

Summer, 2000

INSIDE LOOK

News about Private Fuel Storage, Tooele County, Utah



Artist's rendering of how the PFS Site will look from Skull Valley Road

PFS, Tooele County In Historic Agreement

Private Fuel Storage (PFS) and the Tooele County Commission in late May reached an agreement that could provide the county with more than \$200 million over the maximum 40 years that spent fuel could be stored on the Skull Valley Band of Goshute reservation.

Because the Skull Valley Band reservation is a sovereign nation, PFS was not bound to pay the county anything, but voluntarily chose to do so.

"Although our facility will be on the Reservation – a sovereign nation – we still want to be part of the larger business community, and to be a good corporate citizen," said Scott Northard, PFS Project Manager. "From the very beginning, when we began working with the Skull Valley Band of Goshutes, we and the Tribal leaders agreed that we should find a way to ensure that the County and its residents could benefit from the project. It was as important to the

Tribe as it was to PFS.

"This is a significant economic development opportunity for the area, with potentially hundreds of well paying, technical jobs and billions of dollars in economic development, including millions of dollars in direct fees paid to the County."

According to the agreement, which took years to negotiate, PFS will pay Tooele County \$500,000 a year in the place of property taxes, and up to \$3,250 per year for each canister of spent nuclear fuel rods that is stored at the facility after construction. There could be as many as 4,000 canisters stored at the site.

If the Nuclear Regulatory Commission (NRC) licenses the PFS temporary facility, Tooele County could receive a minimum of \$90 million, or more than \$200 million, over the life of the project. The total amount will depend on the amount of spent fuel and the length of time it is stored.

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NRC Hearings to Start in Mid-June

The Atomic Safety & Licensing Board (ASLB) will begin hearings in June on a number of contentions raised by the State of Utah and other interveners regarding Private Fuel Storage's application to store spent fuel on the Skull Valley Band of Goshute reservation in Tooele County. The hearings will be held at the Sheraton Salt Lake Center (formerly the Hilton Hotel) in Salt Lake City, beginning Monday, June 19 and are expected to last about two weeks.

The contentions to be discussed relate to construction and operating costs for the facility, on-site property insurance, PFS' ability to fight on-site fires, and the thermal design of the spent fuel casks. Many contentions have been dismissed over the past two years, leaving just a few to be heard.

While the hearings will generally be open to the public, some sessions may be closed due to the discussion of proprietary information.

However, the ASLB, a branch of the Nuclear Regulatory Commission (NRC), will hold sessions to hear limited appearance statements from the general public. The information presented at these special sessions will not be a part of the record or admitted in evidentiary hearings. But, the board of three judges can use the information to make suggestions to NRC staff members.

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Historic Agreement

Until the facility is built and spent fuel arrives, PFS will pay the County \$5,000 a month, which the County will then use for community education and infrastructure planning projects.

And there is much more to the PFS presence in Tooele County than the cash payments provided in the agreement.

PFS plans to hire and train local employees as much as possible. The consortium of utility companies will also work with Tooele and other Utah contractors as the project moves forward.

“Our employees will come from the area, and our suppliers will be from the surrounding area,” Northard said. “We will need law enforcement and emergency services support from the County. Remember, Tooele County, which reviewed our facility emergency plans, already has one of the most highly trained and sophisticated emergency planning organizations in the country. We have also been very impressed with the professionalism and dedication of the

Tooele County Sheriff’s Department as we have developed our security plans for the facility.”

For its part of the agreement, Tooele County will provide the project with basic services, and help PFS obtain any necessary permits, rights-of-way, and easements.

“It just makes good business sense to have a positive, mutually beneficial relationship with our neighbors, and to make sure everyone benefits from the success of the venture,” Northard said.

“What other economic development proposal is passive, releases no emissions into the air, water or ground, yet provides hundreds of jobs and billions of dollars in benefits to the community over its life?”

