

NYSERDA 65th Waste and Facilities Management Committee Meeting
June 22, 2020
Clean Copy Transcript

Charles Bell:

So, I'm Charles Bell. I serve as chair of NYSERDA's Waste and Facilities Management Committee. I would like to call this meeting of the Waste and Facilities Management Committee to order. And I note the presence of a quorum. Notice of this meeting was provided to the Committee Members and the press on June 10, 2020.

This meeting is being conducted by video conference. The Authority will post a video and a transcript of this meeting on the web. To confirm that we have a quorum. I would like to ask Janice Dean, secretary to the committee to please conduct a roll call of each of the committee members in attendance. Janice.

Janice Dean:

Thank you, Mr. Chairman. I'll first note your attendance and now take the remainder of the roll call. When I call your name, please indicate present. Authority chair, Richard Kauffman.

Richard Kauffman:

Present.

Janice Dean:

Shere Abbott.

Shere Abbott:

Present.

Janice Dean:

Kate Fish. [Pause] Kate, are you on mute?

Kate Fish:

I think mine keeps muting by itself. Okay.

Janice Dean:

Okay. Thank you. There are four members in attendance. Therefore, we do have quorum.

Charles Bell:

Thank you, Janice.

The first item on the agenda is the approval of the Minutes of the January 28, 2020 meeting. A copy of the Minutes was included with the June 10, 2020 mailing.

Are there any comments on the Minutes?

Hearing none, may I please have a motion approving the minutes?

Kate Fish:

So moved.

Charles Bell:

Thank you, Kate. A second?

Shere Abbott:

Second.

Charles Bell:

When Janice calls your name, please indicate whether you're in favor by stating "Aye" or opposed, stating "No."

Janice Dean:

Thank you. Committee Chair.

Charles Bell:

Okay.

Janice Dean:

Authority Chair Richard Kauffman

Richard Kauffman:

Aye.

Janice Dean:

Shere Abbott.

Shere Abbott:

Aye.

Janice Dean:

Kate Fish.

Kate Fish:

Aye.

Janice Dean:

The minutes have been approved.

Charles Bell:

Thank you.

The next item on the Agenda is the review and approval of the Waste and Facilities Management Committee Charter. This item will be presented by Peter Costello. Peter?

Peter Costello:

Thank you, Mr. Chair.

Pursuant to the Public Authorities Accountability Act of 2005, each of the Authority's committees adopted charters, setting forth each committee's responsibilities. One of these responsibilities is to periodically review its charter and determine what if any amendments need to be made. These recommendations would then be presented to the full Board for approval at its meeting tomorrow.

A copy of the current Waste and Facilities Management Committee Charter was included in your meeting package for your review. Management is not recommending any changes to the Waste and Facilities Management Committee charter at this time.

Charles Bell:

Thank you, Peter. Are there any questions or recommended changes to the Charter?

[Pause].

Peter, I did have one question based on the meeting that we had a year ago, June 19, 2019. I think it was where we discussed the STEP lease in the Waste and Facilities meeting. I was just wondering, is there language that's currently in the Charter that provides for us to have a broader role in reviewing issues related to other NYSERDA facilities? Because I thought that at that meeting, that was the basis for why the lease came before our Committee before going into effect.

Peter Costello:

I believe that the Charter is focused mostly on West Valley, but I'm looking at it right now to see whether there's more breadth.

Charles Bell:

Yeah. I looked quickly and I didn't really see how it provided for that broader role. And, but I do sort of remember last year when it came up, we thought that it did so, so maybe the language is there and I'm just not seeing it, but I wanted to just flag that issue and the hits your attention. That was the only issue or concern that I had.

Peter Costello:

Okay. So are you proposing to the Committee that we, explicitly add STEP into the charter?

Charles Bell:

Well, I just want to have the issue clarified as to whether it was within the purview of our Committee, if it's being handled by a different Committee, that's fine. But I'm pretty sure that when we looked at this a year ago, there was the sense that that should come through our Committee. So if that's the case, I just want to make sure we have the right language in the charter and that we're clear that we would review issues to that in the future.

Alicia Barton:

So, I'll weigh in just to second, Chuck, the Chair's recollection, I believe we did, you know, bring the STEP related item to this Committee under the rationale that this is a Waste and Facilities Management Committee, so that, we believe this was the appropriate Committee to take that look, unless the Secretary or others, have a different recollection. That is my recollection. I'm not sure we translated that into the Committee Charter, which is the comment that I believe Chuck is making. And I think that could be clarified pretty easily by an amendment, ahead of presentation to the full board of the charter tomorrow.

