BOB HALSTEAD: Thank you everyone who's here tonight. We have a handout that summarizes the points I'm going to make, and on that handout you'll find our website for the State of Nevada Agency for Nuclear Projects and our phone number.

And we'd like to remind anyone who wants to make comments, written comments for the record that there is an opportunity to do that through January 10th. We would be happy to provide any information to help you make your comments. We'll be posting some documents on our website as our contractors develop them looking at specific aspects of both the rail line and the TAD canister system.

1 Let me begin by making a few general comments on the draft EIS for the rail alignment and the draft supplemental EIS. It's important to remember that the TAD canister system, as interesting and possibly beneficial as it appears in concept, exists only as a concept. And, indeed, it's not clear that the vendors working on this for the Department of Energy will actually have NRC certified safety analysis reports for that system available by June of 2008. So the first thing to remember is sometimes a silver bullet is just a silver bullet on paper.

2 Second, the focus on rail transportation certainly has some advantages, and the State of Nevada has been an advocate of rail transportation as the least bad way to do transportation for about 15

years comes up against the fact that Yucca Mountain lacks rail transportation, and 25 of the shipping sites lack rail access as well.

3 Specifically on EISs we're concerned that DOE is continuing to study the Mina corridor as a nonpreferred alternative, given that the Walker River Paiute tribe council has withdrawn their support. And I think that raises some confusion in everybody's minds as to whether, in fact, there is a future for a Mina route or not.

4 We believe the selection of the shared use option the DOE has made has a jurisdictional implication. It means that the Surface Transportation Board, which normally issues construction authorizations for rail projects, should actually be the lead agency preparing this EIS.

5 We believe there's no basis for the DOE's statement that if they are not able to get rail access they would have to use overweight trucks for non-rail shipments. In fact, they established a legal weight truck alternative in their 2002 Environmental Impact Statement and we think that that, in fact, should be their no action alternative.

6 The reason that we're here tonight and the reason that DOE has been charged by Congress with running a program for spent fuel and high-level waste disposal and the reason that it's controversial, quite frankly, is that spent fuel is dangerous. It's

very dangerous and it remains very dangerous for a very long time.

Now, I have only a few minutes tonight so I'm not going to spend too much time on the details. The details we've documented in materials on our website and we're writing a new conference paper where we look at the evolution of fuel management practices in the nuclear industrial. And the way in which the fuel that the industry wants to send to Yucca Mountain is literally getting hotter and hotter, both thermally and radioactively.

The best way to put this into language that the average person can understand, instead of saying the contact surface dose rate on the design basis spent fuel assemble is 35,000 REM per hour is to tell you that if you stood next to one of these fuel assembles for one or two minutes you'd receive a lethal dose of radiation.

The second point to keep in mind is that the inventory of dangerous radionuclides, fission products, particularly Cs-137, is very, very large. We haven't calculated the exact inventories for the design basis fuel in the new cask design, but I think we're safe in saying that we've analyzed in the past we're talking about in excess of 650,000 curies in the rail cask and 135,000 curies in the truck cask.

And what does that mean? It means that in a horrific accident or in a successful terrorist attack it's credible that one percent of that Cs-137 could

be released, and it's possible that the cleanup cost could be as low as $100 million but it's more likely that it would be several hundreds of millions of dollars or even billions of dollars.

Yet there's a way to deal with the dangerous spent nuclear fuel directly, it's to take advantage of the fact that this is one of those cases where the risk goes down as you procrastinate and keep the fuel on site. If the fuel is kept on site for 50 years before it's shipped, there's a 50 percent -- I'm sorry, after 50 years there's a 90 percent reduction in the inherent radiological hazard.

The State of Nevada has urged the Department of Energy to go back to its original plan, which was to ship the oldest fuel first. The National Academy of Sciences has recently urged that DOE ship the older fuel first. The general accounting office, in its report on terrorism risk, said it also would be a good idea to ship the oldest fuel first.

