

<b>Meeting:</b>	NuLeAF Steering Group, 24 October 2012
<b>Agenda Item:</b>	8
<b>Subject:</b>	Progress Report
<b>Author:</b>	Stewart Kemp
<b>Purpose:</b>	To update the Steering Group on: correspondence with NNLAG; Submarine Disposal Project; 2013 Seminar arrangements; NuLeAF funding; and NuLeAF Service Plan 2012-14

### **Introduction:**

This report covers:

- Correspondence with NNLAG about the Nuclear Liabilities Regime
- Submarine Disposal Project Update
- NuLeAF Seminar 2013
- NuLeAF Funding
- NuLeAF Service Plan 2012-14

### **Recommendation:**

Regarding Report Item 1, that the Executive Co-Directors continue to monitor and report on, as appropriate, the implementation of the revised Convention on Third Party Liability.

Regarding Report Item 3, that the Steering Group determine the proposed content of the 2013 NuLeAF Seminar.

That Report Items 2, 4 and 5 be noted.

### **Contribution to strategic objectives:**

*SO2: (Re Item 2) Encourage NDA and SLCs to engage early and effectively with the relevant local authorities when considering options for centralised and multi-site approaches, and to only move forward with such approaches where they are supported by the affected local authorities in the light of the overall balance of benefits and disadvantages.*

*SO14: (Re Item 1) Liaise effectively with the New Nuclear Local Authorities Group and with the local authorities addressing the radioactive waste management implications of new build and provide assistance as appropriate.*

*SO16: Encourage MoD to adopt clear objectives and good practice in the consultation on options for managing radioactive wastes from the Submarine Disposal Project*

*SO17: Seek to ensure that the approach taken to the implementation of the Submarine Disposal Project is consistent with developments in the civil nuclear industry*

## **1 Correspondence with NNLAG about the Nuclear Liabilities Regime**

It was agreed at the last Steering Group meeting (minute 3.2) that the Executive Co-Directors contact NNLAG to ask if they intended to consider changes to the Paris and Brussels Convention on third part nuclear liability, as the proposed changes would impact on 'new nuclear build' site operators.

The terms of NuLeAF's approach to NNLAG are at Annex A. NNLAG officers replied on 8 October saying "(We) have discussed the points in your email re: NNLAG stance on nuclear liability regime and we think that this issue may be straying outside of NNLAG's remit at present." It is recommended that the Steering Group note the position and take no further action at this stage. The Executive Co-Directors will continue to monitor implementation of the revised Convention and report any significant developments.

## **2 Submarine Disposal Project Update**

The Submarine Dismantling Project is currently assessing its options for:

- how to remove radioactive materials from submarines and in what form to store Intermediate Level Waste (ILW)
- where to remove radioactive materials from the submarines (Devonport or Rosyth Dockyards, or both)
- which type of site to use for storage of Intermediate Level Waste that is awaiting the availability of the UK's Geological Disposal Facility (existing nuclear sites owned by MOD, NDA or private industry)

To inform this assessment, the project completed the Submarine Dismantling Consultation in February 2012 and published the findings of the consultation in June 2012. The project team is now preparing its internal business case, informed by its assessment of the options and the public consultation responses, that will lead to decisions being announced in 2013. These will include decisions on how and where initial dismantling will be undertaken, but selecting a specific site for storage of ILW will require a further consultative assessment. MOD's response to the public consultation, demonstrating how

responses have been taken into account, will also be published in conjunction with the announcement of these decisions.

The project has an Advisory Group (AG), of which NuLeAF is a member, which exists to provide independent advice and challenge into the project's plans and decision processes. At the most recent Advisory Group meeting, held in June 2012, the project team indicated its intention to convene a sub-group of the AG to begin work on the design of a process for short-listing, assessment and selection of an ILW storage site. NuLeAF will send representation to this sub-group, to be established from January 2013, to provide advice on local authority engagement and wider issues.

