They Might Be Giants: 1 Wyoming’s NEW Corporation Casts Shadows on the Nuclear Waste Game

by Conrad L. Huygen

This is the second in a series of articles about nuclear waste in America. The first, published in Environs in December, 1994, concerned the Mescalero Apache of Southern New Mexico and their struggle with a private spent fuel facility.

Wyoming is one of those places that leaves us with a lasting impression even if we’ve never been there. Within her picture-frame borders America paints an image of a lone cowboy under a starry sky. In postcards from Yellowstone and Jackson Hole we search for a Western past that never quite existed. Beneath this allure lies the hidden reality of coal, oil, gas, and uranium. The Wyoming we don’t know is a resource colony of the United States’ energy industry. In the land Hemingway likened to Spain, 2 corporate conquistadors hoard mountains of mineral wealth.

Ralph Jones knows his state’s dual nature all too well. He worked in the rich “yellow cake” uranium deposits of Central Wyoming until the energy conquest moved on to cheaper sources of reactor fuel. Now retired, Mr. Jones serves as the mayor of Shoshoni, a small town of about 900 souls in the middle of both the state and a brewing controversy. 3 It is here that the enigmatic NEW Corporation wants to complete the uranium cycle by building a completely private nuclear waste facility. Nowhere in America are the ironies and errors of our nuclear waste policy more apparent than in this town on the banks of Poison Creek. (Please see Map.) A combination of consumer indifference, nuclear lobbying, and contradictory regulations may soon send highly radioactive waste to the lowest bidder.

Nuclear Waste for Beginners

Most of us don’t give electricity a second thought beyond vague notions of turbines, generators, and transmission lines. We know shockingly little about the sources of our silent addiction. The hard fact is that over 20 percent of US electricity has nuclear origins. 4 Have you ever wondered what happens to the 2000 tons of radioactive waste we produce each year in the course of fulfilling our energy fix? 5 (That’s in addition to the 30,000 tons already out there!) 6 It’s tough to take a step back from something we take for granted at the flick of a switch. Besides, the federal government will handle those pesky waste details, right?
Wrong. Think of the nuclear power industry as a 40 year old person who has never visited a restroom. Nuclear plants don't do much of anything with spent reactor fuel rods—waste simply piles up in pools of circulating water within each facility. Without additional storage space, utilities claim that half of the nation's 109 on-line reactors will have to shut down by 2010. Congress addressed this long-term storage concern when it enacted the Nuclear Waste Policy Act (NWPA) of 1982. Our government declared it would construct a permanent burial site by 1998 and thereby assume responsibility for the nation's high-level radioactive waste. Congress amended the act in 1987 to designate Yucca Mountain, 90 miles northwest of Las Vegas, as the repository's location. The only thing buried there, however, is nearly $2 billion of your tax money.

Yucca Mountain is a fiasco—it proves the politics of nuclear waste are based not on science, but merely appearances. The project's 1998 target date is unrelated to the time it takes to properly engineer and build a structure that must last "forever." The burial site will not be operational until 2010 at the earliest; new theories about Yucca may keep its doors from ever opening. Two physicists at the Los Alamos National Laboratory suggest that serious dangers may arise thousands of years after spent fuel has been buried. They claim that once the steel emplacement casks corrode and disintegrate, fissile matter will disperse into the site's volcanic rock and cause a chain-reaction nuclear explosion. Although it is widely criticized, scientists at the Department of Energy (DOE) believe this theory merits further examination. Moreover, no reason exists to rush through technical problems endemic to the siting process. When utilities claim that reactors must cease operations because their pools are full, they aren't telling the entire truth.

Independent Spent Fuel Storage Installation

Nuclear power plants can, in fact, construct additional on-site "dry" storage space under current federal regulations, 10 CFR Part 72. This type of augmentation is known as an Independent Spent Fuel Storage Installation (ISFSI). Unlike underwater stacking, dry storage involves older, less volatile fuel rods that can be air-cooled because they are "stable" at 400 degrees Fahrenheit. Basically, spent radioactive material, along with an anti-corrosive inert gas such as helium, is sealed in large concrete and metal canisters. These units are then placed on a concrete pad outside the reactor where technicians periodically monitor them.
In January 1995, the United States Court of Appeals for the Sixth Circuit quietly made the ISFSI process amazingly hassle-free. A three-judge panel gave the Nuclear Regulatory Commission (NRC) free reign to grant utilities permission to construct on-site storage upon request in *Kelley v. Selin.* The case revolved around Consumers Power Company's utilization of VSC-24 dry storage casks at its Palisades, Michigan, reactor. The several plaintiffs claimed that NRC allowed Consumers to set up its ISFSI without proper environmental assessments, adequate public hearings, or thoroughly tested canisters. The court determined that despite the plant's proximity to Lake Michigan's delicate dunes, NRC was well within its regulatory bounds under the National Environmental Policy Act (NEPA), NWPA, and 10 CFR Part 72 to license the facility. Quoting *Baltimore Gas & Elec. Co. v. Natural Resources Defense Council, Inc.,* the court stated, "When examining this kind of scientific determination, as opposed to simple findings of fact, a reviewing court must generally be at its most deferential."

