

MINUTES OF THE FORTY-SEVENTH MEETING OF THE
WASTE AND FACILITIES MANAGEMENT COMMITTEE
HELD ON SEPTEMBER 16, 2013

Pursuant to a notice and agenda dated September 6, 2013, the forty-seventh (47th) meeting of the Waste and Facilities Management Committee of the NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY was convened at 10:30 a.m. on Monday, September 16, 2013, in the Authority's Albany Office at 17 Columbia Circle, Albany, New York, and by video conference in the Authority's New York City Office at 485 Seventh Avenue, 10th floor, New York, New York.

The following members of the Committee were present in Albany:

Elizabeth W. Thorndike, Ph.D., Chair

Richard Kauffman, Chair of NYSERDA

Also present were Frank Murray, President and CEO; Janet Joseph, Vice President for Technology and Strategic Planning; Tom Barone, Acting Vice President for Operations and Energy Services; Jeff Pitkin, Treasurer; Hal Brodie, General Counsel; Allyson Zipp, Assistant Counsel and Secretary to the Committee; and Paul Bembia, West Valley Program Director.

Dr. Thorndike called the meeting to order, noted the presence of a quorum, and stated that a Notice of the meeting was mailed to Committee members and the press on September 6, 2013. A copy of this notice is attached hereto as Exhibit A.

The first item on the agenda concerned approval of the minutes of the forty-sixth (46th) meeting, held on April 16, 2013. A copy of the Minutes was included with the September 6, 2013, mailing. Whereafter, upon motion duly made and seconded, and by unanimous voice vote, the minutes of the forty-sixth meeting were approved.

The Committee next received a status report from Director Paul Bembia on West Valley Site Management Program activities. Mr. Bembia briefed the Committee on items related to the State-Licensed Disposal Area and the West Valley Demonstration Project.

Regarding the State-Licensed Disposal Area (“SDA”), Mr. Bembia provided an update on the increase in the leachate level observed in disposal Trench 14, first reported to the Committee at the April meeting. The leachate level has continued to increase, but very slowly, less than one inch this year. The current leachate level is 14 feet below ground level (the top of the trench). This level is well below where there would be any possibility of a release to the environment, and there is no threat to public health and safety or the environment. Mr. Bembia reported that evaluation by NYSERDA staff had identified what is believed to be a possible cause for the increase. In late 2008, the Department of Energy (“DOE”) installed a low permeability clay wall and an impermeable cover on the NRC-Licensed Disposal Area (“NDA”) to keep water out of that disposal area, which is adjacent to the SDA. It appears that the NDA infiltration controls may be causing an increase in ground water elevations near Trench 14, which in turn is suspected as the source of the water in the trench. NYSERDA has retained a hydrogeologist, who is conducting an independent and more detailed evaluation of the situation. That evaluation and some recommendations on mitigating the increase are expected by the end of October.

Mr. Bembia also provided progress updates on two projects being done on the Retained Premises. First, installation of erosion controls on Frank’s Creek, the creek east of the SDA, will be completed this fall, ahead of schedule. This project is part of ongoing efforts to prevent soil erosion that would destabilize creek valleys and side slopes of the disposal areas. Second, Cattaraugus County’s replacement of a county bridge located on the Western New York Nuclear Service Center property, to which NYSERDA provided radiation safety support, is just about completed. There were no radiological safety or contamination issues during the project.

In response to a question from Mr. Kauffman about recordkeeping practices, Mr. Bembia confirmed that there is very good recordkeeping for the data being collected at West Valley, including quality assurance packages that go with all the data, a database into which the data is entered, and a thorough paper trail.

Regarding the West Valley Demonstration Project, Mr. Bembia reported on two items. First, DOE has started construction on the new interim high-level waste storage facility. The

facility will consist of a concrete pad on which the high-level waste canisters, presently stored in the main plant processing building, will be stored inside large shielded storage casks. The current schedule is to have the storage pad completed this calendar year.

Second, Mr. Bembia provided an update on the federal West Valley Demonstration Project budget. As reported in April, the President's proposed budget for federal fiscal year 2014 included \$64 million for the Project. However, a subsequent House markup cut the Project budget to \$47 million. Thereafter, efforts by two members of the Western New York Congressional delegation restored \$19 million to the Non-Defense Environmental Management account, the account from which the Project is funded, although not to the Project budget itself.

Mr. Kauffman asked whether under a continuing resolution ("CR"), funding would continue at the current level. Mr. Bembia responded that the funding level would depend on the language of the CR. The funding level could be the lowest level of the various proposed budgets, which would be the \$47 million, but that will not be known until the CR is available. In response to a follow-up question from Mr. Kauffman, Mr. Bembia explained his understanding that it is unlikely CR language would be so detailed as to direct the restored \$19 million to the West Valley Project. Accordingly, DOE is looking at where the Project would be at \$47 million.

Dr. Thorndike made the general observation that, even if there is not a specific action before the Waste and Facilities Management Committee, the Committee has an important responsibility to the public to do exactly the type of reporting that Mr. Bembia had just made available.

Dr. Thorndike then asked Treasurer Jeff Pitkin to report on revisions to the Authority's Fiscal Year 2013-14 Budget for the West Valley Site Management Program and radioactive waste policy and nuclear coordination activities, which was originally approved at the January Board meeting. Mr. Pitkin stated that for the West Valley program, State appropriation revenue was decreased by \$5.5 million in recognition of State appropriation funds received but unexpended at the end of the prior fiscal year, 2012-2013. However, the revised Budget did not change total program expenditures, which remain at \$12 million. For the Low-Level

Radioactive Waste Management Program, Mr. Pitkin reported no changes in the aggregate, with the Budget remaining unchanged at \$150,000. For both programs, Mr. Pitkin noted there are minor changes among expenditure categories, principally due to changes in indirect costs.