During the negotiation period, Tooele County Commissioners visited spent fuel storage facilities in other parts of the country to learn first hand about the technology and safety involved in storage.

Meet PFS Chairman, John Parkyn



John Parkyn

John Parkyn, Chairman of Private Fuel Storage, has been in the nuclear power business for more than 30 years and understands the nuclear waste policy steps and missteps that created the nuclear waste dilemma the country faces today.

“At the birth of the industry in the 1950s,” said Parkyn, “scientific experts, government policy makers, and the power industry agreed that reprocessing spent fuel made sense. After the reprocessed fuel is used again, the leftover waste is easier and safer to store. When the federal government prohibited reprocessing in the late 1970s, experts agreed the safest way to store spent nuclear fuel permanently is a deep, geological

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NRC Hearings

The public is welcome to participate in these sessions, which will be held:

■ Friday, June 23 from 1 to 4 p.m. and 7 to 9:30 p.m. at the Sheraton Salt Lake Center, formerly the Salt Lake Hilton, 150 W. 500 South;

■ Saturday, June 24 from 1 to 4 p.m. at the Sheraton, if there is enough interest;

■ Friday, June 30 from 1 to 4 p.m. and 7 to 9:30 p.m. at Tooele High School;

■ Saturday, July 1 from 1 to 4 p.m. at the High School, again if there is enough interest.

Learn more about the project

For more information about nuclear power, spent nuclear fuel and the storage of spent nuclear fuel, visit these web sites:

www.skullvalleygoshutes.org

or

www.privatefuelstorage.com

You may also call the PFS comment line:

1-888-701-8585

Or write to:

Private Fuel Storage

P.O. Box 1405

Salt Lake City, Utah 84110-1405

repository. The federal government has insisted on taking that responsibility. The fact that the government isn't ready puts all Americans at risk of losing the only practical, non-polluting form of electricity production."

That is why Parkyn is so passionate about creating a private, safe, clean and temporary facility to store spent nuclear fuel until the federal government is ready.

"Nuclear power, which currently provides 20 percent of our nation's electricity, is critical to the future of our country, especially in light of global warming and the need for a non-polluting energy source," Parkyn said.

In his role as Chairman of the PFS consortium, Parkyn leads the other utility representatives on the PFS Board through the long, thorough licensing process.

Already into the third year of what will most likely be about a four-year process, Parkyn says the process is very fair.

"It allows the opponents who have legitimate issues and concerns about human and environmental safety to research the issues, analyze scientific data, and then present their positions before an independent judicial panel. The process also allows PFS to present all the evidence that supports our position. Most importantly, the public can read most of the documents and observe most of the proceedings; only proprietary or security information is withheld."

Parkyn lives in Wisconsin with his wife and three children. In addition to his career in nuclear energy, he has served on the La Crosse School Board and on the Vernon County Board of Supervisors. He has also worked extensively in the Boy Scout and Girl Scout programs.

Not Your Average Storage Container!

The storage system PFS has proposed to use to contain the spent fuel rods at its Skull Valley facility received a Certificate of Compliance from the Nuclear Regulatory Commission in May. This means that it is designed and constructed to meet NRC regulations that ensure it will protect the public and workers from harmful levels of radiation in both normal and abnormal conditions.

As the licensing process for the PFS facility continues, PFS must show that specific characteristics of the PFS site and the planned use of the casks are within the scope of the Certificate of Compliance the NRC has granted to the casks.

Every step of the design and manufacturing of the storage containers emphasizes quality and safety.

