State, Activists, Maine Yankee Forge Settlement Agreement on License Termination Plan

After a year-long, U.S. Nuclear Regulatory Commission-sanctioned settlement process, Maine Yankee, the state of Maine, and Friends of the Coast Opposing Nuclear Pollution have signed a settlement agreement on a revised License Termination Plan (LTP) for the nuclear power plant. Under the terms of the agreement, Maine Yankee’s program for sampling and analysis of groundwater, vegetation, soil and aspects of the intertidal zone will be enhanced beyond current NRC regulatory requirements. Maine Yankee will also seek additional input for consideration in the historical site assessment. In addition, the agreement provides a framework for resolving a number of remaining technical issues relating to sampling data variability such as instrument sensitivities, field measurements, and dose modeling.

The agreement appears to be the first in the United States to include state officials and environmental activists in setting terms for license termination of a commercial nuclear power plants. It also appears to be the first to set cleanup standards that are more stringent than federal requirements.

Under the agreement, Maine Yankee must show residual radiation at the site will not expose any person to a dose exceeding the state limit of 10 millirem, with no more than 4 mrem of that coming from groundwater. The NRC standard is 25 mrem for all sources of potential contamination.

The state of Maine and Friends of the Coast met with Maine Yankee more than 30 times over the past year to explore each Parties’ principles and interests in an effort to accommodate various views of the Plan. According to Maine Yankee’s Chief Nuclear Officer Michael Meisner, “The License Termination Plan is the centerpiece of decommissioning. It defines for the community how we intend to leave this site when the project is complete in 2004. Our goal throughout the LTP process has been to enhance public confidence by responding to stakeholder concerns, and I believe we have done that. This landmark settlement agreement is a tangible example of the benefit that can result when people with diverse views find common ground. The hard work of the State and Friends of the Coast over many months made this agreement possible, and we thank them.”

Maine Yankee President Wayne Norton added, “My
hat is off to the State and Friends of the Coast for working through some very thorny issues with us. I also want to congratulate Mike Meisner and his team for a very successful stakeholder process which is without precedent in Maine Yankee’s history, and perhaps in the U.S. nuclear power industry. We have common cause in crafting a LTP in which we can all take pride. We are well on our way to accomplishing that and will work in good faith with the State and Friends of the Coast to fulfill the terms of the agreement.”

Decommissioning work at the plant reached the 50 percent mark this past July, the utility said. The work is scheduled to be finished in 2004.

### Ward Valley Damages Case Remanded for Trial

A California Court of Appeal has reversed key portions of a lower court ruling in litigation filed by US Ecology Inc. to recover damages from the state of California for abandoning its duties in establishing a low-level radioactive waste disposal facility. US Ecology’s complaint seeks in excess of $162 million for recovery of site development expenses, interest, and lost profits.

The case is now remanded for trial.

The ruling, issued on September 5, 2001, by the California Court of Appeal, Fourth Appellate District, held that the state clearly had the authority to make contracts regarding establishment of the proposed Ward Valley LLRW disposal facility in the eastern Mojave Desert. The court further held that US Ecology adequately alleged that California had induced it to spend money based on promises that were later broken, writing, “In this case, Ecology alleged facts that fit within the classic model of a promissory estoppel claim.”

“This ruling is a clear victory for US Ecology,” stated Jack Lemley, president and CEO of US Ecology’s parent company, American Ecology Corp. “We are confident of our ability to prove these allegations and establish damages at trial. US Ecology intends to vigorously pursue successful conclusion of this litigation to protect the interests of our shareholders,” Lemley concluded.

The three-judge panel also vacated the lower court’s order permitting intervention in the case by several Ward Valley opposition groups and directed the trial court to reconsider the matter.