



WIEB Board Meeting Minutes

April 12, 2017

Western Interstate Energy Board (WIEB) Member Representatives Present: Dr. Laura Nelson (UT), Brian Goretzki (AZ), Jeff Blend (MT), John Chatburn (ID), Jessica Reichers (OR), Matt Coldwell (CA), Tony Usibelli (WA), Amy Sopinka (BC), and Christine Lazaruk (AB).

WIEB Staff Present: Maury Galbraith, Thomas Carr, Alaine Ginocchio, Richard McAllister, Eric Baran, Jim Williams, and Holly Taylor.

Others Attending: Ken Niles of the Oregon Department of Energy, Rich Baker of the Arizona Radiation Regulatory Agency, Scott Pugrud, Matt Wiggs, and Shannon Graham of the Idaho Office of Energy Resources, and Grace Andersen of the California Energy Commission.

Board Actions:

1. Approved the minutes of the June 21-22, 2016 WIEB Board Meeting.
2. Approved the WIEB FY 2017-18 Work Plan and Budget with the following authorizations:
 - 1) Authorize the acceptance of funds in the areas of radioactive waste, regional electricity cooperation, mine reclamation, transmission planning, state energy planning, distributed energy resources, and emerging energy markets;
 - 2) Authorize the Executive Committee (Chairman, First Vice-Chairman, Second Vice-Chairman, and Treasurer) to approve, between meetings of the Board, the acceptance of funds in other areas, upon the written advice of members of the Board;
 - 3) Authorize the Executive Committee to approve, in the fall merit increases and the exact cost-of-living increase for employees based on the increase in the consumer price index for the Denver region;
 - 4) Adopt, as a target, a funding reserve equal to 2 times the annual core expense of the Western Interstate Energy Board; and
 - 5) Authorize the Executive Director and Treasurer to act as the financial agents of the Western Interstate Energy Board.

3. Elected the following Board Officers for FY 2017-18:

- Dr. Laura Nelson (UT) – Chair
- Angela Dykema (NV) – First Vice-Chair
- Jeff Blend (MT) – Second Vice-Chair
- Tony Usibelli (WA) – Treasurer

Welcome and Introductions (April 12st 9:00 AM)

Dr. Laura Nelson (UT), WIEB Board Chair, provided the welcome and introductions. After introductions, the WIEB Board approved the minutes of the June 21-22, 2016 WIEB Board Meeting.

Activities of High-level Radioactive Waste Committee

Ken Niles, Chair of the WIEB High-level Radioactive Waste (HLRW) Committee, and Rich Baker, Arizona Representative on the WIEB HLRW Committee, updated the Board on the Committee's recent activities.

Ken discussed the history, mission, and goals of the Committee. He described the Committee's efforts to work cooperatively with the U.S. Department of Energy (U.S. DOE) to achieve "safe and uneventful" transportation of radioactive waste in the Western U.S. Ken described the Committee's recent efforts to reaffirm its major policy positions related to spent nuclear fuel (SNF) and high-level waste (HLW) transport. The Committee submitted five policy position papers to the WIEB Board for its consideration prior to the meeting.

Application of WIPP Transport Model to SNF and HLW

Ken discussed the Committee's first position paper on the application of the WIPP transport model to transport of SNF and HLW. Ken explained that there are significant differences between highway and rail shipments of SNF. One of the biggest differences is that the highway system is open access, whereas the rail system is privately owned. The Committee's recommended policy position in the first position paper is that the WIPP program serve as the starting point for planning for the "safe and uneventful" transport of SNF. Ken emphasized that this work requires a collaborative approach and adequate funding to support state participation.

John Chatburn (ID) asked if it would be beneficial for the HLRW Committee to put together a statement on the need for state funding. He suggested that working with the Western Governors' Association to submit a funding request to the Secretary of U.S. Department of Energy is the best chance for success. Maury and Ken supported the idea and approach.

Shipping Oldest Fuel First

Ken also discussed the Committee's second position paper on shipping oldest spent fuel first. Ken explained that SNF is thermally and radioactively hottest when it first leaves the reactor. SNF is first stored in pools where water cools the fuel and provides shielding from radiation. After years of radioactive decay, spent fuel can be transported to dry storage.