Nuclear plants now have a judicial blessing to construct additional on-site storage whenever the need arises; seven reactor sites have already done so. NRC estimates ISFSI's can handle on-site storage for the next 100 years. So why are utilities still complaining? The same reason nuclear interests pushed Congress to take possession of their spent fuel by 1998 in the first place: MONEY. The collective cost of adding storage space at individual reactors like Palisades is about $4 billion more than the cost of a single, centralized waste facility. By having the government take radioactive waste off their hands after they've made a profit, utilities clearly want to have their "yellow cake" and eat it, too.

**Monitored Retrievable Storage and the Mescalero Maybe**

Congress, in an effort to comply with NWPA's nonsensical 1998 deadline, created the Office of the United States Nuclear Waste Negotiator (USNWN) in 1991 to find a host community for a Monitored Retrievable Storage (MRS) interim waste facility. As outlined in NWPA, MRS is 10-15,000 tons worth of "temporary" dry storage that is both federally owned and operated. Think of it as the government's version of a national ISFSI with the added steps of long-range transportation and spent fuel repackaging. The prospect of $25 million a year for up to forty years lured almost 30 tribes and a few municipalities to look into USNWN's proposal.

Issues of environmental racism aside, negotiations with the most serious candidate, the Mescalero Apache of New Mexico, did not go smoothly. By April 1994, the gutting of USNWN's grant program persuaded tribal leaders to negotiate directly with 33 interested utilities to build a "private" MRS. Earlier this year, the Mescaleros surprised industry pundits when they rejected the project in a 490 to 362 vote. This victory was short-lived, however, as the tribal council forced another referendum only six weeks later—one hundred additional voters mysteriously turned out to approve contract negotiations 593 to
The "Mescalero Maybe" is not the green light investors were looking for. To add insult to nuclear injury, budgetary constraints have forced USNWN to close its doors; the search for a voluntary federal MRS site is in a state of limbo. As 1998 approaches, nuclear interests now see new legislation as a way out of their $4 billion dilemma.

Ghost Writers

Utilities have managed to get several members of Congress to introduce a series of bills that will get spent fuel out of their collective hair as soon as possible. Luckily, legislators have also introduced legislation that would put the brakes on the nuclear machine—sort of. Here’s a sampling of the ideas lawmakers have come up with:

S 167 - Sen. J. Bennett Johnston (D-LA). The "Nuclear Waste Policy Act of 1995" would completely revise the current NWPA. Johnston’s bill requires DOE to accept waste "at the earliest practicable date" at an interim storage facility to be located near Yucca Mountain. It also guts the licensing process by not requiring safety-related collective dose limits, which the Natural Resources Defense Council calls "an absurdity."

HR 1020 - Reps. Fred Upton (R-MI) and Edolphous Towns (D-NY). The "Integrated Spent Nuclear Fuel Management Act of 1995" would require DOE to take waste title by 1998 at an interim Yucca Mountain site. The bill also allows utilities to sue for damages in the event such a facility does not open on time. According to the Nuclear Waste News, HR 1020 and S 167 were both written largely by the Nuclear Energy Institute (NEI)—the industry’s powerful lobbying arm.

S 443 - Sen. Rod Grams (R-MN). The "Electric Consumers and Environmental Protection Act of 1995" is much narrower in scope than S 167. It directs DOE to construct and operate an interim storage facility by 1998 without capacity restraints and before a permanent repository is sited.

HR 496 - Rep. Barbara Vucanovich (R-NV). The "Nuclear Waste Policy Reassessment Act of 1995" takes a completely different approach to the problem by slowing the entire process down. This bill would prohibit Yucca Mountain site-characterization studies for fiscal year 1996 through fiscal year 1998. During this time the National Academy of Sciences would recommend a scientific approach to repository siting, including multiple sitings.
S 473 - Sen. Paul Wellstone (D-MN). The "Nuclear Energy Policy Act of 1995" echoes this "not so fast" sentiment. It forbids construction of any new civilian nuclear reactor until a repository is available with enough capacity to handle all its foreseeable waste.\textsuperscript{33} Common sense is better late than never.

