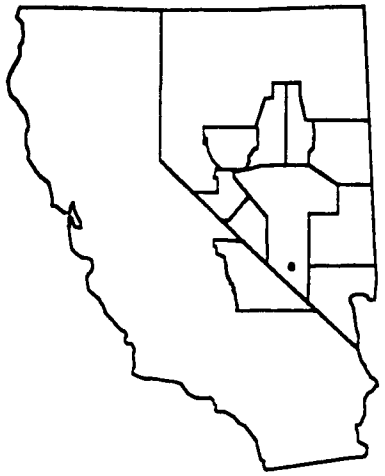
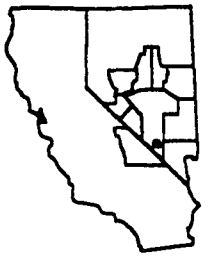


Affected Units of Local Government

Local Government Perspective on Privatized Transportation

Brad Mettam, Inyo County
Jim Williams, (PIC) Nye County
Russell di Bartolo, Clark County

Presented to the Nuclear Waste Technical Review Board
January 28, 1997



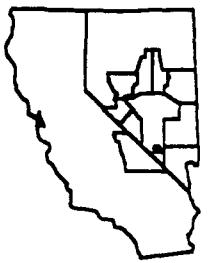
Privatization of Both Transportation Policy Decisions and Transportation Operations Will Not Work

- DOE's RFP leaves most major decisions in the hands of fixed price contractors without providing any policy direction

- Major transportation operations activities that require policy direction include:
  - interim storage options
  - mode & cask choices
  - routing
  - interactions with other levels of government

The Current Privatization Proposal:

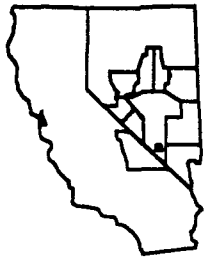
- Does not identify optimal interim storage/transportation strategy
- Does not allow the development of an efficient national routing plan
- Does not demonstrably minimize risk



Regionalization of Transportation Operations without Policy Development Means:

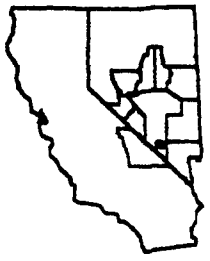
- Decisions will be made by fixed price contractors based solely upon minimum regulatory compliance and cost minimization

- Corridor states, counties, and local communities will be required to deal with up to four different RSAs, with different transportation programs, routing priorities, public communication programs, etc.



The Implementation Realities of a 40-Year National Transportation Campaign

- 80 originating counties, about 800 corridor counties (MPC base case)
- Local populace and elected officials exert influence at both state and federal levels
- Campaign must have acceptable answers to local concerns:
  - Why are you shipping it that way? (modal choice)
  - Why are you shipping it through our community? (route choice)
  - Is there a safer way?
- Local EM/ER community must consider itself trained, prepared



Other Programs and Shipping Campaigns Have Either Recognized this from the Outset, or Learned it as They Developed

Foreign Reactor Shipments

WIPP

Naval Reactor Fuel

Utility Shipping Campaigns

Cesium Shipments

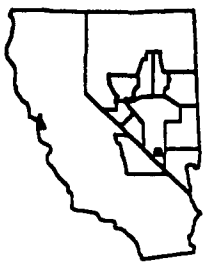
Key Lessons:

A negotiated decision process is more likely to engage stakeholders

Early route selection narrows the field of impacted parties and allows focused efforts

States and local jurisdictions know their own transportation systems best

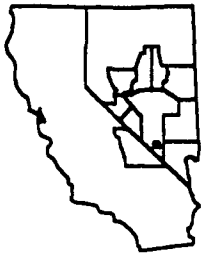
Perceived problems are still problems



DOE Must Develop a System that Demonstrably Reduces both Risk and Uncertainty

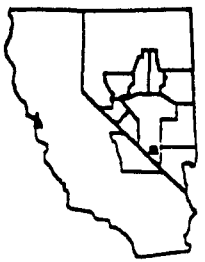
- Only a systems approach can address such transportation issues as:
  - Interim storage strategy (on-site & off)
  - Mode selection and modal mix
  - Reduction in number of shipments
  - National route selection, and potential route consolidation
  - Practical public safety protocols

- Key policy issues need to be resolved, with stakeholder involvement, **prior** to tasking a contractor with transportation operations responsibility



What Process Might Work?

- The process must answer certain key questions:
  - Have risks been minimized? Is there a better, safer way?
  - Why are you shipping this way? (modal, cask choices)
  - Why are you shipping on this schedule? (interim storage)
  - Why are you shipping through my community? (routing choices)
  - Have all interests been heard, considered?



