

Current Status of WCS Licenses and Services

Presented at the

WM 2011

By: Bill Dornsife, Executive VP Licensing March 1, 2011 WASTECONTROL SPECIALISTS LLC

Aerial Photo Looking North

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Construction is underway

EST :

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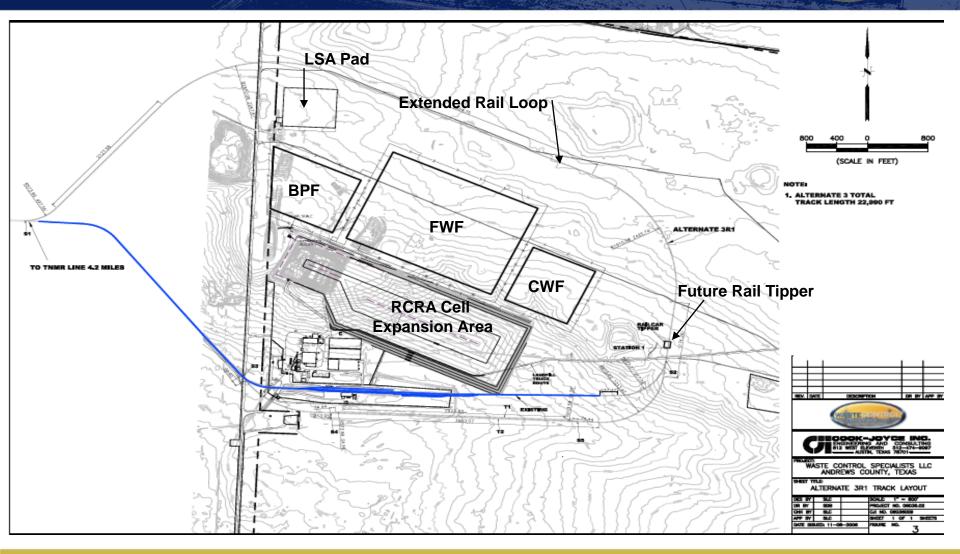


Site Progress

- Bonds issued December 2010
- CWF property has been deeded to the State of Texas WCS will lease and operate the facility
- Construction started January 10, 2011 with an estimated 9 month schedule to complete
- Targeting start of LLRW disposal operations Q4 2011 after TCEQ approval
- Utility audit scheduled for March 7-10
- Staffing up



Facility Layout





Commercial

LLRW Disposal Authorizations

TX Compact Waste Disposal Facility

- 2,310,000 cubic feet and 3,890,000 curies
- License Term 15-years with unlimited opportunities for 10-year renewals



Categories for Disposal

CWF Waste

Containerized Waste Only

- Class A
 - DAW
 - High Density
 - Resin and High Dose Rate
- Class B/C
- Irradiated Hardware
- Large Components
- Sealed Sources



Texas LLRWD Compact Commission

- Texas Compact Commission (TCC) approved Import & Export rules January 4, 2011
- VT Commissioners replaced by new Governor Peter Shumlin February 1, 2011
- Rules published in the Texas Register February 4th



Import Rules

- Import volumes will be limited to assure disposal capacity TX & VT generators; VT guaranteed 20% of capacity
- WCS has prepared a Capacity Report based on recent forecasts that demonstrates sufficient capacity for reasonable importation from out-of-compact states.
- WCS will submit a blanket petition for reasonable importation and make it available to generators on a first-come basis. This will help TCC manage import petitions.
- Generators may submit individual import petitions to TCC
- TCC is expected to take 6-12 months to approve import/export petitions
- Import agreements must be finalized with the TCC prior to disposal of LLRW
- Fees may be assessed
- Regulatory compliance record will be considered



Rate Setting

- WCS application submitted in June 2010 and responded to TCEQ comments in October 2010 and January 2011
 - Reasonable importation of waste is required to serve a national need and to ensure economic viability of the facility
 - Based on recent waste projections long-term capacity will be maintained for In-Compact generators
 - Prior year investments were excluded from proposed maximum disposal rates for in-Compact generators
 - Rate setting rules allow contracting at disposal rates less than maximum rates set by TCEQ
 - No risk in executing disposal contracts now. WCS will hold contract pricing or honor maximum rate set by TCEQ if lower than contract price



