

Meeting:	NuLeAF Steering Group, 23 October 2013
Agenda Item:	5
Subject:	NDA Strategy and Operations
Author:	Stewart Kemp and Philip Matthews
Purpose:	To provide updates on developments in NDA Strategy and Operations

Introduction:

This report briefly updates on:

- Magnox PBO competition process and the Sellafield PBO contract
- NDA Theme Overview Groups
- Plutonium Management
- Report on IPPA Conference, Prague

Recommendation:

The report is for noting.

Contribution to 2012/13 Service Plan:

The activities described in this report relate to the following Key Tasks:

Identify key issues for members resulting from NDA Strategy implementation including PBO competitions, community benefits, and waste storage consolidation proposals.

Maximise local authority consultative opportunities through our engagement with the IWM and Site Restoration TOGs and advise members when new opportunities arise.

1 Update on the Magnox PBO competition process and the Sellafield PBO contract

Briefings were arranged in early September for local authorities neighbouring Magnox and RSRL sites to discuss socio-economic aspects of the current NDA PBO competition process. These meetings were focused on bidders feeding back to the host local authorities their plans based on previous discussions, site visits, and SSG attendance. It was also an opportunity for host local authorities to clarify any issues with the bidders, including socio-economic proposals.

On 4 October NDA announced its intention to extend the Sellafield contract with Nuclear Management Partners (the consortium comprising URS, AMEC and Areva) into a second five year period. The first 5 year period of the 17 year contract comes to an end in March 2014. NDA's CEO, John Clarke said:

"Both NMP and the NDA now have a much better understanding of the issues and complexities that exist at the site and the challenges that lie ahead. Whilst progress is being made on a number of fronts we will require significant improvements during the next period. We have had extensive discussions with NMP and made clear where these improvements must be made. We will continue to monitor performance closely and remain focussed on achieving our goal of safe, effective, value for money decommissioning at Sellafield – as we are seeing elsewhere across our portfolio of sites."

Newly appointed NMP General Manager, Ian Hudson, who was formerly employed as Head of NDA's Sellafield Programme, was reported in the North West Evening Mail on 21 August saying: "Under my leadership NMP will continue to strengthen its commitment to the community and to the economic future of West Cumbria."

The July NuLeAF Steering Group meeting expressed some concerns about the depth of NDA's commitment to engagement with local authorities and the need for a clearer commitment from prospective PBO's to socio-economic development in neighbouring communities. The July meeting decided that the NuLeAF Acting Chair, Cllr Richard Smith, should meet with NDA's CEO to discuss how engagement and socio-economic support in NDA site host communities can be strengthened. This meeting will take place on 22 October, after the NDA National Stakeholder Group meeting, and the Acting Chair will be able to report back verbally to the meeting.

2 NDA Theme Overview Groups

NuLeAF officers attended a meeting of the NDA's Site Restoration Theme Overview Group (SR TOG) on 14 August. However, apologies were submitted to the SR TOG meeting on 17 September and the Integrated Waste Management TOG (IWM TOG) on 19 September due to staff absence on leave.

The SR TOG and IWM TOG are two of four Theme Overview Groups created to facilitate NDA strategy implementation. NuLeAF is also represented on the newly formed 'Critical Enablers' TOG though the initial meeting of this group takes place on 23 October – coinciding with NuLeAF Steering Group and AGM. NuLeAF's request for representation on the Nuclear Materials and Spent Nuclear Fuels TOG was declined, because of the security sensitive nature of some of the Group's discussions.

The **SR TOG meeting** on 14 August considered: NDA strategy towards the pace and prioritisation of site restoration at Sellafield and Magnox sites (though discussion almost entirely focused on Sellafield); progress with site restoration 'road maps'; and received a presentation from the Environment Agency on performance indicators for decommissioning (developed from their survey of international best practice).