Charles Bell:

Yeah, that would be great. So, I think it would make sense for us to approve it in its current form. And then if there's a case for making the amendment, then we could take it up with the full Board. We can add it and take it up tomorrow, if that would be okay.

Peter Costello:

And I'm just reviewing it in relation to your question now. And I will say that I am not finding explicit language, so pending further review, post this meeting, I'm going to recommend that we add some language.

Charles Bell:

Fantastic. Okay. Oh, let me just ask again. So are there any other questions or recommended changes to the charter, beyond this one?

Richard Kauffman:

I have none, Chuck.

Charles Bell:

Thank you, Richard.

Okay. So if there are no other issues, may I please have a motion recommending approval of the Waste and Facilities Management Committee Charter?

Shere Abbott:

So moved.

Kate Fish:

I'll second.

Charles Bell:

Thank you. When Janice calls your name, please indicate whether you're in favor by stating "Aye" or opposed by stating "No".

Janice Dean:

Thank you. Committee Chair Chuck Bell

Charles Bell:

Aye.

Janice Dean:

Authority Chair Kauffman.

Richard Kauffman:

Aye.

Janice Dean:

Shere Abbott.

Shere Abbott:

Aye.

Janice Dean:

Kate Fish.

Kate Fish:

Aye.

Charles Bell:

Thank you. That's terrific. Okay. Thank you.

Next on the agenda is a status report on the West Valley Site Management Program Activities. Paul Bembia, Program Director will present the reports. Paul?

Paul Bembia:

Thanks, Chuck. And it's nice to see everyone just by video.

My update today will be framed around two topics. The first is the site activities relative to the COVID-19 pause and the current shift to work resumption. And the second topic is an update on our other principal site activities.

So in regard to the COVID-19 pause for the West Valley Demonstration Project, WVDP is safe and secure and has remained safe and secure through all phases of New York Pause. The WVDP work had been reduced to mission critical activities during the initial parts of New York Pause. And that would be things like site security and maintenance of critical systems and infrastructure work activities now are being ramped back up slowly in accordance with state and federal directives and guidance. And, the current focus of work is on low risk work needed to prepare the site for a broader work resumption. What I mean by that would be things like setting up the daily employee screening areas for COVID symptoms. The cleaning that's required by the New York State Department of Health, putting up signs that would limit capacity and various work rooms and read surveys. The various that hadn't been entered in some time. The current work also involves the testing of the new work protocols that were put in place to incorporate the COVID-19 safety considerations in the ongoing work. Most of the WVDP office staff, and that

would be the Department of Energy, the contractor CHBWV and other support contractors are continuing to telework. And I, certainly staff are, we are continuing and have continued throughout the entire pause with our onsite observations and our walkover inspections. We do those at least once per week or more frequently, depending on, the work activities that are ongoing.

Any questions on the WVDP?

[Pause].

Okay. Shifting over to the State Disposal Area. The State Disposal Area also remains safe and secure. All of our ongoing, routine work activities continued throughout New York Pause and work continues today. And that would be, environmental monitoring inspections and maintenance activities. The West Valley staff continues to telework. However, we do have staff present at the SDA regularly both to conduct our own inspections and to provide oversight of field activities that are conducted by our support contractors over to the West Valley solar facility. The onsite work at the West Valley facility began in early March and it was helping on April 1st in accordance with the requirements under New York Pause. Work resumed on June 9th when Western New York entered phase one of New York forward and that allowed the resumption of construction there. So that is my update on COVID aspects of site work. Any questions on that?

Richard Kauffman:

Yeah, Paul it's Richard. I have a question about, so my recollection was this was a lease that we gave to a developer and operator of that facility. The lease was with the town of Ashford. Yeah.

Paul Bembia:

So we leased it to the Town and the Town entered into a contract with a solar developer.

Richard Kauffman:

Okay. So what is our obligation? What is our obligation with respect to that site and security at the site and all that?

Paul Bembia:

We continue to have obligations in terms of the protection of the individuals that are doing construction activities. They're under our Nuclear Regulatory Commission license and we've got a work control established where the contractors phone in, they inform us whenever anyone is on site and they inform us when folks are leaving at the end of the day, the lease requires them to install fencing to differentiate or to secure their area, that facility, on the state premises, and separate that from the rest of the state property.

Janice, I don't know if you have any other things you want to add to that.

Janice Dean:

That sounds roughly accurate. Richard, is that responsive to your question?