Integrated Planning & Decision Process

- Information Basis - Interim Storage and Transportation (IS /TR)
  - Systems analysis & implications
  - Systems information sharing

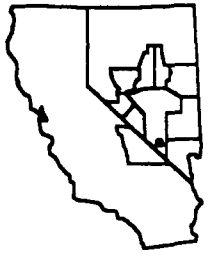
- Decision levels
  - 1. National Policy & Guidelines
  - 2. Sending Sites & Corridor Communities
  - 3. Host state corridor(s)
  - 4. Host State Corridor: situs & affected counties

IS/TR Systems Planning: Topics

- Cask loading limitations
- Site infrastructure limitations
- Interim storage options
- Shipment mode options
- Acceptance start date/pick up
- Acceptance rate & sequencing
- Shipment routing
- Route features of local concern

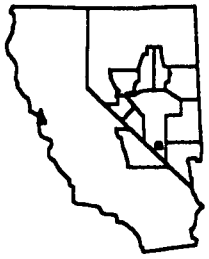
IS/TR Systems Planning: Implications

- Costs to Nuclear Waste Fund, individual rate bases
- Cost adjustment policies
- Transportation operations
- Emergency Preparedness (e.g.: 180(c))



IS/TR Systems Planning: Information Sharing

- Multiple scenarios: stakeholder defined
- All topics & implications
- Updated annually (major scenarios)
- Alternatives at stakeholder request
- Shared in hardcopy & electronic form
- Feedback incorporates local features into national information systems



Interim Storage/Transportation Decision Levels

- 1. National Policy & Guidelines
- 2. Sending Sites & Corridor Communities
- 3. Host state corridor(s)
- 4. Host State Corridor: situs & affected counties

The Process Requires a Convenor Who . . .

- Sets policy assumptions & variables
- Identifies & invites stakeholders
- Designs groundrules
- Identifies basic issues to be resolved
- Moves process among decision levels
- Oversees & ensures procedural fairness

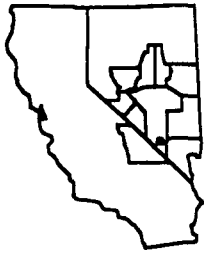
Each Sequential Decision Level Requires . . .

- A convenor
- Stakeholder negotiation
- Negotiation & decision groundrules
- Issues to be resolved ► agenda & schedule

Systems Planning/Decision Costs and Schedule

(from DOE/NWF, in thousands)

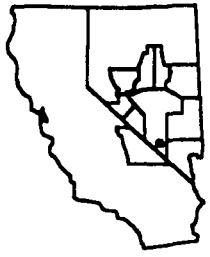
	1997		1998		1999		Total
	1st half	2nd half	1st half	2nd half	1st half	2nd half	
IS/TR Systems Analysis	200	300	200	200	200	150	1,250
1. National IS/TR Policy	250	1,000	500	500	0	0	2,000
2. Sending Site Guidelines	0	250	1,000	1,000	0	0	1,750
3. Host State Corridor	0	0	250	250	250	0	1,250
4. Corridor & Situs Counties	0	0	0	0	750	250	1,250
	450	1,550	1,950	1,950	1.200	400	7,500



Adversarial Planning/Decision Costs & Schedule

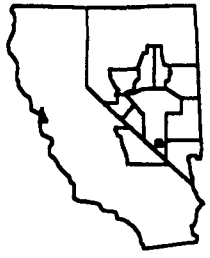
(from DOE/NWF in thousands)

Privatization Phase A (4 RSAs)		5,000
Interventions/Legal Challenges		
Utilities, State Commissions		50,000
Corridor States & Localities		50,000
Host State		10,000
Host State Localities		5,000
	Total	120,000
	Comparison (6.3%)	***7,500***



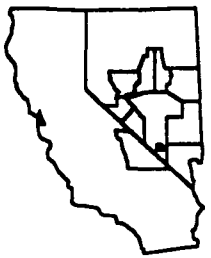
Potential Benefits of a Systems Planning/Decision Process

- DOE gets an efficient IS/TR system - spend NWF on steps that can work
- DOE gets a basis for a competitive privatized procurement process
- Utilities get a pick up commitment, the planning basis for on-site storage, loading and infrastructure investment
- Additional utility costs are recognized
  - after 1998
  - after reactor shut down



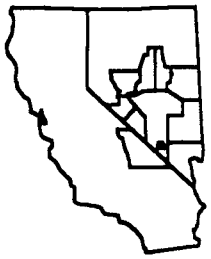
Potential Benefits of a Systems Planning/Decision Process

- Number of corridor states & communities minimized via national routing plan
- Corridor states & communities get answers:
  - Have risks been minimized?
  - Why use this mode?
  - Why use this route?
  - Why ship now?
- Corridor states & communities get minimized # of shipments
  - minimize truck vs. rail
  - truck in high-capacity casks



Potential Benefits of a Systems Planning/Decision Process

- Federal EM/ER investment effectively focused & coordinated
- Clear delineation of roles & responsibilities between governmental agencies at all levels, other stakeholders
- Corridor states & communities have an acceptable EM/ER planning basis
  - how many shipments
  - how much SNF
  - what routes
  - when



Potential Benefits of a Systems Planning/Decision Process

- Route features & conditions identified by corridor/host states & communities are incorporated into national transportation information system

- All parties develop a common frame of reference, data sets
  - (e.g.: routing. EM/ER)

- Affected local governments get a framework for local planning decisions