

BRIAN SANDOVAL
Governor

STATE OF NEVADA

ROBERT J. HALSTEAD
Executive Director



OFFICE OF THE GOVERNOR
AGENCY FOR NUCLEAR PROJECTS

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August 5, 2016

Senator Pete Goicoechea, Chair
Legislative Committee on High-Level
Radioactive Waste
Legislative Building
Capitol Complex
Carson City, Nevada 89710

Dear Senator Goicoechea:

Enclosed is the Agency for Nuclear Projects' semi-annual report for the period January 1, 2016 – June 30, 2016. Should you have questions regarding the report or if you would like additional information, please let me know.

Sincerely,

A handwritten signature in blue ink, which appears to read "Robert J. Halstead".

Robert J. Halstead
Executive Director

RRL/cs
Enclosure

cc Richard Bryan, Chairman, Nevada Commission on Nuclear Projects
Diane Thornton, LCB



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REPORT TO THE NEVADA STATE LEGISLATURE'S COMMITTEE ON HIGH-LEVEL RADIOACTIVE WASTE

January 1, 2016 – June 30, 2016

1.0 AGENCY FOR NUCLEAR PROJECTS MISSION STATEMENT

The mission of the Nevada Agency for Nuclear Projects (Agency) is to assure that the health, safety, and welfare of Nevada's citizens and the State's unique environment and economy are adequately protected with regard to any federal high-level nuclear waste and related activities in the state.

2.0 STATUTORY AUTHORITY

Statutory authority for the Agency for Nuclear Projects is contained in NRS 459.009 - NRS 459.0098. As part of that authority, the Agency carries out roles and responsibilities provided for the State of Nevada in the federal Nuclear Waste Policy Act of 1982, as amended (PL 97-425).

3.0 ORGANIZATION AND FUNCTIONS

The Agency was created in 1981 as the "Nuclear Waste Project Office" through executive order by Governor Richard Bryan in response to early federal efforts involving spent nuclear fuel and high-level radioactive waste disposal siting activities within Nevada and nationally. The Agency was formally established in statute as the Nevada Agency for Nuclear Projects by the Nevada Legislature in 1985 within the Office of the Governor. The Agency consists of the Division of Technical Programs and the Division of Planning. A seven-member Commission on Nuclear Projects advises the Governor and Legislature on nuclear wastes issues and oversees Agency activities. The Executive Director is appointed by the Governor from a list of three candidates submitted by the Commission.

The Agency oversees the federal high-level radioactive waste program; participates in the U.S. Nuclear Regulatory Commission's (NRC) licensing activities and proceedings with respect to the proposed Yucca Mountain repository project; carries out independent technical, socioeconomic and other studies; participates in activities related to implementing recommendations of the Blue

Ribbon Commission (BRC) on America's Nuclear Future¹ aimed at finding alternatives to the now-terminated Yucca Mountain project; works with and coordinates activities of state agencies on matters relating to radioactive waste and radioactive waste transportation; represents Nevada on regional organizations dealing with nuclear waste and nuclear waste transportation matters; and provides information to the Governor, Attorney General, Legislature, local governments and tribes, the Commission on Nuclear Projects, the public, and interested parties.

4.0 OVERVIEW

The Agency's work during the reporting period centered around continued activities associated with the U.S. Nuclear Regulatory Commission's restarted Yucca Mountain licensing proceeding², initiatives at the federal level aimed at identifying consent-based solutions to the nuclear waste issue as alternatives to the Yucca Mountain program, congressional activity related to possible legislation implementing the recommendations of the BRC and/or furthering the NRC's licensing proceeding and DOE's Yucca Mountain program, and work in conjunction with the Western Interstate Energy Board's (WIEB) High-Level Radioactive Waste Committee providing input on DOE's plans for developing a high-level waste (HLW) transportation system nationally to serve future interim storage and disposal sites identified using the BRC's consent-based process.

The Agency, together with the Attorney General's Office and the state's legal/licensing team, completed the extensive review of NRC staff's draft supplement to DOE's Yucca Mountain Environmental Impact Statement (EIS) and began the review process for the final EIS Supplement.³ Findings from the extensive review work on the final EIS Supplement, as well as the review conducted on the NRC staff's previously completed Safety Evaluation Report is being used to inform Nevada's intervention in NRC's licensing process, develop new licensing contentions, and prepare for a resumption of the adjudicatory hearings which are expected to resume in an abbreviated fashion in FY 2017.⁴

¹ The BRC recommended that future nuclear facility siting be done using a "consent-based," voluntary approach." The final BRC report was released in January 2012 and is available on the web at: http://www.brc.gov/sites/default/files/documents/brc_finalreport_jan2012.pdf.

