap rates DHHS - Bur Health 0.03449		\$ 4,909.80			\$ 629.96	\$ 5,539.75	
Sta - cap rates DEP - State Police 0.01163				\$ -		\$ -	
Total Est. Sta-cap Exp.	\$ 34.24	\$ 13,009.80	\$ -	\$ -	\$ 2,006.96	\$ 15,051.00	
TOTALS	\$ 1,674.24	\$ 155,363.97	\$ -	\$ -	\$ 20,271.92	\$ 177,310.13	
BALANCE CARRIED FORWARD							\$ 23,968.01
REIMBURSEMENT FROM OTHER PROG							\$ 17,629.31
CY 2012 FIRST QUARTER	\$ 418.56	\$ 38,840.99	\$ -	\$ -	\$ 5,067.98	\$ 44,327.53	\$ 55,000.00
CY 2012 SECOND QUARTER	\$ 418.56	\$ 38,840.99	\$ -	\$ -	\$ 5,067.98	\$ 44,327.53	\$ 55,000.00
CY 2012 THIRD QUARTER	\$ 418.56	\$ 38,840.99	\$ -	\$ -	\$ 5,067.98	\$ 44,327.53	\$ 55,000.00
CY 2012 FOURTH QUARTER	\$ 418.56	\$ 38,840.99	\$ -	\$ -	\$ 5,067.98	\$ 44,327.53	\$ 55,000.00
TOTALS						\$ 177,310.13	\$ 261,597.32



Paul R. LePage
GOVERNOR

STATE OF MAINE
OFFICE OF THE GOVERNOR
1 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0001

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NOV 15 2011

Bureau of Health, Administration

November 9, 2011

Mr. Cort Richardson, Director
Northeast High-Level Radioactive Waste Transportation Task Force
The Council of State Governments - Eastern Regional Conference
3 Shipman Place, Suite 101
Montpelier, Vermont 05602

Subject: Comments on Draft Report to Secretary of Energy

Dear Mr. Richardson:

The State of Maine would like to thank the Northeast High-Level Radioactive Waste Transportation Task Force for this opportunity to comment on the Blue Ribbon Commission on America's Nuclear Future's July 29, 2011, draft report for managing the back end of the nuclear fuel cycle.

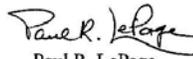
As you know, Maine Yankee has High-Level Spent Nuclear Fuel stored on-site at its decommissioned facility in Wiscasset, Maine.

I am very concerned that the federal government's failure to timely resolve the management of the nuclear waste has led to:

- A potentially de facto permanent high-level nuclear waste storage facility within our borders,
- On-going ratepayer subsidies in the millions of dollars per year to properly secure and safeguard this waste, and
- The inability to redevelop prime coastal property for beneficial community use.

I hope that by voicing our concerns jointly in accord with the other northeast states as part of a larger set of unified comments that the President's Commission will appropriately weigh our comments and address the Northeast's pressing spent nuclear fuel issues.

Sincerely,

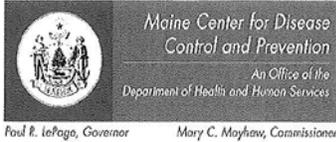

Paul R. LePage
Governor



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Maine Center for Disease Control and Prevention
286 Water Street
11 State House Station
Augusta, Maine 04333-0011
Tel. (207) 287-8016
Fax (207) 287-9058; TTY (800) 606-0215

November 9, 2011 *mailed Nov. 10 received*

Mr. Cort Richardson, Director
Northeast High-Level Radioactive Waste Transportation Task Force
The Council of State Governments - Eastern Regional Conference
3 Shipman Place, Suite 101
Montpelier, Vermont 05602

Subject: Comments on Draft Report to Secretary of Energy

Dear Mr. Richardson:

The Maine CDC would like to thank the Northeast High-Level Radioactive Waste Transportation Task Force for this opportunity to comment on the Blue Ribbon Commission on America's Nuclear Future's July 29, 2011, draft report for managing the back end of the nuclear fuel cycle.

As the State's Health Director, I am responsible for the health and welfare of all Maine people. I am very concerned that we continue to store high-level spent nuclear fuel at the Maine Yankee site in Wiscasset, Maine. Storage of this waste at this site was intended to be a short-term solution while a permanent repository was being developed. Unfortunately, it now appears that progress toward developing a permanent site has stalled indefinitely. This continues to cost the State and our energy resource centers much time and money, and increased resources.

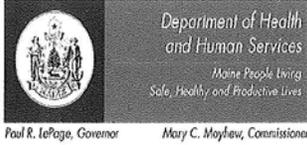
I am particularly concerned about the storage of highly radioactive and long lived hazardous waste in the marine environment, and the consequences of any site problems or terrorist activity on the health and safety of the people of Maine and our marine environment.

I hope that by voicing the State's concerns with the other northeast states, as part of a larger set of unified comments, the President's Blue Ribbon Commission will appropriately weigh our comments and heed the Northeast's pressing spent nuclear fuel issues.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Dr. Sheila G. Pinette'.

Dr. Sheila G. Pinette
Director, Maine CDC
State Health Officer



Department of Health and Human Services
Commissioner's Office
221 State Street
11 State House Station
Augusta, Maine 04333-0011
Tel. (207) 287-3707
Fax (207) 287-3005; TTY (800) 606-0215

November 9, 2011

*mailed Nov. 14
Received*

Mr. Cort Richardson, Director
Northeast High-Level Radioactive Waste Transportation Task Force
The Council of State Governments - Eastern Regional Conference
3 Shipman Place, Suite 101
Montpelier, Vermont 05602

Subject: Comments on Draft Report to Secretary of Energy

Dear Mr. Richardson:

The Maine Department of Health and Human Services would like to thank the Northeast High-Level Radioactive Waste Transportation Task Force for this opportunity to comment on the Blue Ribbon Commission on America's Nuclear Future's July 29, 2011, draft report for managing the back end of the nuclear fuel cycle.

As the Commissioner of the Department of Health and Human Services I am charged with the oversight of the Interim Spent Fuel Storage Installation in Wiscasset, Maine. That oversight is further defined as protection of public health and safety and timely contract performance by the U.S Department of Energy (DOE) regarding removal of the spent nuclear fuel.

The Blue Ribbon Commission has defined a reasonable and thoughtful path forward that may be successful. My concern is that there needs to be significant incentives for achievements and penalties for missing milestones that will guarantee a success that was not accomplished the first time around in 1982.

I believe that the high level radioactive waste and the greater than class C waste that is stored at single unit decommissioned nuclear reactor sites, such as the waste stored in Wiscasset, Maine, should be the first waste moved to the new facility. These single unit sites are paying the highest prices for the U.S. DOE's continuing default of its obligations. These are the highest cost sites in all categories and should be addressed first.

I hope that by voicing the State's concerns with the other northeast states as part of a larger set of unified comments that the President's Blue Ribbon Commission will appropriately weigh our comments and heed the Northeast's pressing spent nuclear fuel issues.

Sincerely,

Mary C. Mayhew
Commissioner