The HLRW Committee's long-standing position has been that oldest fuel should be shipped first. This policy is based on allowing radioactive decay to occur prior to transportation and is designed to protect the safety of workers and to minimize the risk of a transportation accident. California, which has SNF stored at reactors in seismically active zones, advocated for adding a provision to the Committee's policy that allows for priority listing based on risk assessment. The Committee supported this addition to the policy paper.

Physical Protection of SNF and HLW Shipments

Rich Baker, Arizona Representative on the WIEB HLRW Committee, presented the Committee's third policy paper on the physical protection requirements for SNF transport. Rich explained that utility shipments of SNF and U.S. DOE shipments of HLW are covered by different physical protection regimes. Utility shipments would be governed by Nuclear Regulatory Commission (NRC) requirements. The NRC requirements are designed to prevent human initiated malicious acts and sabotage.

U.S. DOE shipments of HLW are not governed by NRC requirements. There are currently 250 to 500 U.S. DOE shipments of HLW each year. U.S. DOE is allowed to self-inspect its shipments pursuant to the Nuclear Waste Policy Act (NWPA). The Committee policy recommends that all shipment of SNF and HLW be governed by the NRC physical protection requirements.

Federal and State Railroad Inspectors

Rich then discussed the Committee's fourth policy paper on implementing a program to support state and federal rail inspectors. Rich provided information and statistics on the occurrence of railroad accidents. On average, there are 1,850 rail accidents each year. A train collides with a motor vehicle roughly every three minutes in the United States. Rich indicated that the Federal Railroad Administration (FRA) is currently revising its Safety Compliance Oversight Plan (SCOP). The SCOP includes specific recommendations for improving rail safety in the U.S. The FRA has indicated that it does not expect implementation of the SCOP to be fully funded.

The FRA currently has a State Partnership Program that provides support and training for state railroad inspectors. Not all Western states participate in the program and there is wide variation in the number of inspectors in Western states. The Committee policy recommends that the SCOP be fully implemented for rail transportation of SNF. The Committee policy also

recommends that the Nuclear Waste Fund (NWF) be use as a source of supplemental funding for the State Partnership Program and the support and training of state railroad inspectors.

Laura Nelson (UT) inquired about the funding method for implementing the Committee's recommendations. Ken explained that the Committee believes funding should come from the NWF. The NWF was create via a fee charged to the recipients of nuclear energy and measures in the tens of billion dollars. Ken indicated that the NWF should be used to support and provide training under both federal and state railroad inspection programs.

John Chatburn (ID) asked about the status of collections for the NWF and whether collections would need to resume prior to funding the inspection program. Ken indicated that the balance of the fund is large and that a lot of work could proceed without resuming collections. He indicated uncertainty about the process that would need to occur to resume NWF collections.

Tony Usibelli (WA) asked about connection between rail safety efforts related to oil shipments and nuclear waste shipments. Ken indicated that he was not aware of any direct correlation. Efforts to improve rail inspections and track quality for oil shipments would result in safety benefits for future shipments of nuclear waste. The U.S. DOE would need to express a willingness to collaborate in policy discussions at the federal level and have not yet expressed that willingness.

Process for Inspection of Rail Shipments

Rich discussed the Committee's fifth policy paper on robust and consistent inspections of rail shipments. The Committee policy recommends that all shipments be fully inspected by qualified inspectors using a consensus approach developed in coordination with Western states. The Level 6 radiation inspection protocol used for truck shipments of low-level radioactive materials in the West has been very successful. An inspection program for rail shipments will be more complex and time consuming. An inspection program for rail shipments should include origin, in-route, and destination inspections. In-route inspection of rail shipments will be a significant challenge because of the private nature of the rail system. The National Transportation Stakeholder Forum (NTSF) is considering this issue. Rich, Ken, and Jim Williams are all participants in the NTSF discussions.

John Chatburn (ID) asked whether rail shipments of SNF and HLW would be made by dedicated unit trains. Rich confirmed the use of dedicated trains.