² In 2013, the U.S. Circuit Court of Appeals for the District of Columbia (CAFC) ordered NRC to restart the suspended Yucca Mountain licensing proceeding using available carry-over appropriated funds, even though the court acknowledged that those funds were insufficient to complete the proceeding. The full Commission responded by directing NRC staff to complete work on the five volume Safety Evaluation Report (SER), to prepare the required Environmental Impact Statement (EIS) Supplement, and to reinstitute a publically accessible database containing materials necessary for the licensing proceeding.

³ The Nuclear Waste Policy Act of 1982, as amended required DOE to prepare an EIS for the Yucca Mountain project to support its application for a license to construct a repository from the NRC. The same Act stipulated that NRC was to adopt the DOE EIS "to the extent practicable." As part of its review of the initial adequacy of DOE license application, NRC staff reviewed DOE's Yucca Mountain EIS and found deficiencies in DOE's analyses of groundwater impacts resulting from development and operation of a repository at Yucca Mountain. At the time, NRC required DOE to complete a supplement to the EIS to address the deficiencies. In 2013, DOE advised NRC that it would not complete the EIS Supplement and instead provided NRC with a report containing additional information on groundwater impacts. NRC subsequently direct its own staff to undertake and complete the required EIS Supplement. A draft EIS Supplement was issued for public comment in August 2015. The final EIS Supplement was issued by NRC in May 2016.

⁴ It is expected that NRC will have between \$1 million and \$2 million remaining in available funds once the staff work mandated by the Commission has been completed. It is anticipated that NRC will use those remaining funds to restart or advance the adjudicatory hearings in some fashion.

4.1 *Legislation at the Federal Level*

Since 2015, there have been several bills introduced in Congress aimed at restarting federal high-level radioactive waste efforts. New legislation introduced in the U.S. Senate (S. 854 <https://www.congress.gov/bill/114th-congress/senate-bill/854/>) would implement key provisions contained in the BRC's final report. Significantly, S. 854 would require consent of affected states, including written consent of the governor, communities, and Indian tribes (if applicable), before developing facilities for storage and disposal of spent nuclear fuel (SNF) and HLW. The bill would also remove the federal high-level radioactive waste program from DOE, establish a new, independent government agency to manage the program, and change how future siting, characterization, licensing, and construction activities would be funded. To be acceptable to Nevada, S.854 would need to be amended to extend the requirement for a written consent agreement to Nevada and to the Yucca Mountain project. In July 2015, Nevada's U.S. Senators Harry Reid and Dean Heller introduced companion legislation, S. 1825 (<https://www.congress.gov/bill/114th-congress/senate-bill/1825>), that would extend the written consent requirement to Nevada. No further action has been taken on either of these bills during the reporting period, and it is unclear if any action can be taken during the current Congress.

Renewed efforts are being made in the House of Representatives to restart the moribund Yucca Mountain project. A hearing by the House Energy and Commerce Committee, Subcommittee on Environment and the Economy, chaired by Rep. John Shimkus (R-IL) was held on July 7, 2016, in an effort to gauge the willingness of certain stakeholders in Nevada to engage in negotiations. Governor Sandoval did not attend the hearing, but submitted a strongly-worded letter reiterating "the unchanged position of the State of Nevada on the proposed Yucca Mountain Nuclear Waste Repository," emphasizing that Nevada opposes the project "based on scientific, technical and legal merits." The governor urged the subcommittee to focus its effort on bipartisan efforts in Congress aimed at pursuing a long-term solution for the nation's nuclear waste through a consent-based process. A copy of Governor Sandoval's letter is appended as Attachment II to this report.

5.0 *SUMMARY OF AGENCY ACTIVITIES*

During the reporting period, the Agency continued efforts in response to activities undertaken by NRC staff and in anticipation of the potential resumption of licensing adjudicatory hearings that could resume as soon as FY 2017.

5.1 *Technical Division Activities*

The Agency's Technical Division activities during the period involved support for licensing intervention activities related to the NRC's restarted Yucca Mountain licensing proceeding.

5.1.1 *Licensing Activities*

Technical Division work related to the Yucca Mountain Licensing Proceedings is carried out in close collaboration with the Attorney General's Office and the AG's legal/licensing team. The

Agency maintains a web page that is updated every business day, containing pertinent licensing materials, petitions, orders, etc. This web page can be found at:
<http://www.state.nv.us/nucwaste/licensing.htm> .