In response to a question from Mr. Kauffman regarding the effect of the federal funding situation on the West Valley program budget, Mr. Pitkin explained that because of the overlap of the federal and State fiscal years, there is always an opportunity to correct or adjust the State appropriation funding included in the State budget as activities at the site either increase or decrease. At a reduced federal funding level, there are sufficient funds included in the State budget, and NYSERDA will continue to monitor the resolution of the federal situation to determine its implications on both current year and next State fiscal year funding. Dr. Thorndike added that, in addition to this funding, NYSERDA has kept what is now about \$3 million in reserve in case an emergency situation at West Valley should arise.

Mr. Kauffman also asked about the potential impact of nuclear power plant closures on Authority budget funding for the Low-Level Radioactive Waste Management Program. It was explained that the assessment is made on operating nuclear power plants. If a plant were to close, the assessment would be distributed among those remaining in operation, and overall it is a fairly small amount of money (\$150,000).

Based on Mr. Pitkin's report, upon motion duly made and seconded, and by unanimous voice vote, the Committee recommended that the Board adopt the resolution approving the revisions to the 2013-14 Budget for the West Valley Site Management Program and radioactive waste policy and nuclear coordination activities as presented. A copy of this Resolution is attached hereto as Exhibit B.

Dr. Thorndike then asked Treasurer Jeff Pitkin to provide a second report, regarding the Authority's Fiscal Year 2014-15 Preliminary Spending Plan and State Appropriation Request for the West Valley Site Management Program and radioactive waste policy and nuclear coordination activities. Mr. Pitkin stated that the State Appropriation Request for Fiscal Year 2014-15 includes a slight increase in funding requested for the West Valley program, from \$12

million to \$12.1 million, based on NYSERDA's required share of costs under the Demonstration Project and the Consent Decree, offset in part by decreases in costs related to the SDA. Mr. Pitkin affirmed that NYSERDA will continue to monitor the resolution of the federal funding matter, to determine its implications for the level of required State funding. No change is recommended in the request of \$150,000 for the Low-Level Radioactive Waste Management Program.

Based on Mr. Pitkin's report, upon motion duly made and seconded, and by unanimous voice vote, the Committee recommended that the Board adopt the resolution approving the proposed State Appropriation Request for the Fiscal Year 2014-15 for the West Valley Site Management Program and radioactive waste policy and nuclear coordination activities as presented. A copy of this Resolution is attached hereto as Exhibit C.

The last item on the agenda concerned other business. Dr. Thorndike asked Mr. Bembia whether there had been anything of interest in terms of the West Valley Citizen Task Force ("CTF"). Mr. Bembia noted that the CTF had been very involved during the last year regarding the federal funding issue, and continued to closely follow the activities at the West Valley site. In response to a question from Mr. Kauffman, Mr. Bembia explained that NYSERDA, with the cooperation of DOE, had initially constituted the CTF group and continued to select its members, drawing from a broad cross-section of the community. NYSERDA and DOE split the cost of a professional facilitator for the CTF.

That concluding other business, upon motion duly made and seconded and upon unanimous voice vote, the meeting was adjourned.

Respectfully submitted,



Allyson Zipp
Secretary to the Committee

NOTICE OF MEETING AND AGENDA

September 6, 2013

TO THE MEMBERS OF THE WASTE AND FACILITIES MANAGEMENT COMMITTEE:

PLEASE TAKE NOTICE that the forty-seventh (47th) meeting of the WASTE AND FACILITIES MANAGEMENT COMMITTEE of the NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY will be held in the Authority's Albany Office at 17 Columbia Circle, Albany, New York, and by video conference in the Authority's New York City Office at 485 Seventh Avenue, 10th floor, New York, New York, on Monday, September 16, 2013, commencing at 10:30 a.m., for the following purposes:

1. To consider the Minutes of the forty-sixth (46th) meeting of the Committee held on April 16, 2013;
2. To receive a status report on West Valley Site Management Program activities;
3. To receive a report from the Treasurer regarding revisions to the Authority's Fiscal Year 2013-14 budget and to consider and act upon a resolution recommending approval of those revisions;
4. To receive a report from the Treasurer regarding the Authority's Fiscal Year 2014-15 Preliminary Spending Plan and the Authority's State Appropriation Request for Fiscal Year 2014-15, and to consider and act upon a resolution recommending approval of that Appropriation Request; and
5. To transact such other business as may properly come before the Committee.

Members of the public may attend the meeting at either of the above locations. The Authority will be posting a video of the meeting to the web within two business days of the meeting. The video will be posted at <http://www.nyserda.ny.gov/en/About/Board-Governance/Board-and-Committee-Meetings.aspx>.



Allyson Zipp
Secretary to the Waste and Facilities
Management Committee

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Exhibit B

Resolution No. _____

RESOLVED, that the Fiscal Year 2013-14 Budget and Financial Plan (Revised September 2013) submitted to the Members for consideration at this meeting, with such non-material, editorial changes and supplementary schedules as the President and CEO, in his discretion, may deem necessary or appropriate, be and it hereby is approved.

Exhibit C

Resolution No. _____

RESOLVED, that the proposed State Appropriation Request for Fiscal Year 2014-15 submitted to the Members for consideration at this meeting, with such non-material, editorial changes and supplementary schedules as the President and CEO, in his discretion, may deem necessary or appropriate, be and it hereby is approved for submission to, and at the request of, the New York State Division of the Budget.