



Yucca Mountain News

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Yucca Mountain Team May Have to Stop Using State Water

The Department of Energy continues to use the state's water for drilling at the planned Yucca Mountain nuclear waste site while State Engineer Tracy Taylor contemplates resuming his order to halt the practice, a federal spokesman said.

partment permission to use Nevada water for drilling bore holes to gather scientific data. Under a court-approved agreement, the Energy Department is only supposed to use the state's water for flushing toilets, fire suppression and dust control.

"He did lift the restriction," said Allen Benson, spokesman for the Energy Department's Office of Repository Development in Las Vegas. "Until he reinstates it, we will continue to abide by the federal district court order that we operate under."

The Energy Department does not have approval to use Nevada water for scientific investigation of the site, located 100 miles northwest of Las Vegas.

Meanwhile, Gov. Jim Gibbons has remained mum on the issue. The Review-Journal last week asked the governor's communication director about Gibbons' stance on the matter.

Bob Loux, Nevada's Nuclear Projects Agency chief and a critic of the Energy Department's effort at Yucca Mountain, has said the federal entity is using the water to cool drill bits and collect samples from what will be 80 bore holes by the time the effort is completed.

"The governor and his staff are looking into this issue and all of its potential ramifications," Communications Director Brent Boynton said.

Taylor issued a cease-and-desist order on June 1 against the Energy Department. But he also gave the agency a reprieve on his own order while federal officials submit the information he requested on the drilling program and the water use.

The samples are being gathered from deep below where the Energy Department wants to put surface facilities for handling and aging spent nuclear fuel. The samples are needed for a license application that the Energy Department intends to submit to the Nuclear Regulatory Commission by June 2008. *Source: Las Vegas Review Journal*

Taylor has said he never granted the Energy De-



Drilling bore holes for sampling of water table

Yucca Mountain is about 100 miles northwest of Las Vegas, Nevada, on land owned by the federal government.

No one lives on Yucca Mountain. - The area has a very dry climate — receiving a combined average of about 7.5 inches of precipitation per year. Approximately 95% of this total either runs off, evaporates, or is taken up by the desert vegetation.

Yucca Mountain has a very deep water table. If a repository is built at Yucca Mountain, it would be located about 1,000 feet below the surface and 1,000 feet above the water table. So any water that does not run off or evaporate at the surface would have to move down nearly 1,000 feet before reaching the repository and then another 1,000 feet before it reached the water table.

Here's What's New on Nuclear Energy in California:

Zip.

Zero

Zilch.

OK, that's a bit of an exaggeration. But only a bit. The Assembly has killed an effort to repeal the state's moratorium on new nuclear plants, and a bill to make it tougher for the current nukes to extend their life spans is still alive.

But 31 years after legislators and Gov. Jerry Brown imposed the ban, the prospects of nuclear expanding its role in the state's ongoing energy drama remain dim.

The 1976 moratorium requires the state Energy Commission to assure the Legislature that there's a good way to permanently and safely dispose of spent nuclear fuel, or to reprocess fuel rods, before any new plants can open in California.

In 1978 and again in 2005, the commission formally said ixnay. Another report is due to lawmakers and the gov in November. And judging from the tone at two days of commission hearings on the subject first week of July, the answer is almost certainly going to be the same: No new nukes even started in California for at least a decade.

Nuclear power already plays a sizeable supporting part in the state's ongoing energy drama, although that may be a surprise to people who figured nukes lost their glow about the time Three Mile Island had a melt-down in 1979.

Actually, California still gets about 15 percent of its electricity supply from nuclear plants.

"It's something of a backbone of energy production in the state," said Steven McClary, an energy consultant hired by the commission to help produce the November report. But the backbone is arthritic, crippled by a daunting burden of scientific debate, bureaucratic bungling and political intransigence.

The federal nuke waste storage facil-

ity at Yucca Mountain, Nev., which was supposed to open in 1998, won't even get an operating license before next year and won't open until 2017 at the very earliest.