Agency staff and technical experts reviewed the NRC Draft Environmental Impact Statement Supplement⁵ to determine the adequacy of the NRC staff's assessments and identify areas for any potential new licensing contentions and challenges. During this review, extensive comments were prepared by Agency technical experts summarizing review of the 2015 Draft Supplement and making recommendations regarding deficiencies in the NRC staff's analyses and/or suggesting areas for additional challenges/contentions. The Agency submitted comments on the 2015 Draft Supplement to the NRC on November 20, 2015.

In May 2016, the NRC issued the 2015 Final Environmental Impact Statement Supplement on groundwater impacts. Preliminary reviews of this document indicate that the NRC ignored or attempted to refute the vast majority of the Agency's comments on the draft document. A detailed review of the Final EIS Supplement will be performed, starting in July 2016.

Software and IT capabilities needed for accessing licensing related documents and materials are being maintained by the Agency. As part of its restarted licensing efforts, NRC directed NRC staff to make available on NRC's publically accessible database, all documentary material that was formally available through the now-defunct Licensing Support Network. If NRC accomplishes this effort, the Agency will not need to develop its own fully searchable database.⁶ The NRC target date for the documents to be publically available is September 30, 2016.

5.1.2 Interactions

Agency personnel and contractors attended or participated in meetings and teleconferences sponsored by DOE, NRC, the US Nuclear Waste Technical Review Board, and nuclear industry groups addressing various aspects of the federal high-level radioactive waste program during the time period covered by this report. Executive Director Robert Halstead gave a presentation entitled "Lessons Learned Yucca Mountain Licensing Proceeding" at the Waste Management 2016 Conference in Phoenix, Arizona on March 9, 2016. Halstead provided an update on Agency activities, focusing on the licensing proceeding, at the Legislative High-Level Waste Committee meeting in Las Vegas, Nevada on June 3, 2016.

⁵ The Nuclear Regulatory Commission (NRC) issued a Draft Environmental Impact Statement Supplement regarding Yucca Mountain groundwater impacts in August 2015.

⁶ Following the suspension of the licensing proceeding in 2010, NRC directed, as a cost cutting measure, that the LSN containing all of the documents from all parties to the proceeding (several million pages in all) be discontinued and that documents be retained in electronic form by NRC staff, but not accessible to licensing participants or the public. As part of its planning for the court-ordered restart of the proceeding, NRC has indicated that the LSN documents will be loaded onto NRC's regular document system (ADAMS).

5.1.3 Independent Studies

In addition to the technical reviews of the 2015 Draft Supplement, the Agency's volcanism expert continued work in the areas of volcanism and the potential for renewed volcanic activity at Yucca Mountain. This includes field work, such as sample collection and mapping, laboratory analysis, and age-dating of zircons (minerals containing trace amounts of uranium and thorium) found in the collected samples. Field work in the Greenwater Range and laboratory analyses of samples collected were continued during this time period. Further field work and analyses will be performed in these areas. Results from some of the laboratory analyses have been received and are being evaluated. Other laboratory results are pending.

5.1.4 Quality Assurance Oversight

All QA audits have ceased at this time because DOE is no longer conducting site characterization work at Yucca Mountain

5.1.5 On-site Monitoring

Because the Yucca Mountain site has been shut down, no on-site monitoring activities were ongoing during the period.

5.2 Planning Division Activities

5.2.1 Transportation and NEPA Licensing Contentions

Sixteen of Nevada's licensing contentions admitted for adjudication in the NRC's Yucca Mountain licensing proceeding involve nuclear waste transportation issues and/or directly challenge DOE's failure to comply with the requirements of the National Environmental Policy Act (NEPA) in the numerous areas, including impacts of transportation sabotage and severe accidents; impacts of rail access and rail line construction and operations; impacts of routine radiation exposures; impacts of DOE's proposed Transportation, Aging and Disposal (TAD) containers (a crucial component in DOE's license application); and impacts of the HLW shipping routes used for analysis in the Yucca Mountain EIS.

Agency technical experts and researchers continued during the reporting period to provide support for the state's Yucca Mountain licensing contentions dealing with spent nuclear fuel and high-level radioactive waste transportation and environmental issues, identify potential new contentions based on new information that has become available since the NRC's licensing proceeding was suspended in 2010, and prepare for expert testimony and depositions in anticipation of the resumption of the adjudicatory hearing process.