Responding to these various proposals, Secretary of Energy Hazel O'Leary made her position clear during testimony before the Senate Committee on Energy and Natural Resources:

The Nuclear Waste Policy Act does not preclude the building and operating of a spent nuclear fuel storage facility by a private party... the linkage between an interim storage facility and a [Yucca Mountain] repository has created an untenable position for this program. It is time to remove this linkage and allow the Department to move forward with interim storage... I would like the Congress to untie my hands on this issue.\textsuperscript{34}

Secretary O'Leary's comments nearly beg the private sector to do what she cannot. The timing may be just right for Wyoming's NEW Corporation.

\textbf{NEW Corporation}

Fremont County, Wyoming, is a veteran of the nuclear waste game. Its Association of Governments answered USNWN's call to voluntarily host an MRS facility—one of the few non-tribal entities to do so. In August 1992, however, then-Governor Mike Sullivan cut this endeavor short when he vetoed the project. Two months later, several of the same businessmen who were pushing for a federal MRS quietly incorporated their ideas into a private entity: the NEW Corporation.\textsuperscript{35}

In a company brochure, NEW Corp. calls its proposal a "competitive, grassroots, community based alternative to the Department of Energy's institutional model of an MRS."\textsuperscript{36} With the exception of waste repackaging, the facility would look and function just like an MRS, so what's the "alternative" language all about? (Or, as Shakespeare put it, "What's in a name?") Since only DOE can operate an MRS, NEW Corp. steers around this statutory pothole by calling their project an ISFSI under 10 CFR Part 72\textsuperscript{37}--the same authority used in Kelley to expand reactors' on-site storage. Robert Anderson, NEW Corp.'s CEO and a Riverton, Wyoming attorney, will tell you this regulatory stretching has been done before. General Electric licensed a wet-storage reprocessing plant during the 1970s under ISFSI regulations. This facility, located in Morris, Illinois, continues to store several hundred tons of spent fuel.\textsuperscript{38}
Legal niceties aside, NEW Corp. is well on its way to becoming a nuclear player. It leases (with an option to purchase) 2700 acres of ranch land a few miles east of Shoshoni that is serviced by both the Burlington Northern Railroad and State Highway 26. Most of the town and about half of Fremont County surprisingly favor the project, and at least one utility, Northern States Power of Minnesota (the ringleader of the Mescalero consortium), has expressed interest in the idea. Basically, NEW Corp. needs only to obtain an ISFSI license from NRC and win approval from the Wyoming Legislature and they’re literally in business. These two critical steps are not as difficult as they probably should be. NRC, for example, has never denied an ISFSI application in cases where a state has intervened in the licensing procedure. As for the Legislature, NEW Corp. has an inside track. Although no longer officially connected to the company, State Senator Bob Peck (R-Riverton) and State Representative Eli Bebout (R-Riverton) were both members of the original Board of Directors.

Earlier this year, Senator Peck was instrumental in watering down legislation that would have severely constrained any attempt to locate an ISFSI in the state. By limiting the funding necessary to conduct environmental studies and weakening the link between federal guidelines and private waste sites, Mr. Peck left enough of a crack in the statutory door for NEW Corp. to slip on in. Republican Governor Jim Geringer not only signed this compromise bill into law, he encouraged the Legislature to pass it. If actions speak louder than words, NEW Corp. has more support in Cheyenne than political statements alone would suggest.

They Might Be Giants

Stephanie Kessler is thoroughly familiar with NEW Corp.’s activities. As the Legislative Director for the Wyoming Outdoor Council (WOC), a grassroots environmental group, she was instrumental in bringing NEW Corp. out from under its shroud of privacy and into the public spotlight. In April 1994, WOC released information about NEW Corp.’s dealings to the Casper Star-Tribune that made waves throughout the state. Building upon the 1992 defeat of the federal MRS initiative, WOC is leading the effort to keep high-level radioactive waste out of Wyoming.

Ms. Kessler believes Mr. Anderson’s analogy to GE’s Morris plant is a poor one. She points out that this facility was licensed for the purposes of spent fuel reprocessing, not primary storage. When the Carter Administration abandoned this “recycling” concept (which actually produces more waste material) for security reasons, Morris became a de facto waste site in order to fulfill certain contract obligations. The tale of a similar plant in West Valley, New York, better illustrates the pitfalls of under-regulated off-site storage. The only US reprocessing facility ever to actually operate, that site is now an environmental mess that will cost nearly $500 million to clean up. West Valley makes a strong case for leaving off-site activities to the federal government. (For other reasons, please see Table on page 62.)