Richard Kauffman:

Yeah. So just to be clear then, that means that we have some obligations with respect to the employees following certain safety rules and then we have to be sure that they are in compliance with their fencing. I don't know what other security requirements they have under the lease.

Paul Bembia:

So the only requirement in regard to safety rules is simply for us to be notified when they have individuals on site that would be, to allow us to make a notification to them if there was a need, any need to evacuate. And that's a specific requirement under the license, the fencing and other security, all of that is called out in the lease.

Richard Kauffman:

No, I know that they're obligated, but are we, what requirements do we have ensuring their compliance under the lease?

Janice Dean:

Oh, if I can jump in. I think what you might be getting at, Richard, is that we the least, and it depends on what requirements you're talking about, or you're talking like COVID wear masks and socially distanced, or are you talking larger security related concerns? We did make a number of changes to the lease in response to your feedback when we were in the pre-lease negotiations. So, we addressed your concerns raised in a meeting about a year plus ago. But as to the way that the parties operate on the site, the Town is responsible for ensuring the compliance of the contractor staff as those parties are in privy as to the development, but NYSERDA does retain some authority, of course, to oversee the fundamentals of site security where needed, this is an unattended part of the site. This is not within, obviously the WVDP perimeter. It is an unimpacted area as part of the routine premises. So, in general, it is subject to the either general site walkthrough, practices of Paul's team. Is that more helpful?

Richard Kauffman:

No. That's good. Thank you. I thank you. And I have to admit that I forgot the issues that were raised a year ago, so I apologize for raising some of them again.

Janice Dean:

No problem. Happy to say that we did address them at the time, and hopefully that gets us where we need to be, but we can certainly go back and take a look and if you have any follow ups.

Richard Kauffman:

Okay. Thank you.

Paul Bembia:

In regard to our other principals site activities, for the West Valley Demonstration Project in April, the Department of Energy, issued a 39 month extension to the demolition contract with the prime contractor, CHBWV. I believe the DOE director discussed the need for that contract extension during your site visits last year. Again, that extension was executed in April. It's valued at \$243 million, through June 2023. And the work under that contract extension includes, decontamination and deactivation activities to prepare the main plant process building for

demolition; the demolition and offsite disposal of that main plant; process a building; and a decontamination and deactivation of below ground cells. And those below ground cells will be removed during the next phase of decommissioning phase 1B and 39 months of safe site operations and safe site operations would be things like physical security, cybersecurity, environmental monitoring, those types of activities. I do want to say that that contract mod was pre-COVID. So, we do expect that there maybe some adjustments to the contract when kind of full scope of the COVID impacts are quantified.

Any questions on that item?

Okay moving to the state licensed disposal area. The SDA remains safe and in compliance with all regulatory requirements. Our trench 14, water infiltration investigation was completed in February. The investigation report and a recommendation for the remedy action will be submitted to EPA and NYSDEC for their review and approval late this month, any of the remedy option and the preparation of the detailed construction schedule is underway, but we do plan to complete the field work this year. Assuming that we get the regulatory approvals in a timely manner and that, there were no delays due to COVID or any other circumstances.

Any questions on the SDA item?

Okay and then finally, for this solar facility the ground clearing and preparation began in March. And as I said the work was paused for the New York Pause under COVID. The next phase of the work is awaiting a permit from the US Army Corps of Engineers to conduct work activities near wetland areas, and their target date for construction completion is currently, mid-November.

And any questions on that item?

Charles Bell:

What, what was the term of the lease with the town of Ashford? How many years?

Paul Bembia:

49.

Charles Bell:

49 years.

Paul Bembia:

Okay. And that concludes my update.

Charles Bell (25:12):

Thanks very much, Paul. And thank you for your efforts to keep the site safe and secure, during the pandemic situation. And, we appreciate your attention to all of the issues that are important to us.

Next on the agenda, there's a status report from the Nuclear Coordination Program. Alyse Peterson will present the report. Alyse?

Alyse Peterson:

As you're probably already aware Indian Point unit two did permanently shut down on April 30th as had been planned. All of the fuel in the reactor was then removed and placed in the spent fuel pool for cooling prior to transfer to dry cask storage. The water was drained out of the reactor vessel and the reactor containment building has now been closed up. No further physical decommissioning actions are planned until after the plan shutdown of unit three next year.

Entergy has submitted its formal notification of unit two's permanent cessation of operations and permanent defueling to NRC. They did that back on May 12th, with that certification submitted, they can never put fuel in their unit two reactor again. So our unit two [inaudible].