The only point I want to make about this, and I've taken some time to talk about it, is that I think DOE does a disservice to themselves and to the nuclear power industry by not having a clearer up-front description of exactly what spent nuclear fuel is and exactly what its radiological hazard is.

Every form of generating electricity has an environmental downside. There's no free lunch in the electricity business. And the State's view is that

it's better to acknowledge those risks and then talk about the way those risks are going to be managed. It does no service to anyone to pretend that spent fuel is less dangerous than it really is.

Now, I want to talk about a few specific issues relating to the Mina rail proposal. And I can summarize those in a few words. And, as I said, I have a handout that explains these points in greater detail, and you can also access these materials on our website.

Issue number one, the draft EISs underestimate the potential for shipments through Reno and Sparks if the Mina corridor were to be developed. Now, this isn't a liars bout in a bar that DOE has decided to lowball the numbers and we've decided to highball them. In fact, DOE used a method basically running the computer models that are used in routing and concluded that about 21 percent of the rail shipments would come through Reno to Mina -- or to Yucca Mountain if Mina is constructed.

We used a different approach. We used the same models but we also looked at what the railroads have told DOE about what their actual preferred routes would be. We've looked at DOE's program policy positions which have a so-called suite of routes with multiple carriers, and the DOE does not want to tell the railroads in their contracts which routes to use.

Bottom line is our method concludes that it

could be up to 45 percent of the shipments through Reno if Mina is developed. And it's one of the things that we hope we can get DOE to take another look at when they do the final EIS, that, in fact, there's usually a range of answers to these questions rather than a single answer.

8 Secondly, DOE has appropriately described what they call the radiological region of influence, the area one half mile, or 800 meters, on each side of the centerline of the rail alignment, and that's the area where most of the impacts, the radiological impacts are concentrated.

We believe they need to extend that concept and look at the radiological region of influence along the existing lines that come in from the east and west that would supply shipments to the spur. And you'll find that tens of thousands of Nevadans live within that half mile area across Northern Nevada. In fact, many of them live in this region. One area we've looked at closely is Sparks, and there are about 22,000 people living within a half mile of the rail line.

Third, I have a picture, and you can see it poorly on the handout, sometimes there are unique local conditions that are really unique. One of them on the northern route here is the Union Pacific Rail Trench through Reno.