Although Wyoming’s recent radioactive waste storage bill mandates that an ISFSI “substantially” follow federal MRS guidelines, what this means in real life is anybody’s guess. Mr. Anderson, for example, estimates it may take up to 20,000 tons of spent fuel to make the venture profitable, depending on the circumstances. Is this an acceptable stretch beyond the
What's In a Name? 50

<table>
<thead>
<tr>
<th>ISFSI</th>
<th>MRS</th>
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<tbody>
<tr>
<td>No cap on the quantity of waste stored</td>
<td>15,000 ton limit on spent fuel</td>
</tr>
<tr>
<td>Not linked to the development of a</td>
<td>Directly linked to the permanent repository</td>
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<td>permanent repository</td>
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<tr>
<td>No specific benefit package for Shoshoni or the state</td>
<td>Mandates financial community compensation</td>
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<tr>
<td>Fuel liability a problem if NEW Corp. or a utility goes bankrupt</td>
<td>Federal government maintains all fuel liability</td>
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<tr>
<td>Lacks detailed long-range transportation guidelines</td>
<td>Includes a comprehensive transportation plan</td>
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<tr>
<td>Limited public involvement</td>
<td>Stipulates meaningful public input</td>
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<tr>
<td>Privately funded technical assessments</td>
<td>Federally funded in its entirety</td>
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MRS 15,000 ton limit? What about 25,000 tons? More importantly, once a site opens, Wyoming will not be able to control the flow of waste entering her borders. In 1980, Illinois enacted a law that would have kept spent fuel that originated in other states out of GE's Morris plant. The United States Court of Appeals for the Seventh Circuit struck down the statute in *Illinois v. GE.* 53

Citing every law student's favorite Constitutional provision, the court declared, "To pass laws that arbitrarily burden interstate commerce, by forbidding shipments merely because they originate out of state, violates the Commerce Clause." 54 It's good to know that peddling radioactive waste is protected by the paramount law of the land.

Ms. Kessler thinks the real danger for Wyoming is that NEW Corp. has paved the way for a larger, more financially capable interest to come in and construct a private nuclear waste facility. With its business-friendly Legislature and fledgling nuclear resistance movement, Wyoming is an inviting target (especially since Nevada has become increasingly sophisticated in resisting both permanent and interim storage efforts). WOC is trying to channel the 80 percent of voters outside of Fremont County who oppose interim storage into supporting a ballot initiative that bans private off-site nuclear waste facilities. 55 Even if such an effort is successful, it isn't clear whether the measure would stand up to the federal preemption doctrine.

What is "preemption?" "Preemption" is a statutory game of chicken that the states always lose. In the area of nuclear regulation, for example, the Atomic Energy Act of 1954 promulgated a system of dual regulation whereby the federal government maintains complete control of the "core" aspects of nuclear operations. The states, meanwhile, retain authority in such areas as land use, ratemaking and generating capacity. 56 In 1990, the United States Court of Appeals for the Ninth Circuit struck down a Nevada law that prohibited all high-level radioactive waste storage--the statute had crossed into federal turf and was therefore "preempted" by NWPA. 57 Since WOC's initiative involves only private facilities, whether it would preempted will be a close judicial call. Either way, time is of the essence: NEW Corp. will have begun conducting preliminary site evaluations as this goes to print... 58
Requiem

Remember Ralph Jones, Shoshoni's mayor? His experience with the nuclear cycle gives him a different perspective than that of his constituents, most of whom support NEW Corporation. He doesn't believe industry claims that standing next to a dry storage canister for an hour is the equivalent of a chest x-ray. Working with uranium taught him to be skeptical of such declarations—he knows the "harmless" radon gas endemic to mining "yellow cake" can cut down a life with lung cancer.\textsuperscript{59} Mr. Jones airs his skepticism about radioactive storage with true Western eloquence: "If those things are so safe, why doesn't everybody want one?"\textsuperscript{60} As Senators from states nowhere near the West chart her destiny, a lot of folks are asking themselves the very same question.

Perhaps a symbol of recent events, an earthquake measuring 5.4 on the Richter scale shook Southwestern Wyoming on February 3, 1995—the largest temblor ever recorded in the area. Strangely enough, few people took notice except for a couple of phone calls to the local police.\textsuperscript{61} The quake and the lack of interest it generated foreshadow the potentially devastating changes that will surely come to Wyoming if her citizens continue to ignore the events around them. It should also remind us all that the Earth moves to the beat of a drum we can never fully understand.