I previously briefed you on Entergy's proposed sale of the entire site to Holtec International for decommissioning and the federal and state proceedings that are associated with that Trek lessons transfer. As a quick update, NYSERDA has continued our role as the State's nuclear coordinator with respect to this license transfer. Most notably with the submission of papers in both of those proceedings to advance the state's need for the provision of financial assurance measures to ensure Holtec's ability to complete the decommissioning should the company experience financial hardship or should the existing decommissioning trust funds prove to be insufficient. Briefings for both of those proceedings have been fully completed and we're looking forward to decision making by NRC and PSC, respectively. If the proposed ownership transfer is approved, it would take effect after the shutdown of unit three next year. That's slated for the end of April next year.

That's the end of my update. Are there any questions?

Various:

[Overlapping speakers].

Richard Kauffman:

Sorry, Chuck, go ahead.

Charles Bell:

No. No. Richard, you go ahead.

Richard Kauffman:

If you could just elaborate a little bit more on, on this issue on the trust fund and the, and what are the representations are being made by Entergy or the potential acquirer as to what happens if the trust fund is inadequate?

Alyse Peterson:

Sure. I'm actually going to turn to Janice, who's been leading our effort on those legal proceedings. Janice, can you reflect on that?

Janice Dean:

Sure. So far the representations that Entergy and Holtec has made are simply that they will meet the regulatory obligations. And so we have pressed in legal papers for a better understanding of

what that really means, because of course they are not committing any dollars beyond the corpus of the trust fund itself to the cleanup. And so where those additional dollars would come from remains unclear. [Inaudible].

Richard Kauffman:

Okay. And then the second question is, does the NRC in approving the transfer? Do they, or whatever next steps take place in terms of the plan for decommissioning, do they have any additional say on trust fund and the adequacy of the trust fund, or that's just all pushed off until some future date.

Janice Dean:

The NRC does have the authority to impose additional financial assurance. And that is certainly something that we have asked them to look at in this particular emerging model, similarly, in the state proceeding, because there are site restoration dollars, that issue that we assert fall under state jurisdiction, the PSC may be able to look at what additional assurance is needed to protect the fund such that there would still be dollars remaining after radiological decommissioning for the eventual site restoration as well. And both of those proceedings do remain pending.

Richard Kauffman:

Okay. And so in terms of timing, this Committee will have the opportunity to get an update before their decisions are made?

Janice Dean:

The timing of the NRC proceeding is unknown. The, in general, what I would say is I would expect there to be a decision certainly prior to IP3's shut down in April. But beyond that, it is unclear as to how much time the commission may take to decide. I will note that the commission was poised to issue a decision in the Pilgrim license transfer, which began many months before the Indian Point filings came in and on the day of their publicized decision, both Holtec and Massachusetts filed joint papers seeking a stay of that decision. And then they did announce, just last week a settlement. And so, there will be no decision coming from the Commission in the Pilgrim matter. And that would mean that it's less clear, that decision might have provided a roadmap for what the Commission's views on this decommissioning model would be. But without that, our decision at Indian Point will be the first contested decision that the Commission will be rendering. And so, we don't know yet how long that might take or what that might look like.

Richard Kauffman:

So.

Janice Dean:

On the PSC side, go ahead.

Richard Kauffman:

I'm sorry. So that, does that mean the Pilgrim deal did not go through?

Janice Dean:

It did go through with a settlement agreement that we are reviewing right now. It looks to have provided a commitment for the allocation of a specific number of dollars in the fund at all times, and for the Applicant to augment the fund as needed to maintain that minimum threshold. So that's something that we, and the AG's office and others are looking at right now as it is very new, but we were certainly heartened to see some agreement between Massachusetts and the applicants there as our concerns are very similar.

Richard Kauffman:

Okay, good. So the other question I had relates to Alyse, I think you were just, I just want to be sure I understand. So after the last unit is shut down in April, do we have any sense of what work will happen after that?

Alyse Peterson:

Well, yes, the spent fuel will all be transferred to the independent spent fuel storage installation, for storage.

Janice Dean:

Alyse, are you on mute?

Alyse Peterson:

I don't think so.

Richard Kauffman:

I hear you.

Alyse Peterson:

Can you hear me?

Richard Kauffman:

Yeah.