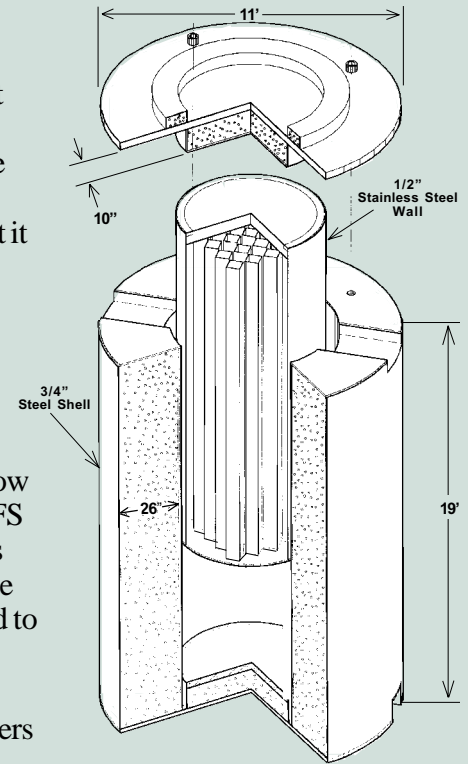
First, Holtec International, the company that designed the storage system that includes canister, transportation cask and storage cask, had to pass the scrutiny of the NRC and its expert consultants. The regulations are very specific about the design, fabrication, testing, inspection, and quality assurance processes to be used. In addition, Holtec showed through computer simulations and scale model testing how its system components would perform under both normal and abnormal circumstances, including earthquakes, fires, explosions, and transportation accidents.

The Holtec design is known as a "ventilated cask system" that has been previously licensed by other suppliers. Similar systems are in use at several U.S. power plants. The PFS system is an enhanced design that builds on the experience of the existing storage systems.

Second, Holtec closely supervises the manufacture of its canisters, which are currently built at U.S. Tool and Die's plant near Pittsburgh, PA. The plant must not only have the tools and equipment to do the job, it must also have the quality inspection equipment and processes in place to ensure the large steel vessels comply with American Society of Mechanical Engineers (ASME) codes and standards for vessels that will hold nuclear materials.

For the PFS project, Holtec will most likely establish a partnership with a manufacturer in Utah or establish its own manufacturing facility here. The facility must be equipped and managed to comply with the same rigorous standards of quality control.

Finally, Holtec has an active user group, made up of technical representatives from its client companies, which audits the manufacturing



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Storage Container

process and quality control systems. PFS members already participate in this group. Furthermore, the NRC periodically inspects fabrication facilities.

The diagram on the previous page shows the construction of the storage container and internal canister. The canister walls are made of 1/2-inch thick stainless steel. The inside of the canister is segmented by welded stainless steel dividers that hold the fuel assemblies safely in place. The top of the canister is 10 inches thick and welded in place at the power plant after the fuel is loaded inside. In the illustration, the canister is inside a storage cask overpack made of 26-inch thick concrete shield wall, completely encased in a 1/2-inch thick steel shell.

PFS Helps Utah Schools During KSL Book-A-Thon

On April 17, Private Fuel Storage (PFS) participated in the first KSL-TV/Deseret Book *Readin' Right Book-A-Thon*, donating \$5,000 to buy books for Utah's elementary school libraries.

PFS Project Manager Scott Northard presented the check on the air during a live broadcast. It was one of the largest cash donations received.

"We are happy to support the Book-A-Thon because we will need an educated workforce at our facility once it is built," he told KSL newscaster Shelley Osterloh. "One of the reasons our Skull Valley Band of Goshute partners are involved in the project is to provide educational opportunities for their tribal members. And education begins with books."

He added that PFS believes in being a good corporate citizen and will become more involved in matters of importance to the local communities once the facility is built and operating.

This Book-A-Thon was the first of what KSL Television hopes will be an annual fundraising event for the state's elementary school libraries, many of which do not have an adequate number of books. In many cases, the books they do have are dated, tattered and difficult to read.

"We congratulate KSL for their public spirit in using their time and facilities to help foster solid educational ideals," Northard said after the event. "This is one of those causes that we are very happy to help."

The Book-A-Thon raised almost \$100,000.

PFS
P.O. Box 1405
Salt Lake City, Utah 84110-1405

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