Soapbox

Nuclear fission is the epitome of modern hubris. We dared to unlock the incredible power of the atom without thinking about all it would entail. (Pandora would be so proud!) Even if all reactor operations were to stop when their licenses expire early next century, we'd still be stuck with 85,000 tons of high-level radioactive waste.\textsuperscript{62} Formulating a permanent solution to this problem should not be rushed at the speed of politics or business—such a policy will undoubtedly lead to a system that favors transferring tons of nuclear garbage to the lowest bidder.

There is an adequate interim response: on-site ISFSI dry storage. While a centralized facility would be more cost-efficient in some ways, on-site ISFSI avoids the hazards of long-range transportation and allows for customized site-specific storage. Developing canisters capable of weathering several decades of seasonal cycles should be our top priority. This will give scientists and bureaucrats the time it takes to figure out the best place and most effective technique for burying our waste.\textsuperscript{63} Perhaps NEW Corp. would consider focusing its efforts on this aspect of the game.
Please write or call the President, your Representative, and your Senators and urge them to take a stand against any legislation that recklessly expedites the siting process (e.g. S167, HR1020, S443). Tell them that while on-site dry storage is unacceptable for the long-term, it makes the most sense for the time being. Ask them to contain the messes we've already made before we blindly create new ones. Beg them to restructure rate schedules to encourage wind and solar alternatives. Most importantly, think about electricity consumption in its full context and kindly turn off the lights.

Good night.

Conrad L. Huygen is a IL at King Hall.

NOTES

1. This is not a reference to the popular musical group of the same name, nor is this article indicative of their views on the issue of nuclear waste storage.
2. Ernest Hemingway, Wine of Wyoming.
3. Telephone Interview with Ralph Jones, Mayor of Shoshoni, WY (Mar. 2, 1995).
8. O'Leary, supra note 4.
10. Id.
11. Smeloff, supra note 6, at Forum 1.
12. Id. at Forum 6.
15. 10 C.F.R. §§ 72.0 - .240.
16. Telephone Interview with Mary Olson, Staff Biologist, Nuclear Information & Resource Service (Apr. 6, 1995).
20. O'Leary, supra note 4.
27. Id. at 4.
31. O'Leary, supra note 4.
32. RBA, supra note 29.
33. Id.
34. O'Leary, supra note 4.
35. Telephone Interview with Stephanie Kessler, Legislative Director, Wyoming Outdoor Council (Mar. 9, 1995).
37. Id.
38. Telephone Interview with Dave Kraft, Director, Nuclear Energy Information Service (Apr. 6, 1995).
39. NEW Corp., supra note 36.
40. Interview with Jones, supra note 3.
43. Open Letter of Introduction from Robert Anderson, CEO, NEW Corporation (Mar. 11, 1993). The letter also stated, "Misters Peck and Behout have requested that should profits or income be available to them through their positions as directors and shareholders in NEW Corporation, that any such profits and income payable to them shall be gifted and donated to various county and state organizations and entities."
45. Interview with Kessler, supra note 35.
46. supra, note 1.
47. Interview with Kessler, supra note 35.
48. Interview with Kraft, supra note 38.
52. Telephone Interview with Robert Anderson, CEO, NEW Corporation (Mar. 31, 1995).
53. Illinois v. GE, 683 F.2d 206 (7th Cir. 1982).
54. Id. at 213 (emphasis added).
55. Interview with Kessler, supra note 35.
57. Nevada v. Watkins, 914 F.2d 1545 (9th Cir. 1990).
58. Interview with Anderson, supra note 52.
59. Testimony before the Senate on Federal Radon Policy (July 14, 1994) (statement of Dr. Geno Saccomanno, St. Mary's Hospital & Medical Center).
60. Interview with Jones, supra note 3.
62. O'Leary, supra note 4.
63. Interview with Olson, supra note 16.
64. Cf., Jim Ritter, Nuclear Regulators Scold Edison, Chicago Sun-Times, May 13, 1994, at 12. During a January, 1994 cold spell, a pipe burst and flooded the basement of a moth-balled reactor with 55,000 gallons of water (Dresden One, near Joliet, IL). Plant officials didn't know water was still in the pipe! Luckily, it wasn't part of storage pool circulation system, but this incident demonstrates that nuclear diligence is a full-time job.