Work during the reporting period included the following:

- Costs and impacts of a repository at Yucca Mountain in comparison to other potential repository locations;
- Emergency management and response impacts for local, state and tribal entities along potential SNF/HLW shipping routes in Nevada;
- Update on impacts associated with the construction and operation of the proposed Caliente rail corridor for shipments of SNF and HLW to Yucca Mountain;
- Research into the relationship of hazardous materials transportation (i.e., petroleum, other hazardous chemicals, etc.) within the Las Vegas Valley to potential HLW/SNF shipments associated with a Yucca Mountain repository and potential cumulative impacts;
- Review of rail safety and rail shipping regulations pertaining to prospective Yucca Mountain nuclear waste shipments;
- Updates on information regarding potential impacts of SNF and HLW shipments in the Las Vegas area on tourism, gaming, commercial development, and real estate;
- Updating estimates of key radionuclides in transport cask inventories;
- Impacts of accidents involving long-duration, high-temperature fires for proposed rail and truck shipments of spent nuclear fuel and high-level radioactive waste in the Las Vegas Area;

In May 2016, NRC staff released the Final Supplement to DOE's Yucca Mountain environmental impact statement addressing groundwater impacts from the proposed Yucca Mountain facility. The Agency had previously prepared extensive comments on the NRC's draft EIS supplement. Those comments are available on the web at:

http://www.state.nv.us/nucwaste/news2015/pdf/nv151120eis_comments.pdf .

5.2.2 Preparations and oversight for transuranic waste shipments within Nevada

The Agency continued to work with other Nevada state agencies to prepare for future transuranic waste shipments originating in northern California and destined for the Idaho National Laboratory (INL) via Interstate 80 through northern Nevada.⁷ This program that has been ongoing in Nevada

⁷ This project is funded by – and operated in close cooperation with – the Western Governors Association (WGA). The funds received by Nevada from WGA are part of a larger, regional program whereby WGA receives funds from DOE to implement a comprehensive regional program aimed at preparing states and local communities for transuranic waste shipments through their jurisdictions and assuring that such shipments are implemented in a safe and routine manner. Working with the states, WGA has developed a system of transportation protocols that cover all aspects of the transuranic waste shipping campaign. WGA passes funds on to affected states to implement the transportation program.

since 2000 and has resulted in the safe and routine removal of transuranic waste formerly stored at NNSS to both the Waste Isolation Pilot Plant (WIPP)⁸ facility in New Mexico and to INL.

Due to a radioactive contamination accident three years ago at DOE's geologic repository for transuranic waste in Carlsbad, NM, all waste shipments to WIPP have been suspended nationally. Shipments to WIPP are expected to resume sometime after the fall of 2016, but it remains uncertain when shipments from the California generator sites along Interstate 80 could begin. Work undertaken by the Agency and the other state of Nevada agencies consequently involves maintaining preparedness for managing future shipments and responding effectively to any incidents involving such shipment.

Specific activities in Nevada are governed by a Governor's policy directive issued to affected agencies in May 2000. The Agency for Nuclear Projects is identified as the lead coordinating agency, while various other state agencies are instructed to undertake specific activities with respect to transuranic waste shipments in Nevada. These activities include: training and equipping state and local emergency response personnel along prospective shipping routes (Nevada Division of Emergency Management); inspecting all shipments and escorting them while they are in Nevada (Nevada Highway Patrol); providing expertise and technical assistance with respect to radiological inspections and emergency response (Nevada Division of Public and Behavioral Health, Radiation Control Program); and providing support for highway route analyses and routine highway safety with regard to the shipments (Nevada Department of Transportation). Funding for this program is provided through an agreement between the Agency (on behalf of the State of Nevada) and WGA and is passed through to the other state agencies to enable them to carry out their responsibilities.

5.2.3 Information Provision and Coordination

In its December 2014 Report, the Nevada Commission on Nuclear Projects directed the Agency to prepare a series of white papers on various aspects of the NRC's Yucca Mountain licensing proceeding and related issues. Agency staff and contractors continued work on these white papers during this reporting period and expect to complete this work by fall 2016.

The Agency maintains a comprehensive website containing information on Yucca Mountain, the NRC licensing process and related information, nuclear issues in general, and links to other relevant information sources. The web page is a cost-effective mechanism for providing information to a wide audience efficiently and accurately. The web page is available at: <http://www.state.nv.us/nucwaste/>.