A fair number of scientists say the site isn't safe. Nevada politicians -- notably U.S. Senate Majority Leader Harry Reid -- are adamantly opposed and may have the clout to cut much of the funding for Yucca Mountain, and there is an impression the U.S. Department of Energy couldn't organize a one-car funeral, let alone build a nuclear waste dump.

That's a marked departure from 25 years of federal opposition to commercial reprocessing because of fears the recycled fuel might be used to make nuclear weapons. But GNEP is still a very iffy proposition, and years, if not decades, away from having any real impact.

So, that leaves California with 2,437 metric tons of spent nuclear fuel within its borders, more than \$1 billion in California ratepayer money already spent on getting Yucca Mountain off the ground, so to speak, and no real prospect of turning nuclear plant waste into anything useful.

Of course other states face the same problems. But since they don't have 30-year-old moratoriums that discourage any substantive planning, about 20 nuclear plants are at least being looked at elsewhere in the country.

Maybe it's time to rethink California's 1976 ban. In the last year or so, we've turned down coal and rejected building a liquefied natural gas terminal off the coast. Renewable energy is only going to go so far in a

Court Won't Act on Challenge to Goshutes' Nuclear-Waste Permit

A federal appeals court declined to act on a challenge to a license that was granted for nuclear-waste storage in Utah's west desert.

Writing for a three-judge panel, Judge Merrick Garland said it would be inappropriate to act because it's uncertain whether the facility could ever be built.

The Skull Valley Band of Goshute Indians and a consortium of utilities last year won a license from the Nuclear Regulatory Commission to store 40,000 metric tons of spent nuclear fuel on the tribe's reservation, about 50 miles southwest of Salt Lake City.

The state and Utah's congressional delegation oppose the project. The Bureau of Land Management and the Bureau of Indian Affairs have effectively blocked it by denying access to the site.

The utility consortium, Private Fuel Storage LLC, has said it would take those federal agencies to court but hasn't so far, Garland said.

As a result, it is "too speculative" whether the appeals court would ever need to determine whether the NRC license is valid, he said.

The case was filed by some Goshute tribe members at the U.S. Court of Appeals for the District of Columbia Circuit. *Source: The Associated Press*

As for recycling waste, the draft report by consultant McClary's firm notes that the Bush administration last year proposed something called the Global Nuclear Energy Partnership (GNEP), which is supposed to find a way to recycle spent fuel.

state of 37 million.

And notwithstanding the merits of conservation, changing the kinds of light bulbs we use just isn't going to be enough to keep them lit up. *Source: By Steve Wiegand - Bee Columnist* ■

Nuke Director Sees Yucca Mtn. as Safe

Politicians can argue about whether the Yucca Mountain nuclear waste repository should be built, but Lewis Darrell Lacy Jr., newly appointed director of the Nye County Nuclear Waste Repository Office takes a pragmatic attitude to the issue.

“There’s a lot of expectation in most of the country that Yucca Mountain will move forward. I know there’s a lot of people in the State of Nevada that don’t like having it here. I don’t know if that really matters. I haven’t heard anyone mention another site,” Lacy said.

The transplant from Houston, who goes by Darrell, was selected over 15 applicants by Nye County Manager Ron Williams. County commissioners ratified his selection May 21.

Lacy was a former assistant county attorney for Harris County, Texas. He supervised engineers out of the Houston office of ERIN Engineering and Research, working on risk assessments, operations and maintenance on utility plants, including nuclear power plants.

While Lacy has experience in oil and gas, working for companies like Lyondell Petrochemical, he said the price of oil is going to keep going up, making nuclear power a more attractive option.

“I think that as a country in the world that nuclear energy is going to get more popular again. I mean the last 20, 30 years there hasn’t been much interest in nuclear because we had really cheap oil. But the cheap oil is behind us, I think,” Lacy said.

