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COUNCIL OF STATE GOVERNMENTS  
*Eastern Regional Conference*



*Western Interstate  
Energy Board/ WINB*



*Southern States  
Energy Board*

June 6, 1996

The Honorable Hazel O'Leary  
Secretary  
U.S. Department of Energy  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585

Dear Secretary O'Leary:

As Chairs of the four regional cooperative agreement groups organized to interact with the Department of Energy's (DOE) Office of Civilian Radioactive Waste Management (OCRWM), we would like to express our collective concern regarding DOE's decision to significantly reduce its efforts to work cooperatively with states in the implementation of a system to transport spent nuclear fuel and high-level radioactive waste. DOE's decision to reduce funding to regional cooperative agreement groups by two-thirds is a significant setback in the effort to solve this nation's radioactive waste problem. The role these groups play in the development of a transportation system is vital, and the Department's drastic reduction in funding will seriously impede the progress that has already been made and may further delay shipments.

We agree with the viewpoint of the governors of 18 western states, as expressed by Western Governors' Association Chairman Governor E. Benjamin Nelson of Nebraska in his December 13th letter to you. This letter categorically opposed cuts in funding for any of the regional cooperative agreement groups supported by OCRWM. We urge you to reinstate funding for these activities.

The regional cooperative agreement groups guarantee that every state in the continental United States is represented in the effort to design and implement a national system for transporting spent nuclear fuel and high-level waste. OCRWM's interaction with the regional groups and the regional staff has enabled DOE to develop a network of state contacts who are experts in radioactive waste transportation and who are well-versed in the details of the Department's program. By working with the regional cooperative agreement groups, DOE receives timely input from the people primarily responsible for protecting the health and safety of the public state officials. The solid working relationships and frequent, open communication that characterize the regional cooperative agreement groups will be compromised by these drastic budget cuts. Drastically reducing the funding for the regional cooperative agreement groups will seriously erode the department's effort to form a partnership with states to develop a sound transportation system, possibly increasing the likelihood that the program will face legal and political challenges once shipments are initiated.

The proposed funding cuts appear to be rationalized on the timetable for Yucca Mountain activities. This assumption ignores other activities which could greatly accelerate the need for adequate transportation planning and preparation. Legislation before Congress would mandate transportation of spent fuel to an interim storage facility. Pending litigation in 29 states may also result in the shipment of spent fuel on an accelerated schedule. A private initiative for interim storage in New Mexico on Mescalero tribal lands may also result in early shipments.

At the same time, funding for DOE's programs is being reduced, thereby

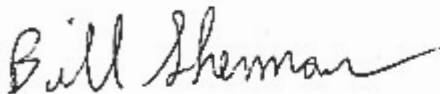
further limiting DOE's ability to address crucial institutional issues that will be impediments to high-level waste transportation if left unresolved. It is precisely at this time of major program changes and resource constraints that the cooperative agreement groups can provide invaluable assistance by affording ready access to state expertise and decision-makers.

DOE's decision to cut cooperative agreement group budgets sends the wrong message at the wrong time. State participation is an absolute necessity for achieving consensus regarding transportation. Examples of the positive results that state participation in federal planning can produce when orchestrating hazardous materials shipping campaigns include: the transportation safety infrastructure in place for shipments to the Waste Isolation Pilot Plant (WIPP) in New Mexico; and the safe transportation of cesium shipments to the Hanford site in Washington.

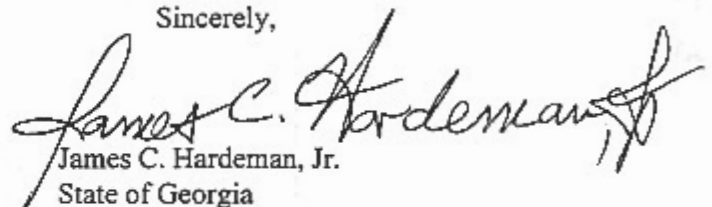
For a very small investment of DOE resources the regional cooperative agreement groups have provided innumerable benefits to OCRWM and DOE. Are the meager cost savings realized by these budget reductions worth the damage to state-federal relations and the public interest groups implicitly represented by state participants? To put the budget cuts into perspective, consider that DOE has spent as much as \$60,000 per linear foot of drilling in the Yucca Mountain Tunnel alone. Viewed in this way, the \$400,000 which DOE will save by cutting the regional cooperative agreement group budgets by two-thirds is equivalent to the cost of drilling a little more than six feet into Yucca Mountain.

In light of these concerns that are shared by all four regional cooperative agreement groups, we urge DOE and OCRWM to reconsider the proposed budget cuts. Fully-funded cooperative agreement groups will help build the consensus necessary for an effective, efficient, and safe radioactive waste transportation system.

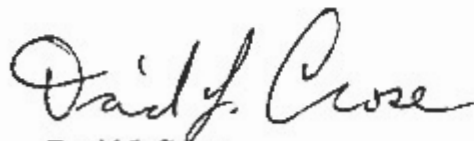
Sincerely,



Bill Sherman  
State of Vermont  
Chair, Northeast High-Level Radioactive  
Waste Transportation Task Force  
Council of State Governments, Eastern Office



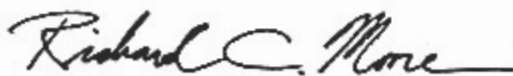
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