



Fees increasingly used to prepare for radioactive waste shipments

by Lisa R. Sattler

In April, Nebraska became the fifth state in the Midwest to establish a fee on shipments of radioactive waste, a regional trend motivated by both the need to adequately prepare for such shipping campaigns and the current uncertainty over the level of assistance that the federal government will provide.

Beginning in September, the state of Nebraska will charge a fee of \$2,000 for each cask of high-level radioactive waste and transuranic waste shipped in the state.

"I expect the money to go into training and getting whatever is necessary equipment-wise," says Nebraska Sen. David Landis of Lincoln, who sponsored the fee legislation. "What you want to have is a response team that is very well staffed and very well stocked with whatever they need — and then never have to use them."

The revenue that the fee generates will go into the state's new Radiation Transportation Emergency Response Cash Fund. Illinois, Indiana and Iowa have similar dedicated funds, while fees in Minnesota go into the general revenue fund.

The need for shipment fees

The Midwestern region leads the nation in the number of states with fees on radioactive waste shipments. In Illinois, the state fee covers, among other things, the cost of a state-mandated inspection and border-to-border escort for each shipment of spent nuclear fuel, high-level radioactive waste and transuranic waste. In both Illinois and Iowa, a special surcharge applies to truck shipments that travel greater than 250 miles within the state.

During the same month that Nebraska enacted a new shipment fee, the Indiana General Assembly decided to amend its existing one. The fee originally applied to each "total shipment" of spent fuel and high-level radioactive waste. Senate Bill 160, sponsored by Sen. Marvin Riegsecker, now makes it possible for the state to charge the \$1,000 fee for each cask of waste. The Indiana House amended the bill to impose a flat fee of \$100 on each shipment of low-level radioactive waste.

Riegsecker, a member of The Council of State Governments' Midwestern Radioactive Materials Transportation Committee, was at first hesitant to support a fee on low-level waste shipments. "I had to think about that," the Republican from Goshen says. "Is that what we really need to be doing or want to do?"

Ultimately, however, Riegsecker accepted the amendment. "Not having any guarantees of money coming from the federal government, this may be a prudent step to take," he says.

The Indiana legislation also requires shippers of radioactive waste to reimburse state and local

State	Spent fuel/ high-level waste	Transuranic waste	Low-level waste	Surcharge
Illinois	\$2,500 per truck cask; \$4,500 for first rail cask and \$3,000 for each additional one	\$2,500 per truck cask; \$4,500 for first rail cask and \$3,000 for each additional one	—	\$25 per mile for the portion of any truck route over 250 miles
Indiana	\$1,000 per cask	—	\$100 per truck or train	—
Iowa	\$1,750 per truck cask; \$1,250 for first rail cask and \$100 for each additional one	\$1,750 per truck cask; \$1,250 for first rail cask and \$100 for each additional one	\$50 per truck or train	\$15 per mile for the portion of any truck route over 250 miles, charged on single- cask shipments
Minnesota	\$1,000 per cask	—	—	—
Nebraska	\$2,000 per cask	\$2,000 per cask	—	—

governments for reasonable costs that they incur in providing security for the transports.

Illinois' fee also is being revisited. A bill introduced by Sen. Ira Silverstein, a Democrat from Chicago, would increase both the fee and the mileage surcharge applicable to shipments that pass through the state. The surcharge would double to \$50 per mile, while the per-cask fee would increase by \$1,000 across the board. The bill would not change the fees that apply to shipments originating in or destined for the state.

In the past, the U.S. Department of Energy has provided funding to the states on its major shipping routes to defray some of the expenses related to the shipments. In recent years, however, the states have found it increasingly difficult to obtain the funding necessary to prepare for the shipping campaigns.

For shipments to the national repository, the Nuclear Waste Policy Act requires the DOE to provide states with financial assistance to train local first-responders along the routes. CSG's Midwestern Radioactive Materials Transportation Committee, in fact, helped to develop the draft policy for implementing this assistance. The U.S. Congress, however, has traditionally appropriated much less than the DOE has requested for the repository program. As a result, there is little assurance that the funding available from the agency will be sufficient and consistent from year to year.

Number of shipments will rise

If the past year is any indication, the revenue generated by state shipping fees is likely to be modest over the next few years. Since Iowa's fee went into effect, in July 2002, the state fund has accumulated just \$27,280, almost 70 percent of it from the charges made on low-level waste shipments. In terms of the more highly radioactive spent fuel, the Midwestern states generally experience around five to 10 shipments per year.

These shipments involve research reactor spent fuel from domestic and foreign reactors, as well as spent fuel owned by the DOE.

Although revenues over the short term are expected to be low, future earnings could be significant, especially once the federal government opens its national repository for spent fuel and high-level waste. The DOE is hoping to begin operating the repository as early as 2010. According to the department's preliminary projections, well over half of all shipments will pass through the Midwest on their way to a repository in the West. Nebraska is likely to be the most heavily impacted state, facing some 8,000 to 41,000 shipments, depending on whether the waste moves by train or by truck. Even with the smaller number of shipments — representing trains carrying multiple casks — the state could take in more than \$2 million per year in fees over the 24-year program.

Shipment fees reduce a state's administrative burden while at the same time giving agencies greater flexibility in deciding how to spend the money. In addition, the fees will help the states gear up for possible shipments to a private storage facility for spent fuel. A consortium of utilities is trying to license just such a facility on tribal lands in Utah. Since all shippers are subject to the fees, the states with fees will have a dedicated source of revenue to cover training and other activities for all shipments of spent fuel, not just the DOE's.

Of course, the potential revenue also helps to make fees attractive, especially to states on heavily used shipping routes. The DOE has proposed giving each of the corridor states around \$150,000 per year to prepare for shipments to the repository. By comparison, fees charged on the shipments could earn Indiana alone around \$700,000 per year, beginning in 2010. "I think it's going to generate a little more revenue for our State Emergency Management Agency," Riegsecker says. "I think they can do a lot in the way of training and helping locals be ready." 