What to do with the nuclear waste has been described in trade publications as “the Achilles Heel” of the industry. Many people in the nuclear industry feel there needs to be a total life cycle look at nuclear power, which will include reprocessing, he said. That could extend the life of the Yucca Mountain nuclear waste repository, which may fill up quickly with the 70,000 tons of high-level radioactive material.

Commissioners recently deferred taking a stance on the Global Nuclear Energy Partnership until Lacy can make a recommendation. The GNEP is a plan to recycle nuclear waste at

The cost of raw uranium increased several fold over the last two years, making reprocessing nuclear waste look more attractive as well, Lacy said. He added, “I think there’s a strong chance that the materials going to Yucca Mountain will be economically viable for reprocessing.”

He added, “I think the state of Nevada and the folks in this area need to understand there’s quite a few other states that have nuclear power and nuclear waste and they all expect it to go here. If it does come here, our role is to try to make the best of it -- protect the citizens of Nye County by mitigating the impacts.”



Nye County - Route 6



Besides the transportation of nuclear waste, the construction of the project will mean a lot of trucks on area roads hauling construction material, he said. Some Nye County officials see the possibility of some positive economic spin-offs if the nuclear waste repository is built. “We have a much better chance of influencing that if we’re sitting

facilities on-site. One of the nuclear waste reprocessing technologies could generate electricity, Lacy said, but Yucca Mountain opponents at the state level and the Nevada congressional delegation don’t want county officials to support such a reprocessing plant at Yucca Mountain for fear it would spur on the project.

at the table, negotiating with them, than if we’re just sitting outside saying, **(continued on page 4)**

Nuke director (Continued)

(Continued from page 3)

'No, no, no.' We have a really great relationship with the DOE at this time. They understand that Nye County as the site county has some expectations," Lacy said. "They're currently paying considerable amounts of money to maintain this office as well as the PETT funds that go to Nye County."

The DOE recently closed down Yucca Mountain information offices in Beatty and Las Vegas, but maintains one on Postal Road in Pahrump.

A recent letter to the editor expressing concerns about the transportation of radioactive material through Pahrump indicates a need for more communication on the subject, Lacy said.

"The education and outreach is something I think that's important to us so the people of Nye County understand what the impacts might be," Lacy said.

"The problem is some people here think Yucca Mountain is open and accepting waste, and it's not. It's still a study, and scientific work is going on to ensure the safety and well-being of the people around it."

The DOE is expected to submit the license application for Yucca Mountain next summer, Lacy said. Much of the testing and scientific work by the DOE is over, and the actual repository site has undergone employee cutbacks, he said.

Nye County undertakes its own investigations of the project. Much of that work involves studies of the hydrology, trying to determine where leaking radioactive material might leak out and which direction it would go. Lacy's job includes oversight of the consultants.

"If the repository works as designed, there will never be anything get in the water table, much less migrate off-site. But is anything fail-safe when you start

looking at a million years down the road? That's what's tough," Lacy said.

He added, "I haven't seen anything today that tells me it's not safe. The scientists that we have on staff and working for me, none of them are too concerned either."

Tracer tests indicate the water flows are very slow, Lacy said. He noted the Nevada Test Site has been nearby for 50 years, actually putting radioactive material into the environment. Nothing has left the test site from those experiments, Lacy said.

"I think Chicago has more nuclear plants within a close distance than any other major city," Lacy said. "You go ask people in Chicago about nuclear power, they probably don't have any huge issues with it."

The water studies of Yucca Mountain will continue, the nuclear waste repository office will also continue monitoring Yucca Mountain as long as the project is operational, Lacy said.

"A lot of our concerns have already been listened to and incorporated but we will be making some comments for the license application. I'm sure the state will as well and any other interested parties."

Yucca Mountain has been called the most studied piece of real estate in the world. Nye County is also researching impacts from the influx of people and trucks, emergency response needs and other spin-offs from the project. "My job description doesn't include economic development but it does include trying to mitigate the impacts of what the repository will cause onto Nye County, and with those jobs coming here there are things that Nye County can do to best deal with them," Lacy said.