Ken closed the briefing by emphasizing that the Committee developed its positions on these matters over many years; the policy recommendations were not developed in the spur of the moment. The Committee put a lot of thought into the development and formulation of the policy recommendations. Ken indicated that the HLRW Committee is working on roughly ten additional policy statements related to other aspects of SNF shipment, which he expects will be presented to the WIEB Board for its adoption in the coming year.

John Chatburn (ID) asked whether the protocols used for Navy shipments of radioactive materials to the Idaho National Lab are similar to those desired by the Committee. Ken indicated that there are significant differences. The Navy does not allow for state inspections. The Navy also does not provide states with a shipping schedule or allow states to track shipments. The Committee is advocating that states be a partner with the federal government in the shipment of SNF. John followed-up with a question about the robustness of the Navy shipping casks. Ken answered that Navy casks are of a different configuration from those anticipated to be used for SNF, but that they are of the same robustness.

Laura Nelson (UT) inquired about the authority or basis for a Committee recommendation on the expenditure of funds from the NWF. Ken responded that expenditure of the funds would require Congressional action.

Chair Nelson and the Board Members thanked Ken and Rich for presenting the HLRW Committee's policy papers. Maury expressed his appreciation for Jim Williams' efforts as the Program Manager for the WIEB High-Level Radioactive Waste program. Chair Nelson indicated that the WIEB Board would be considering its actions with respect to the Committee's policy papers in the near future.

Process for WIEB Board Approval of Committee Comments and Resolutions

Maury Galbraith initiated a discussion of a process for the WIEB Board to approve written comments and policy resolutions developed by WIEB committees. He indicated that the process would apply to policy papers developed by the HLRW Committee and any new committee or task force. This approval process would not apply to the Western Interconnection Regional Advisory Body (WIRAB), which has its own independent authority and approval process, or to the Committee on Regional Electric Power Cooperation (CREPC), which is viewed primarily as a convening body. Finally, the approval process also would not apply to the independent Energy Imbalance Market Body of State Regulators (EIM-BOSR), which notices its meetings and posts its agendas on the WIEB website.

John Chatburn (ID) asked about the status of the WIEB Energy Minerals Reclamation Committee. Maury indicated that, in late 2016, the Reclamation Committee met and discussed whether to disband the Committee. States that participate on the Reclamation Committee are also active at the Interstate Mining Compact Commission. In early 2017, the Reclamation Committee voted to recommend that the WIEB Board disband the Committee. John indicated that the WIEB Board should take formal action to disband the Reclamation Committee. Maury agreed and recommend taking a vote by e-mail.

Maury then outlined a three-stage WIEB approval process, which would include the following stages:

1. Committee Development and Consideration;
2. WIEB Board Consideration; and
3. WIEB Board Vote.

During the first stage of the WIEB approval process, the Committee Chair works with WIEB staff to develop proposed policy resolutions or written comments for federal or other entities. If a policy resolution or written comments are approved by the Committee, the Committee Chair forwards them to the WIEB Board, along with a description of any minority position of participating states or provinces.

During the second stage of the process, the WIEB Board must determine whether it has sufficient information to proceed to a Board vote. The Board can ask the Committee for more information or revisions to the policy resolution or written comments. Board member representatives can also initiate consultation with the respective governors and premiers. This consultation can either occur directly between the Board member representative and the governor or premier of each state or province, or through the Western Governors' Association (WGA), or both.

During the third stage of the process, the WIEB Board votes on formal adoption of the policy resolution or written comments. The WIEB Board's voting rule for formal adoption requires an affirmative vote from 50 percent of the member states.

After summarizing the overall framework, Maury recommended several implementation details. The first recommendation was that the WIEB Board either revise its bylaws or develop a written procedure that describes its policy resolution approval process. The second recommendation was that the WIEB Board establish formal charters for its committees. Maury suggested that WIEB committees use a voting rule that provides all states and provinces, as well as the Federal representative, a vote at the committee level. He also suggested a "near consensus" voting rule, indicating that if there are two or more "no" votes on a policy resolution, then the policy resolution should not be forwarded by a committee to the WIEB Board for consideration.