Waste Profiling

- Chemical, Physical and Radiological properties
 - Part 61 analysis, generator knowledge
 - SNM limits 350/200 grams for U and PU
- Packaging
 - DOT approved containers Drums, boxes, HICs, Liners
 - Voids less than 15% in containers
 - Most waste must be containerized disposal in 7'8"W x9'6"
 L x 9'2" H rectangular or 6'8" Dia. X 9'2" H canisters
 - Free liquids < 1% of waste volume
 - Large components approved on a case-by-case basis
- Transportation
 - Truck transport only; future amendment for rail receipt



Generator Certification

- Facility audits required for certain wastes that are not conducive to inspection or sampling upon receipt
 - NRC Inspections/audits may be utilized w/ TCEQ approval
- Program reviews
 - Sampling and analytical procedures and frequency
 - QA/QC procedures
 - Procedures for ensuring free liquid and void space limits are met
 - Process Control Program
 - Shipping Program
 - Regulatory history

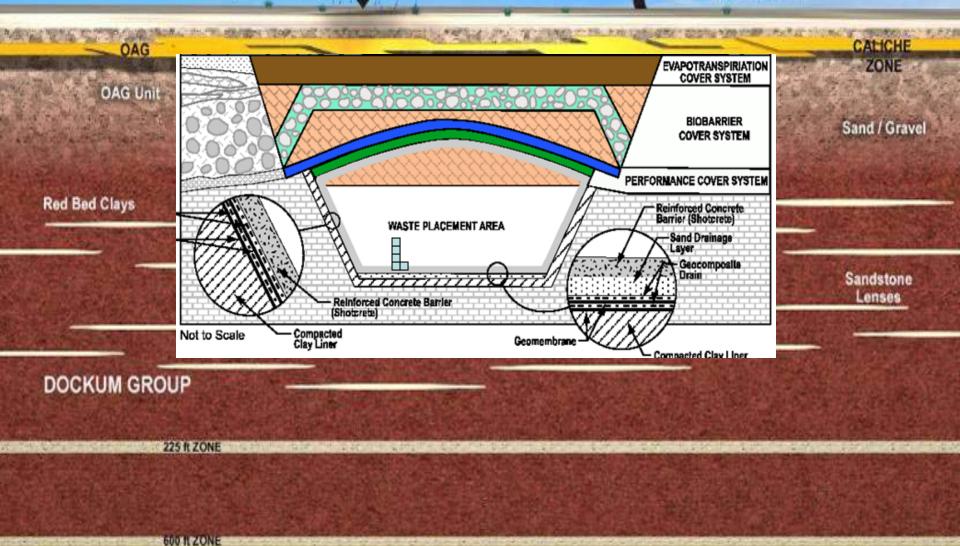


Contracting Approach

- WCS Environmental Service Agreement
- Disposal Pricing
 - Based on volume and activity
 - Volume discounts
 - Curie fee for high activity wastes based on license limits
 - Potential surcharge for high C-14 content
 - Accurate waste data enable accurate pricing

(~15 inches / yr)

EVAPOTRANSPIRATION (65 inches / yr)



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Santa Rosa Aquifer -1000 ft

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Groundwater Characteristics

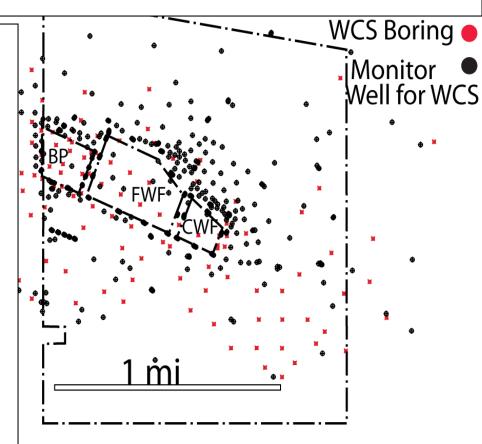
- WCS is not above or adjacent to any underground drinking water supply
- Texas state water map confirms site characteristics
- Hydraulic conductivity of clay is 1x10⁻⁹ cm/sec and the 225-foot zone is 1x10⁻⁸ cm/sec
- Horizontal groundwater travel is 4 feet (1.3 meters) per 1,000 years
- Groundwater is ~16,000 years old

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Subsurface Characterization Activities at WCS Have Been Extensive

Over 596 wells/soil borings, including:

- 448 monitoring wells
- Over 130 uncased soil borings
- 18 instrumented boreholes Numerous geologic/hydrologic investigations, including:
 - 15 major geologic studies
 - 18 major hydrogeologic studies
 - Nine geophysical investigations





- Understand and meet
 customer needs
- Contract for disposal service
- Begin Disposal Operations