The Mina rail route, which would transport the nuclear waste south through western Nevada to Yucca Mountain, is now a non-preferred route due to opposition of the Walker River Paiute tribe. But Lacy said, "I don't think you could say it's totally off the table yet. "Once the decision is made to build (Yucca Mountain) I think there will be a lot of activity on the rail line because the DOE has expectations of using the rail line to bring in construction materials and assist with the build of the site," Lacy said.

The expectation is the license to construct could be issued in 2013, he said. The DOE doesn't appear to be totally averse to having the railroad used for multiple purposes, Lacy said.

"There's the potential for some benefits to Nye County if there is a rail line there," he said.

The nuclear waste director job has been vacant since Les Bradshaw resigned in March 2004, except for a period from February to May 2006 when Dale Hammermeister was in charge. Lacy said Dave Swanson did a good job running the office during the interim.

Lacy said of his new position: "It is a very steep learning curve, but I'm enjoying it." *Source: Idaho Statesman* ■

Developer Says Investors Will Loan \$3.5 Billion for Proposed Nuke Plant in Southwest Idaho

The Virginia company that wants to build a nuclear power plant in Southwest Idaho said Tuesday that it has lined up a \$3.5 billion loan commitment.

Alternate Energy Holdings Inc. said it received a letter of intent from Fairport, N.Y.-based Cobblestone Financial Group to finance the project.

Don Gillispie, president and CEO of Alternate Energy Holdings, said Cobblestone represents a group of international investors. He declined to identify them.

A spokesman at Cobblestone deferred all questions about the funding to Cobblestone President and CEO Lyndon Matteson, who the spokesman said was not available.

A letter of intent means the funding will be provided in stages as the company meets different milestones, Gillispie said.

“This is what happens with large loans,” Gillispie said. “The funding is all phased in when we need it.”

Continued funding, however, depends on the company achieving its milestones. A funding commitment doesn’t guarantee a project will be completed.

For example, Rick Peterson, the former developer of the failed Boise Tower project at Eighth and Main streets in Downtown Boise, said he, too, had secured a financing commitment, but the money — and the tower — never materialized.

Alternate Energy Holding won’t qualify for the first round of loans — \$100 mil-

lion — until it receives local approval for the project, a spokesman said.

The company needs a conditional-use permit from Owyhee County to change the zoning of the proposed site from agricultural to industrial. Gillispie said the company plans to submit the application this summer. The first \$100 million would be used to start the process of filing an application to the Nuclear Regulatory Commission for a combined operating and construction license.

If the company gains local approval, Gillispie said it could start the licensing process this fall. If everything goes as planned, he said the plant could be operating by the third quarter of 2015.

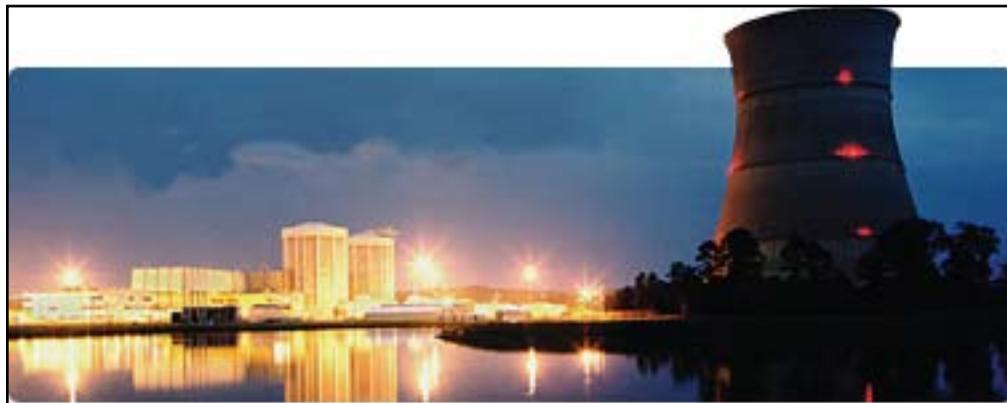
Gillispie said he believes he can build the 1,600 megawatt plant for about \$3

technology they will use, whether or not people in the region will allow it to come in. And where is the power going to go?”