Key points from the meeting include:

- An updated Sellafield Ltd site decommissioning strategy is due for publication in October 2016 and final decisions about care and maintenance or continued decommissioning at Magnox sites are required within 5 years. Clarity on both matters is needed for both the development of NDA's Strategy III (2016-21) and for NDA's funding bid in the next Government spending review.
- Key questions raised for Sellafield strategy development and the Life Time Plan 2014 now in preparation, include: what is the capacity to carry out work? (both skills and supply chain availability); where is the right place to put effort and resources? (carrying out some lower hazard decommissioning work first could create space on site and enable higher hazard priority work to be carried out later more cost effectively); and, what is deliverable, sustainable and financially affordable?
- How to remove 'optimism bias' and not plan project delivery on the best case assumptions (eg. that skills and supply chain capacity will always be available at the right time and in the right place). Sellafield Ltd recognise they need to project forward 5 or 6 years to identify where potential bottlenecks might appear and consider actions now that can address them. Sellafield Ltd say they are now looking at on site issues with 'extreme candour' and placing greater priority on contingency planning (e.g. site storage options/use of containerisation).
- Approximately two thirds of the annual expenditure at Sellafield is directed towards keeping the site safe and compliant with regulatory requirements. Withdrawal from reprocessing will reduce this expenditure and increase funding available for decommissioning and hazard reduction.
- The above questions and issues will inform preparation of an NDA Gate '0' Paper in November/December 2013 about whether there is a case for

change of strategy at Sellafield. If NDA consider that there is a case then the case will be worked up into a Gate 'A' credible options paper for national stakeholder comment. Any outcomes would inform NDA Strategy III upon which full public consultation would be required before finalisation.

The agenda for the 17 September SR TOG meeting included updates on NDA strategy work around the timing of decommissioning at Magnox sites; progress with the 'road maps'; and progress with NDA strategy towards the next use of NDA sites.

Steering Group members may wish to note that Anna Clark, NDA's Head of Site Restoration Programmes, will present to the January 2014 Steering Group and update the meeting on the above key issues.

Issues discussed at the 19 September **IWM TOG meeting** included:

- opportunities for decay storage of wastes. NDA and LLWR are analysing the UK radioactive waste inventory to identify potential opportunities and Magnox Ltd is supporting Scottish Higher Activity Waste policy and assessing the potential for near surface disposal of Magnox ILW.
- options for dealing with 'orphaned' wastes that cannot be managed through existing conditioning and packaging plants. NDA will be looking for 'supply chain solutions' for these difficult wastes.
- progress with ILW roadmaps – showing site by site progress through defueling, post operation clean out, care and maintenance, decontamination, and site clearance. This work is at an early stage and will need to be integrated with site restoration 'road mapping'.

3 Plutonium Management

The NDA reports that it: "...has shared with the Department for Energy and Climate Change (DECC) the conclusions of the work we have recently undertaken regarding the management of the UK's separated plutonium stocks."

"This work consisted of:

- an updated assessment of the Government's preferred option, which is the implementation of reuse of plutonium as MOX fuel;
- consideration of the credibility of alternative reuse proposals, for which the NDA has engaged GE-Hitachi and Candu to provide further information regarding their PRISM and Enhanced CANDU 6 (EC6) reactor proposals respectively;

- an outline of what further work is required including developing our approach to Justification.”

“DECC is currently considering our conclusions and we expect to be able to provide further information in the autumn.” At the time of writing neither DECC nor NDA have announced further plans, though members will note that DECC is proposing that there be provision for spent MOX fuel in a revised GDF inventory (see MRWS report elsewhere on this agenda).

4 Report on IPPA Conference, Prague

Executive Co-Director Philip Matthews attended the IPPA (Implementing Public Participation Processes in Radioactive Waste Disposal) End Users conference in Prague on the 30 September and 1 October.

IPPA is a project within the Seventh Euratom Research and Training Framework Programme (FP7) on Nuclear Energy of the European Commission. The project started in January 2011 and is now reaching its conclusion.

The aim of the project is on building capacity and learning lessons from Eastern European EU members with a nuclear legacy. The work of IPPA has been in Poland, Romania, Slovenia, Slovakia and the Czech Republic, with the UK, Sweden, Finland, Germany and France also involved.

The focus of the conference was on how public participation can support societal decision making and strengthen democratic institutions. It explored different models of engagement and the different approaches and challenges in each of the participating Eastern European countries. It highlighted some particular issues related to the young democracies in these nations and the mutual suspicion of national governments and community/local government bodies, while also illustrating that the issues around public participation have a degree of commonality with those in the UK. More on the IPPA Conference and the project can be found at <http://www.ippaproject.eu/>

NuLeAF Acting Chair Cllr Richard Smith, Cllr Mark Hackett and Co-Director Philip Matthews also attended the Euradwaste conference in Vilnius between the 14 and 16 October. A verbal report on this event will be provided to Steering Group.

Attendance at both events was funded in full by the NDA.