The Agency continues to maintain a database of reports and materials supporting the state's NRC licensing contentions and licensing intervention activities in anticipation of the possible resumption of the adjudicatory hearings in FY 2017. The database consists of almost 6,000 documents comprised of close to 200,000 pages. The Agency has also acquired the electronic

⁸ WIPP, located in Carlsbad, NM, is a repository for disposal of defense transuranic waste. Transuranic waste is essentially lower-level radioactive and mixed hazardous/radioactive waste that has been contaminated with low levels of plutonium or other very long-lived radioisotopes that require long-term isolation from the environment.

version of DOE's entire LSN⁹ collection, comprising several million pages of document materials so as to be prepared for any resumption of licensing in the future. In the event NRC does not or cannot re-establish the comprehensive Licensing Support Network (or some other form of retrievable database for all parties' licensing materials), the Agency hopes to be able to convert this extensive DOE database into a more readily searchable format and identify how best to provide useful access to this information.

6.0 DESCRIPTION OF THE AGENCY'S CONTRACTS DURING THE PERIOD

A description of all contracts in place during the reporting period is included as Attachment I of this report.

7.0 STATUS OF ANY LITIGATION RELATING TO THE MISSION OF THE AGENCY AND TO WHICH THE STATE OF NEVADA IS A PARTY (January 1, 2016 – June 30, 2016)

FEDERAL DISTRICT COURT IN NEVADA, U.S. COURTS OF APPEALS,
AND STATE DISTRICT COURT IN TONOPAH

(1) *United States v. State Engineer* (5th Judicial District Court, Nye County, No. 15722). Filed by the United States on behalf of the U.S. Department of Energy (DOE) following the State Engineer's denial of its applications for permanent water rights to construct and operate the proposed Yucca Mountain repository. This case was filed as a protective measure while the United States pursues its constitutional claims in the main water litigation in federal court (See below). The case remains pending.

(2) *United States v. State of Nevada* (U.S. District Court, No. CV-S-00-0168-DWH-LRL). The United States' challenge of the Nevada State Engineer's decision determining that the United States Department of Energy (DOE) is not entitled to permanent water rights to construct and operate the proposed repository based on the State Engineer's finding that the proposed use threatens to be detrimental to the public interest. DOE has curtailed its minimal water use and has publically announced that the proposed Yucca Mountain High-Level Nuclear Waste repository is unworkable. Due largely to efforts by U.S. Senator Harry Reid, funding for Yucca Mountain has been blocked. The litigation remains pending.

(3) *Nevada v. United States Environmental Protection Agency (EPA)* (U.S. Court of Appeals for the District of Columbia Circuit, No. 08-1327). Nevada filed suit on October 10, 2008 against EPA, challenging the revised EPA radiation standard for the proposed Yucca Mountain repository. On January 7, 2009, the Court issued an initial scheduling order. An unopposed motion was

⁹ The NRC's Licensing Support Network (LSN) was a comprehensive, web-based database containing several million pages of documentary material from all parties to the Yucca Mountain licensing proceeding. When the proceeding was suspended in 2010, NRC discontinued the LSN for lack of funding, and the system remains unavailable. NRC is in the process of converting LSN documents and materials for uploading on the standard, searchable NRC database known as ADAMS (see footnote 2 above).

submitted to the Court to extend the briefing schedule, which allowed the State to file its opening brief on March 15, 2010. Because DOE moved to withdraw its license application and has proceeded to terminate the Yucca Mountain Project and Congress has zeroed out funding for the Yucca Mountain project, this litigation is being held in abeyance pending resolution of the termination question. In the event the adjudicatory portion of U.S. Nuclear Regulatory Commission (NRC) licensing proceeding resumes, a restart of this litigation may be considered. Quarterly status reports continue to be filed with the Court.

(4) *Nevada v. United States Nuclear Regulatory Commission (NRC)* (U.S. Court of Appeals for the District of Columbia Circuit, No. 09- 1133) Nevada filed a petition for judicial review of the NRC's Licensing Rule for the proposed Yucca Mountain repository on May 8, 2009. Motions to govern procedural matters were filed August 31, 2009 and a request to the Court for tandem consideration of this case and the EPA case was filed also. Dispositive motions and the NRC index to the record were filed September 29, 2009. The case is pending. Similarly to the case above, this litigation is being held in abeyance pending resolution of whether the Yucca Mountain project can be terminated. In the event the adjudicatory portion of the NRC licensing proceeding resumes, a restart of this litigation may be considered. Quarterly status reports continue to be filed with the Court.

(5) *Nevada v. United States Department of Energy* (9th Circuit 09-71015). This case challenges DOE's selection of the Caliente rail corridor and currently is being held in abeyance pending confirmation of the project's termination.

PENDING ADMINISTRATIVE PETITIONS

1. On June 29, 2010, the Atomic Safety and Licensing Board (also known as the Construction Authorization Board or "CAB") issued an Order which, among other things, denied DOE's motion to withdraw its Yucca Mountain license application. The matter was appealed to the full NRC. In September 2011, NRC formally acknowledged that it was not able to reach a decision on the appeal due to a 2-2 split among commissioners (with one member of the Commission recusing himself). The result is that the licensing board's denial of DOE's motion to withdraw the license application stands.