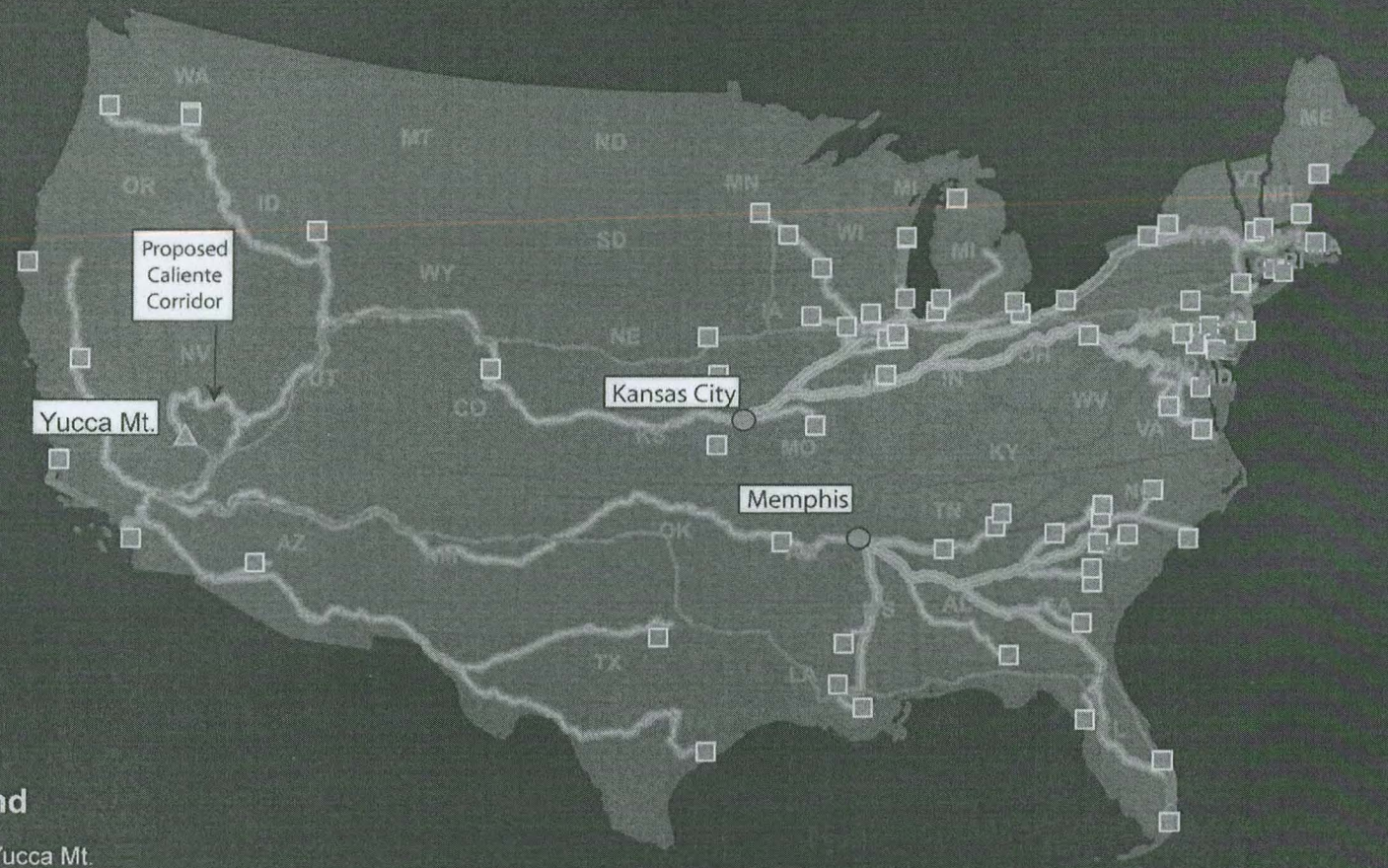
Now, I don't know exactly how shipments

through that trench would affect routine doses to workers and the public. I don't know exactly how it would affect stigma perceived risk impacts, impacts on downtown tourism. I don't know exactly how it would affect accident security and emergency response planning, the probability and consequences the accidents are terrorist attacks, but I do know that it's an example of the kind of unique local condition that DOE has to look at in the draft EIS.

I make this point because DOE says specifically in the EIS that they don't have to look at human factors, human errors, and they don't have to look at unique local conditions because the approach they take in the generic accident analysis, the buzz word we use in the business is bounds the risks and impacts. I don't think that's always the case. I think the Reno rail trench is a good example of a unique local condition that needs to be added.

We will, of course, be submitting detailed comments on all these issues to the department. We urge everyone who is concerned about this to also take that opportunity and get their written comments in by January 10th. Thank you very much.

Potential Rail Routes to Yucca Mt. via Proposed Caliente Spur (Suite of Routes from Kansas City and Memphis Gateways)



Legend

- Yucca Mt.
- Shipping Sites
- Rail routes to Yucca Mt.
- FEIS barge routes
- Truck Routes used under Mostly Rail Scenario

This map depicts routes for the Mostly Rail Scenario from nuclear waste shipping sites to the proposed Yucca Mt. repository via the proposed Caliente spur. It shows routes on Class I Track from the shipping sites to the gateways of Kansas City and Memphis. The map also depicts likely highway routes from six reactor sites that ship by legal weight truck under the Mostly Rail Scenario.

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