Alternate Energy trades on an over-the-counter market called the Pink Sheets under the symbol AEHI.PK. That market is for companies that do not meet the financial requirements to trade on a larger exchange. Early July the stock closed at 50 cents a share, down 1 cent.

Gillispie said that the financing commitment arrived faster than he expected.

He credited a growing demand for nuclear power and a recognition that the leadership of his company has the experience to make the plant a reality.



The plant would be built on private land near C.J. Strike Reservoir and would include an ethanol plant. If completed, the Idaho plant would be the nation’s largest nuclear plant

billion, \$500 million less than Cobblestone committed.

Beatrice Brailsford, the program director for the Snake River Alliance, which has been critical of the company’s financial position and its proposal, said just having a letter of intent doesn’t guarantee the project will be completed.

“There are still so many serious questions to be answered and so many obstacles to overcome,” Brailsford said. “There are questions about the

and provide enough electricity to meet about two thirds of Idaho’s residential electricity needs.

Gillispie has consulted and helped build plants, and he worked for companies like Duke Energy and the Tennessee Valley Authority.

He is a former senior vice president of nuclear assessment programs with the Nuclear Management Co. in Hudson, Wis., which operates seven nuclear power plants. *Source: Idaho Statesman* ■

About the Yucca Mountain Project

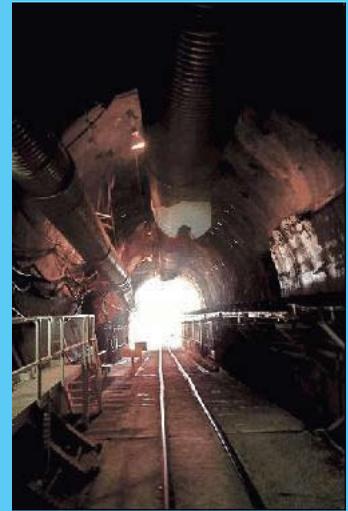
The Yucca Mountain Project is currently preparing a license application for the nation's first-ever repository for spent nuclear fuel and high-level radioactive waste.

For more than two decades, the Project conducted an extensive scientific effort to determine whether Yucca Mountain, Nevada is a suitable site for a deep underground facility called a repository. The purpose of a repository is to safely isolate highly radioactive nuclear waste for at least 10,000 years.

On July 9, 2002, the U.S. Senate cast the final legislative vote approving the development of a repository at Yucca Mountain.

Current plans call for submitting an application to obtain a license from the U.S. Nuclear Regulatory Commission no later than June 30, 2008.

Other key planning milestones are below:



Yucca Mountain Repository Schedule -July 19, 2006

Design for License Application Complete	30 November 2007
Licensing Support Network Certification	21 December 2007
Supplemental Environmental Impact Statement (EIS) Issued	30 May 2008
Final License Application Verifications Complete	30 May 2008
Final Rail Alignment EIS Issued	30 June 2008
License Application Submittal	30 June 2008
License Application Docketed by NRC	30 September 2008

Best-Achievable Repository Construction Schedule

Start Nevada Rail Construction	5 October 2009
Construction Authorization from NRC	30 September 2011
"Receive and Possess" License Application Submittal to NRC	29 March 2013
Rail Access In-Service	30 June 2014
Construction Complete for Initial Operations	30 March 2016
Start up and Pre-Op Testing Complete	31 December 2016
Begin Receipt	31 March 2017

The schedule above is based on factors within the control of DOE, appropriations consistent with optimum Project execution, issuance of an NRC Construction Authorization consistent with the three year period specified in the Nuclear Waste Policy Act, and the timely issuance by the NRC of a Receive and Possess license. This schedule also is dependent on the timely issuance of all necessary other authorizations and permits, the absence of litigation related delays and the enactment of pending legislation proposed by the Administration.

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