Tony Usibelli (WA) asked for clarification on the scope of the approval process and whether it would apply to WIEB projects. Maury drew a distinction between written Committee recommendations or policy resolutions and research reports or technical briefs completed as deliverables for a federal grant. Maury indicated that he thought the written comments and policy resolutions should be subject to the Board approval process, but research reports and technical briefs should not. Tony indicated that he thought this was a good distinction and suggested memorializing this in the approval process.

Tony then asked about the procedure memorialized in the WIEB bylaws for sharing policy resolutions with the WGA and indicated there may be a need to revise the WIEB bylaws. John Chatburn (ID) indicated that the WGA staff have expressed an interest in becoming more involved with the WIEB HLRW Committee's processes and in rekindling the relationship. Both

John and Maury indicated that rekindling this relationship would be beneficial. Maury stressed that consultation with the WGA is not a substitute for the WIEB Board taking direct action on written committee comments and policy resolutions. John stressed that seeking governor support through WGA is often more efficient than a state-by-state approach and recommended reviewing the process used by the Western States Water Council.

Maury indicated that the next steps in this process are for the WIEB staff to further develop the WIEB approval process and to communicate with the WIEB Board via e-mail and webinar. John Chatburn (ID) asked whether a late-summer timeline for Board consideration of the HLRW policy papers and resolutions is workable. He indicated that such a timeline would provide an opportunity to present the work at the fall WGA Staff Council meeting. Ken Niles indicated that he supported a late-summer timeline. Grace Andersen (CA) complemented the WIEB HLRW Committee and the WIEB staff on its work.

Dr. Laura Nelson (UT) ended the session by stressing the importance of developing a schedule and timeline for Board consideration of the HLRW Committee policy papers. Each Board representative is going to need to consult with experts in their own state. She also indicated that an expedited schedule may be needed if the Committee and Board decide to pursue WGA support for federal funding of state participation in the development of federal nuclear waste policy.

Executive Director Report and Business Meeting

Maury Galbraith presented the Executive Director Report, which included the following topics:

- Vision for WIEB
- WIEB Projects
- WIEB Reserve Policy
- FY 2016-17 Budget
- Election of Officers

Vision for WIEB

Maury indicated that his vision for WIEB is that WIEB act as an integrated organization, where the leadership of WIEB, its committees (including the Committee on Regional Electric Power Cooperation (CREPC) and the Western Interconnection Regional Advisory Body (WIRAB)) are knowledgeable of one another's activities and initiatives. Maury discussed the use of monthly leadership calls and joint committee meetings as a means to achieve this goal.

Maury also discussed the importance of committee leadership succession. It is important to hold elections for committee leadership every two to three years as a means to increase member participation and engagement on the committees.

Finally, Maury stressed the importance of engagement with federal entities. He discussed an annual delegation visit to Washington DC to improve relationships with the U.S. DOE and the Federal Energy Regulatory Commission (FERC). Maury also mentioned preliminary discussions with U.S. DOE on a cooperative funding agreement with WIEB to support the activities of CREPC.

Tony Usibelli (WA) supported increased communications between committee leaders and recommended a monthly or quarterly e-mail update from the WIEB Executive Director as an additional way to keep representatives informed of current activities. He also recommended cross-communications with WGA and other state related organization in the West, such as the Pacific Coast Collaborative.

John Chatburn (ID) asked about efforts to fill the vacant federal representative position on the WIEB Board. Maury indicated that there had been preliminary discussions and asked Board members to forward names of potential candidates.

WIEB Projects

Under “WIEB Projects,” Maury quickly briefed the Board Members on the:

- WIEB SunShot Award;
- WIEB – Stanford University Summer Internship Program; and the
- WIEB – High-Level Radioactive Waste Cooperative Agreement.

WIEB Financial Reserve Policy

Maury facilitated discussion of a WIEB Financial Reserve Policy. He indicated that WIEB’s current financial reserved is \$2.7 million and its targeted level of reserves, based on two-year’s of core expense, is \$526,000.