2. *Petition for Rulemaking with NRC (filed April 8, 2005 PRM- -51-9)*: seeks to revise NRC's standards for reviewing and litigating National Environmental Policy Act (NEPA) issues discussed in DOE's Environmental Impact Statement (EIS) for Yucca Mountain to clearly conform to the decision in *NEI v. EPA*, 373 F.3d 1251 (D.C. Cir. 2004). The petition was published for comment on August 12, 2005, and the comment period expired on October 26, 2005. No further action has been taken by NRC.

3. *Petition for Rulemaking with NRC (filed December 22, 2006 and supplemented on January 23, 2007 PRM 63-2)*: addresses the critical issue of DOE's proposed "aging pad" for commercial

spent fuel at Yucca Mountain. The petition has not yet been noticed for comment in the Federal Register despite Nevada's requests that it be published. The petition is still pending.

4. *Petition for Rulemaking (filed June 19, 2007)*: Petition for rulemaking asking NRC to fill in a gap in its Rules of Practice by specifying issues for consideration in the "mandatory hearing" on the prospective Yucca Mountain construction authorization application. The petition has been docketed but no other action has been taken. The petition was noticed for public comment on August 29, 2007 and the comment period closed November 13, 2007. The matter remains pending.

ATTACHMENT I
DESCRIPTION OF AGENCY CONTRACTS

January 1, 2016 – June 30, 2016

INTRODUCTION

The following contracts constitute Agency for Nuclear Projects' contracts in place during the reporting period:

DESCRIPTION OF CONTRACTS: 1/1/16 – 6/30/16

CONTRACTOR:

Egan, Fitzpatrick, Malsch & Lawrence¹⁰
12500 San Pedro Avenue, Suite 555
San Antonio, Texas 78216

COMPENSATION:

Total Compensation: \$ 202,138.88

NARRATIVE:

This is a tripartite agreement between the Agency, the Attorney General, and the contractor whereby the contractor serves as special counsel to the State to represent the State before the Nuclear Regulatory Commission on issues related to the U.S. Department of Energy's license application for the proposed Yucca Mountain repository and in litigation arising under the Nuclear Waste Policy Act where the Attorney General and the Agency mutually agree such services are beneficial for the State.

**NEED FOR CONTRACT/CONTRIBUTION TO THE
AGENCY'S MISSION**

This contract is essential to furthering the Agency's mission to assure that Nevada's interests are protected with regard to the federal high-level nuclear waste program. It provides for essential representation before the NRC and the NRC licensing process for a repository.

STATUS:

Contract was extended through 9/30/2017

¹⁰ This is a three-party contract wherein the Agency and the Attorney General's Office jointly manage the contract and contribute toward paying expenses.

CONTRACTOR:

Nevada Division of Emergency Management
Capitol Complex
Carson City, NV 89710

COMPENSATION:

Total Compensation: \$ 41,158.22

NARRATIVE:

Contract provides for DEM review, monitoring, and assessment of emergency preparedness, public safety and other issues arising in the context of the transportation of transuranic waste from the Nevada Nuclear Security Site to the Waste Isolation Pilot Plant facility in New Mexico. Funds for this agreement are provided through a grant from the Western Governors' Association. This is an interagency agreement that is implemented by means of specific tasks/work plans.

**NEED FOR CONTRACT/CONTRIBUTION TO THE
AGENCY'S MISSION**

The Agency is required by statute to coordinate activities with other State agencies affected by the federal HLW program. This contract provides for the participation of a key State agency that will be significantly impacted by HLW transportation should the Yucca Mountain project go forward.

STATUS:

This is an ongoing interagency agreement. DEM will participate in emergency response/preparedness planning and development of training needs assessments and costs estimates as funding permits.

CONTRACTOR:

Nevada Division of Public and Behavioral Health
Radiation Control Program
Capitol Complex
Carson City, NV 89710

COMPENSATION:

Total Compensation: \$ 35,838.96

NARRATIVE:

Contract provides for the State Health Division's Radiological Health Section (Rad. Health) to plan for, train, and implement required oversight and inspection activities to meet the requirements of public health and safety with respect to the transportation of transuranic waste from the Nevada Nuclear Security Site to the Waste Isolation Pilot Plant facility in New Mexico. Funds for this agreement are provided through a grant from the Western Governors' Association.