Alyse Peterson:

Yeah. So the, the spent fuel will all be transferred out of the spent fuel pools into dry cask storage to the independent spent fuel storage installation, that's onsite. They will then proceed to dismantle the reactor that's the first item. So all the mechanicals of the reactor, the reactor building. They're going to be doing the plants, doing the dismantling and demolishing in sort of reverse order. They will start all of that [inaudible]. Those associated buildings are demolished. [Inaudible]. Survey's still and soil contamination and remediation of any soils onsite for the site restoration and the first function yours are going to be a mechanical dismantle and a build.

Richard Kauffman:

Okay. Thank you.

Charles Bell:

Are there other questions for Alyse, or for Janice?

I just had one other question. If you could just please remind me what other New York agencies are involved in reviewing the hotel, Holtec financial plans for Indian Points. And I think you mentioned the Attorney General's office is also looking at this.

Janice Dean:

Yep. I can take that. The Attorney General's office is representing the views of the State at the NRC level and agencies opining on this at the PSC level include so far NYSEERDA, DEC. I think those may be the only two, that I've seen, who put in comments, and then we've not heard obviously from DPS staff, other than with a number of, a large number of, information requests. And so they are very clearly very engaged in this process. And all comments have been submitted into that proceeding. And so that does rest, I believe, with DPS staff at this stage.

Charles Bell:

Okay, great. Department of Public Service.

Janice Dean:

Yes.

Charles Bell:

And then, so members of the public were also able to comment on the NRC, but did they have like a rulemaking or federal registered notice? So just curious, like how did citizen groups or other stakeholders participate in the review of this plan?

Janice Dean:

Both the NRC and the PSC have public input proceedings. The NRC, I believe, and I have to go back and check. I think they had a public comment opportunity. Yes. They had a public comment opportunity, and that was actually extended by an additional 20 or 30 days at the request of some legislators. So there should have been a robust public opportunity for response there. And then there were a number of parties, including local governments who submitted petitions to intervene separately from the public comments, as the State AG did. So there's a legal kind of hearing requests track, and then a public comment track at the NRC proceeding. And at the PSC side, there was indeed a large number of local government stakeholders, industry, trade groups, et cetera, who did submit public comments and all of those are available on the docket for public review. So, if anyone listening in does want to go and see what, what different stakeholders had to say, the PSC docket makes it very easy to review all of those right on its docket.

Charles Bell:

Great. Thank you so much.

Kate Fish:

And I have one quick question. This is Kate. What is the transition plan and timing for the power that's coming that was coming off of Indian Point to be transferred to, power coming down from Quebec or an offshore wind or whatever? So, kind of if someone could talk me through that transition. That would be great.

Alicia Barton:

So, I can jump in there. And you know, John Williams, you can add anything. I mean, I think first and foremost, you should know, everyone should know that, the New York ISO has examined reliability related to the retirement of Indian Point and found that there is no threat to reliability from the retirement. So that's sort of point number one that the public should know that everyone should know that the system operator has looked at that closely, I think a couple of times. But certainly has done so, relatively recently and has said that they're confident in the reliability of the system pending the closure of Indian Point.

The timing is interesting in that we will see obviously large injections of offshore wind that NYSERDA has put under contract following the retirement of Indian point that they will, those first projects are not scheduled to be online until 2024. So, it's after the closure of the facility, but it's not far off. That's particularly for Empire Wind Project that will connect into Zone J, which is 817 megawatts. And, again is scheduled to be online presently in 2024.

With respect to other proposals, including transmission lines, that have been proposed. You know, there, I think it depends in, in terms of some of the commercial arrangements coming together for some of those projects, although they're relatively far along in permitting.

Meanwhile of course we are seeing, you know, distributed solar generation, including, utility scale solar, all over the State, including Long Island and the Mid-Hudson region, adjacent to New York City as well. So we do see a number of new clean resources, really standing by either presently or at larger scale with offshore wind, just following really the retirement of the facility. But again, even absent that the grid operator has stressed that there is no that they believe reliability is well in hand.

Charles Bell:

Thank you. Any other questions for Alyse on nuclear coordination activities?

[Pause].

Okay. Thank you. Hearing none. The final agenda item is other business. Is there other business?

Richard Kauffman:

I have none.

Charles Bell:

Great. Hearing no other, may I please have a motion to adjourn.

Kate Fish:

So moved, this is Kate.

Charles Bell:

Can we get a second?

Richard Kauffman:

Second.

Charles Bell:

Thank you. Um, all in favor, please say, aye.

All Committee Members:

Aye.

Charles Bell:

Great. Thank you. [Inaudible]. Thank you to Alyse and Paul and Janice for your reports. And we look forward to talking to you at the Board meeting.

Various:

Thank you.