

July 7, 2005



The Council of State Governments
Midwestern Office
641 E. Butterfield Road, Suite 401
Lombard, Illinois 60148-5651
(630) 810-0210

The Honorable Samuel W. Bodman
Secretary of Energy
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, DC 20585



Southern States Energy Board
6325 Amherst Court
Norcross, Georgia 30002
(770) 242-7712

Dear Mr. Secretary:

Enclosed please find our February 2, 2005, letter to Theodore Garrish and the attached "Principles of Agreement among States on Expectations Regarding Preparations for OCRWM Shipments." These principles identify the states' expectations for a fully functioning transportation program for spent nuclear fuel (SNF) and high-level radioactive waste (HLW). They were developed and endorsed by all four state regional groups: the Western Interstate Energy Board, the Council of State Governments Midwestern Office, the Council of State Governments Eastern Regional Conference, and the Southern States Energy Board.



Western Interstate Energy Board
1515 Cleveland Place, Suite 200
Denver, Colorado 80202
(303) 573-8910

Although these principles were originally developed in the context of shipments to a federal geologic repository, we expect them to apply as well to commercial SNF and HLW shipments to any away-from-reactor storage facility. In light of the increasing focus on the proposed Private Fuel Storage (PFS) facility in Utah and the recent proposal for federal interim storage, we are sharing these expectations with you so that you can incorporate them into your planning for shipments to any interim storage facility. The states believe it is the responsibility of the SNF and HLW generators, as well as the federal government, to cover all the states' shipment-related costs associated with SNF and HLW shipments. The states further believe that this principle applies regardless of the destination of the shipments and the funding mechanism.

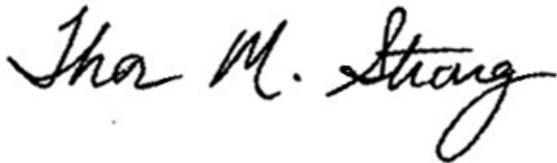
Samuel Bodman

July 1, 2005

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We look forward to hearing from you on how the U.S. Department of Energy plans to engage the states in planning for shipments to PFS or any other storage facility.

Sincerely,



Thor Strong
Michigan Department of Environmental
Quality and Chair, CSG Midwestern
Radioactive Materials Transportation
Committee



Michael Cash
Alabama Department of Public Health
and Chairman, SSEB Radioactive
Materials Transportation Committee



Ken Niles
Oregon Office of Energy and
Co-Chair, WIEB High-Level Radioactive
Waste Committee



Joseph Strolin
Nevada Agency for Nuclear Projects and
Co-Chair, WIEB High-Level Radioactive
Waste Committee

Enclosure

cc: John Parkyn, PFS, LLC
Paul Golan, US DOE
Judith Holm, US DOE
Earl Easton, US NRC



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The Council of State Governments
Eastern Regional Conference
40 Broad Street, Suite 2050
New York, New York 10004
(212) 482-2320

February 9, 2005

Theodore J. Garrish
Deputy Director for Strategy and Program Development
Office of Civilian Radioactive Waste Management
1000 Independence Avenue, S.W.
Washington, DC 20585

Dear Mr. Garrish:

On behalf of the four state regional groups, we are pleased to present the enclosed "Principles of Agreement Among States on Expectations Regarding Preparations for OCRWM Shipments." These principles, unanimously endorsed by all four regions, identify the states' expectations for a fully functioning transportation program for spent nuclear fuel and high-level radioactive waste. We believe these principles should serve as policy guidelines for the OCRWM transportation program, including DOE's policy recommendations for the *Federal Register* notice on the implementation of Section 180(c).

Our intent is to share these fundamental, overarching expectations with all levels of DOE management involved with this project. We look forward to continuing to work with you through the state regional groups, the Transportation External Coordination Working Group, and other forums to develop the OCRWM transportation program.

Theodore J. Garrish

February 9, 2005

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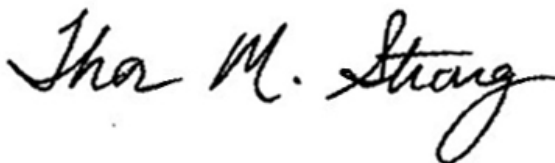
Sincerely,



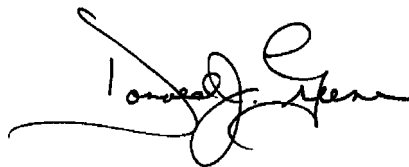
Ken Niles
Oregon Office of Energy and Co-Chair,
WIEB High-Level Radioactive Waste
Committee



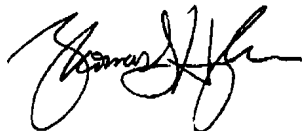
Joseph Strolin
Nevada Agency for Nuclear Projects and
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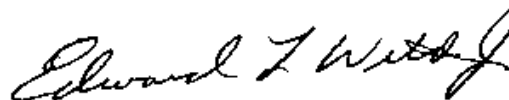
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Donald Greene
Arkansas Department of Health and
Chairman, SSEB Radioactive Materials
Transportation Committee



Thomas Hughes
Pennsylvania Emergency Management
Agency and Co-Chair, CSG Northeast
High-Level Radioactive Waste
Transportation Task Force



Edward L. Wilds, Ph.D.
Connecticut Department of
Environmental Protection and Co-Chair,
CSG Northeast High-Level Radioactive
Waste Transportation Task Force

Enclosure

cc: Gary Lanthrum
Judith Holm
Corinne Macaluso

**Principles of Agreement Among States
On Expectations Regarding Preparations for OCRWM Shipments
February 2005**

These principles identify the expectations of the states for a fully functioning transportation program for spent nuclear fuel and high-level radioactive waste.

1. To help ensure the safe and secure transport of shipments under the Nuclear Waste Policy Act, the overall objective of the 180(c) program must be to assist states in developing the capability to help prevent accidents and respond in a timely, appropriate fashion to accidents involving spent fuel and high-level radioactive waste shipments.
2. Funding to states must be predictable to ensure program continuity.
3. Section 180(c) funds and technical assistance must be provided to states at least three years prior to the start of shipments.
4. To maximize the effectiveness of the 180(c) program, the states must know which routes DOE will use prior to applying for assistance. Once routes have been identified, states must have sufficient time (a minimum of three years after routes are identified) to prepare those routes before shipments begin.
5. Scheduling of shipments must be done in a way that balances the priority of shipments established in OCRWM's Annual Capacity Report with impacts on state and local responders. A shipping campaign based on the Annual Capacity Report would result in occasional shipments traveling through many jurisdictions. Consideration needs to be given to the efficient use of federal, state, local, and tribal resources for planning and emergency response in shipment scheduling. States will need predictability with regard to shipment scheduling.
6. The 180(c) program must give the states maximum flexibility to implement accident prevention and emergency response programs that best meet their needs. The states, in turn, will be accountable for documenting that the assistance they receive from DOE is, indeed, accomplishing the overall goal of the 180(c) program.
7. DOE must continue to support the State Regional Groups to ensure consistency and compatibility of shipment planning activities.
8. An upfront planning grant (minimum of \$200,000 per state) must be provided to each affected state to cover the costs of planning and conducting a needs assessment. As long as shipments continue, however, there will be an ongoing need for planning. The states must be able to use their annual 180(c) grants for planning as well as for training.
9. DOE and states must develop a list of allowable activities that are eligible for funding under Section 180(c), as well as a list of transportation-related activities for which DOE will also provide funding from the Nuclear Waste Fund or other sources.
10. DOE must provide the states with financial and technical assistance for both training and operations activities as long as shipments continue along a shipping corridor.