NEED FOR CONTRACT/CONTRIBUTION TO THE AGENCY'S MISSION

The objective of this contract is to provide the State of Nevada with the capability to carry out activities needed to ensure the safe and uneventful transportation of transuranic waste within Nevada on its way from NNSS to WIPP. The Agency has been designated by the Governor as the lead State agency for policy and coordination of other State agencies. Rad. Health will need to be prepared to provide carry out radiological inspections, help train and equip local and state responders, and assist with other activities related to the WIPP shipments.

STATUS:

This is an ongoing interagency agreement. Rad. Health will participate in preparedness planning, training, exercises, and implementation activities as funding permits.

CONTRACTOR:

Nevada Department of Public Safety
Highway Patrol Division
Capitol Complex
Carson City, NV 89710

COMPENSATION:

Total Compensation: \$ 17,701.35

NARRATIVE:

Contract provides for NHP to plan for, train, and implement required safety activities to meet the requirements of public safety with respect to the transportation of transuranic waste from the Nevada Nuclear Security Site to the Waste Isolation Pilot Plant facility in New Mexico. Funds for this agreement are provided through a grant from the Western Governors' Association.

NEED FOR CONTRACT/CONTRIBUTION TO THE AGENCY'S MISSION

The objective of this contract is to provide the State of Nevada with the capability to carry out activities needed to ensure the safe and uneventful transportation of transuranic waste within Nevada on its way from NNSS to WIPP. The Agency has been designated by the Governor as the lead State agency for policy and coordination of other State agencies. NHP will need to be prepared to provide shipment escorts, serve as potential first responders for accidents, monitor real time tracking for the shipments, and carry out the vehicle aspects of point-of-origin inspections.

STATUS:

This is an ongoing interagency agreement. NHP will participate in preparedness planning, training, exercises, and implementation activities as funding permits.

CONTRACTOR:

Nevada Department of Transportation
1263 Stewart Street
Carson City, Nevada 89701

COMPENSATION:

Total Compensation: \$ 0

NARRATIVE:

This is one of a series of interagency agreements with State agencies that are potentially affected by, or that have responsibilities with respect to, shipment of transuranic waste from the Nevada National Security Site to the Waste Isolation Pilot Plant in New Mexico. The Agreement provides for reviewing and evaluating highway conditions along the proposed shipping route and participating in planning and operational activities related to these shipments. Funds for this agreement are provided through a grant from the Western Governors' Association.

**NEED FOR CONTRACT/CONTRIBUTION TO THE
AGENCY'S MISSION**

The objective of this contract is to provide the State of Nevada with the capability to carry out activities needed to ensure the safe and uneventful transportation of transuranic waste within Nevada on its way from NNSS to WIPP. The Agency has been designated by the Governor as the lead State agency for policy and coordination of other State agencies. NDOT will need to be prepared to assist NDEM and NHP as necessary to assure safe and uneventful shipments.

STATUS:

This is an ongoing interagency agreement. NDOT will participate in preparedness planning, training, exercises, and implementation activities as funding permits.

CONTRACTOR:

Strolin Consulting, LLC
2559 Nye Drive
Minden, NV 89423

COMPENSATION:

Total Compensation: \$ 32,790.00

NARRATIVE:

Contract provides for services necessary for implementing the Agency's mission in light of reductions in staff and the continuing requirements for oversight of the proposed Yucca Mountain high-level nuclear waste program and the NRC licensing proceeding; for work related to the Agency's obligations with respect to transuranic and low-level radioactive waste shipments within Nevada; for work associated with the Agency's responsibilities

under the Agreement-in-Principle (AIP) between the State of Nevada and the US Department of Energy/NNSA/Nevada Site Office; and for other services required for the effective operations of the Agency.

NEED FOR CONTRACT/CONTRIBUTION TO THE AGENCY'S MISSION

Due to budget reductions, it was not possible to fund the Planning Division Administrator position beginning with the FY 2010 - 2011 biennium. Strolin Consulting assists the Agency on a part-time basis to assure that important Planning Division work can continue. Contractor has unique qualifications, knowledge and experience as a result of the principal's long tenure with the Agency and intimate involvement with the Yucca Mountain program and other nuclear waste issues/activities in Nevada. The Agency is at a crucial stage with respect to Yucca Mountain program, the ongoing Nuclear Regulatory licensing proceeding, and waste transportation involving planning and oversight of spent fuel, high-level waste, low-level waste, and transuranic waste affecting Nevada. Providing for the services of the contractor at this crucial time is essential to the effective functioning of the Agency.

STATUS:

Contract runs through 12/31/16.