John Chatburn (ID) asked about the definition of WIEB’s core expense. Maury indicated that WIEB’s core functions include the annual WIEB Board Meeting, the Joint CREPC-WIRAB Meetings, and the activities of WIRAB. Non-core functions are those functions associated with grants that provide temporary funding, such as the SunShot Award and the HLRW-U.S. DOE Cooperative Agreement.

Grace Andersen (CA) asked whether the definition of core expense was an accounting practice. Maury indicated that it was a historical practice of the WIEB Board to inform WIEB’s financial reserve policy.

Brian Goretzki (AZ) asked how long it had taken to accumulate the current level of reserves and how much is added each year. Maury indicated that WIEB’s financial reserve has accumulated over many years.

John Chatburn (ID) indicated that core expenses totaling \$526,000 are not sufficient to run the organization and that he would need further clarification and more information before he could proceed on this matter. Maury indicated that this was the start of a discussion about changing the reserve policy and that WIEB staff would provide more information on WIEB's core expense.

Tony Usibelli (WA) indicated that, as the WIEB Treasurer, he has been the Board member who most consistently voiced concern with the size of the WIEB's financial reserve. Tony indicated that a large financial reserve can become a difficult situation for a state-based organization. The current low return on investment creates a stewardship challenge, but the large reserve also presents an opportunity for the Board to be more proactive. For example, it allows the Board to enter into partnerships and to take on important projects. Tony supports using the reserve margin to pursue important WIEB activities.

Dr. Laura Nelson (UT) asked Tony for clarification on whether he was seeking to improve the methodology for the calculation of WIEB's core expense in order to reduce the reserve requirement or whether he was seeking to expend excess financial reserves. Tony indicated he thought it would be worthwhile to take a look at the reserve methodology, but his main desire is for the Board to think proactively. He indicated that WIEB has done a remarkable job over the last several decades with bringing in outside funding for important projects and ensuring the longevity of the organization, but that the size of the current reserve creates unique opportunities.

John Chatburn (ID) reiterated the need for a clear explanation of WIEB's core expense calculation. He also suggested the possibility of lowering WIEB's annual membership dues from \$18,000 to \$15,000, to assist states and encourage continued state participation at WIEB. Tony acknowledged the importance of considering this option. Laura indicated that funding projects and reducing annual membership dues are not an either/or proposition.

Maury thanked the Board for its input and indicated that next steps would include providing a clearer explanation of the calculation of WIEB's core expense and consideration of a wider range of options for spending down the financial reserve.

FY 2016-17 Budget

Maury presented the proposed WIEB FY 2017-18 Budget and Work Plan, including expenditures by program/committee and income by source/committee. The budget increases from \$481,970 in FY 2016-17 to \$1.2 million in FY 2017-18 largely due to the addition of the SunShot award.

Tony Usibelli (WA) moved to approve the proposed budget and the five budget authorizations. Dr. Laura Nelson (UT) seconded the motion. The Board unanimously approved the motion.

Election of Officers

Next, Maury facilitated the election of officers for the upcoming year. Maury put forward the following slate of officers for FY 2017-18:

- Dr. Laura Nelson (UT) – Chair
- Angela Dykema (NV) – First Vice Chair
- Jeff Blend (MT) – Second Vice Chair
- Tony Usibelli (WA) – Treasurer

John Chatburn (ID) moved to approve the slate of officers for FY 2017-18. Tony Usibelli (WA) seconded the motion. The Board unanimously elected the slate of officers.

WIEB Board Officers for FY 2017-18 are:

- Dr. Laura Nelson (UT) – Chair
- Angela Dykema (NV) – First Vice Chair
- Jeff Blend (MT) – Second Vice Chair
- Tony Usibelli (WA) – Treasurer

WINB Board Officer for FY 2017-18 are:

- Dr. Laura Nelson (UT) – Chair
- Angela Dykema (NV) – First Vice Chair
- Tony Usibelli (WA) – Treasurer

Adjourn

Board Chair Dr. Laura Nelson thanked the WIEB member state representatives for their ongoing participation and adjourned the meeting at 11:30 AM.