CONTRACTOR

Urban Environmental Research, LLC
2850 W. Horizon Ridge Parkway, Suite 200
Henderson, NV 89052

COMPENSATION:

Total Compensation: \$ 116,166.88

NARRATIVE:

The work to be accomplished under this contract involves the implementation of studies and activities in support of important transportation contentions in the NRC's Yucca Mountain licensing proceeding and specific studies, reports, etc. addressing impacts that would be associated with the location and operation of a HLW repository at Yucca Mountain, including impacts from the transportation of spent nuclear fuel and HLW to such a facility.

NEED FOR CONTRACT/CONTRIBUTION TO THE AGENCY'S MISSION

In July 2002, the U.S. Congress voted to uphold the decision by the Energy Department (DOE) and the President to select Yucca Mountain in southern Nevada as the potential location for the nation's first high-level nuclear waste repository. Nevada is presently challenging the project in NRC's licensing proceeding. The work under this contract involves specific and focused studies and reports by subject-matter experts in

environmental and transportation area in support of contentions or challenges the State is pursuing in the context of the NRC's licensing proceeding. Other work includes maintaining/updating baseline information; monitoring selected socioeconomic impacts identified in the Agency's Yucca Mountain Impact Report that would be associated with the location and operation of a HLW repository at Yucca Mountain, including impacts from the transportation of spent nuclear fuel and HLW to such a facility in Nevada and nationally; and carrying out additional research and/or data collection that is necessary to provide support for legal cases involving certain aspects of the Yucca Mountain program and for the State's activities associated with NRC's licensing proceedings.

STATUS:

Contract runs through 12/31/17.

ATTACHMENT II

**LETTER FROM GOVERNOR SANDOVAL
TO THE U.S. HOUSE OF REPRESENTATIVES
SUBCOMMITTEE ON ENVIRONMENT AND THE ECONOMY
July 7, 2016**

ONE HUNDRED ONE NORTH CARSON STREET
CARSON CITY, NEVADA 89701
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555 EAST WASHINGTON AVENUE, SUITE 5100
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Office of the Governor

July 7, 2016

The Honorable John Shimkus
Chairman, Subcommittee on Environment
and the Economy
Committee on Energy and Commerce
2125 Rayburn House Office Building
U.S. House of Representatives
Washington, DC 20515

The Honorable Paul Tonko
Ranking Member, Subcommittee on
Environment and the Economy
Committee on Energy and Commerce
2125 Rayburn House Office Building
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Shimkus and Ranking Member Tonko:

As your subcommittee meets today to discuss the future of high-level nuclear waste storage in the United States, I write to reiterate the unchanged position of the State of Nevada on the proposed Yucca Mountain Nuclear Waste Repository.

My position, and that of the State of Nevada, remains unchanged from my previous letters to this committee in May 2015, and January 2016: **the State of Nevada opposes the project based on scientific, technical and legal merits.** Furthermore, as set forth in the Nuclear Waste Policy Act of 1982, only the Governor is empowered to consult on matters related to the siting of a nuclear waste repository.

As the committee knows, Nevada is host to two U.S. Air Force bases, a U.S. Naval Base, a U.S. Army Depot, the Nevada Nuclear Security Site (NNSS), and the Nevada Test and Training Range - a total federal land withdrawal roughly the size of the State of Connecticut. Nevada is proud of these contributions to national defense and security.

Furthermore, it is important to remember Nevada has made historical contributions to nuclear energy as the host state for 928 nuclear tests -- 100 of which were conducted above ground. As a result of this testing, the federal government has paid \$1.9 billion over the past 25 years to affected residents of Nevada and individuals from neighboring states who were exposed to dangerous levels of radioactive material.

Nevadans also believe our relationship with the federal government should be one where the state is seen as a valued partner; an ideal that often is not realized. The proposed siting of a national nuclear waste repository in Nevada provides a vivid example of the failure of this partnership when, in 1987, Congress substituted politics for science to amend the Nuclear Waste Policy Act to limit the repository options to one state: Nevada.

As you meet to consider these issues, I would suggest your attention be directed to bipartisan efforts in Congress to pursuing a long-term sustainable solution for the nation's nuclear waste through a consent-based process. If such a process had been embraced by the Congress when my predecessor, Governor Kenny Guinn, vetoed the selection of Yucca Mountain 14 years ago, we might today be closer to a long-term solution for the nation's spent nuclear fuel.

Sincere regards,

A handwritten signature in black ink, appearing to read "B. Sandoval", with a stylized, cursive script.

BRIAN SANDOVAL
Governor