Background information on the project, together with all the consultation documents and reports can be found at: [www.mod.uk/submarinedismantling](http://www.mod.uk/submarinedismantling)

### **3 NuLeAF Seminar 2013**

At the Radioactive Waste Planning Group meeting on 25 September the Executive Co-Directors raised for discussion the theme for NuLeAF's Spring 2013 seminar. As in previous years it was proposed that topics address key spatial planning and radioactive waste management issues. Subjects identified included:

- the newly established 'duty to cooperate' under the Localism Act 2011, that requires waste receiving areas to be consulted by waste consignors. It was recognised that the precise requirements of this new obligation remained unclear and that it was likely to remain so in the absence of planning guidance;
- current estimates of the Low Activity and Very Low Level (LA/VLLW) radioactive waste inventory and whether projected future arisings can be either diverted via the 'waste hierarchy' or managed in existing permitted landfill (capacity gap analysis). The seminar programme could also include an update from NDA on preparation of the 2013 UK Radioactive Waste Inventory;
- progress with the updated NDA site restoration strategy development programme and the content and timetable for engagement with local communities hosting NDA sites; and
- approaches to LA/VLLW management in other comparable countries, particularly regarding levels of community engagement and socio-economic support, and whether there are overseas practices that could be usefully applied in the UK.

The Steering Group is invited to comment on the above topics proposed for inclusion in the 2013 NuLeAF Seminar.

Facilities at Local Government House have been booked for the seminar on 12 March 2013.

#### **4 NuLeAF Funding**

Minute 9.2 of the Steering Group meeting on 20 July 2012 refers to the Executive Co-Directors' intention to meet with NDA to discuss NuLeAF funding for FY 2013/14. This matter formed part of the agenda for discussion with NDA's Radioactive Waste Management Directorate (RWMD) on 12 September 2012 where it was agreed that NuLeAF would be funded at the present level (£75,000) for a further 12 months.

Further to Minute 9.3 of the last Steering Group meeting, the Executive Co-Directors have discussed with LLWR Ltd whether there are services that NuLeAF could provide in return for funding and it was agreed that NuLeAF will submit a proposal to research the scope of LLWR Ltd's new 'duty to cooperate' obligation arising from the Localism Act 2011. Other Site Licence Companies have not yet been approached for similar discussions.

To progress Minute 9.4 of the last Steering Group meeting, the Business Support Coordinator is reviewing individual waste policies to identify local authorities most impacted by the new 'duty to cooperate' under the Localism Act 2011, with a view to identifying non-member authorities that could most benefit from engagement with NuLeAF.

#### **5 NuLeAF Service Plan 2012-14**

The Executive Co-Directors and Business Support Officer have developed a draft Service Plan for 2012-14 which has been submitted to the 2012 Annual General Meeting for adoption.

The Plan sets out the main areas of proposed activity for NuLeAF over the next 12 months and outlines projected activity for the year following the 2013 NuLeAF AGM. The intention is to refresh the Plan annually and use the Plan as a tool to appraise NuLeAF performance, and communicate NuLeAF's purposes and priorities. All Steering Group members should have a copy of the Plan with their 2012 AGM Papers.

## Annex A

### Email to NNLAG dated 31 August 2012 regarding changes to the international regime providing for third party liability in the event of a nuclear incident or accident

Dear NNLAG colleagues

#### **Changes to the Nuclear Liability Regime**

At its April and July Steering Group meetings NuLeAF members were informed of planned Government changes to the international regime providing for third party liability in the event of a nuclear incident or accident. The changes are required by amendments to the Paris and Brussels Conventions on third part liability to which the UK and most of the other EU countries are signatories. DECC consulted last year on implementation in the UK of changes to the Convention.

As you may be aware, currently, nuclear operator liability is limited to £140m per incident. The UK is increasing this to €1.2bn, to ensure that more compensation will be available to a larger number of claimants in respect of a broader range of damage. This €1.2bn is €500 million more than the minimum necessary under the revised Conventions.

The new level will be phased in over five years starting at €700 million when the new regime comes into force and increased annually by €100 million. The changes will apply to existing nuclear operators in the UK as well as any potential new build operators.

A liability level of €70m will also now apply to low risk sites (this is an increase from the current £10m) as well as a level of €80m for low risk transport of nuclear substances.

Under the changes to the third party liability regime, all radioactive waste disposal sites would be included, not only licensed nuclear sites like the LLWR, or a proposed geological disposal facility. V/LLW sites would also be included though Government is seeking to amend the revised Convention so that these sites are excluded (on the grounds that they do not present a significant risk and normal third party liability under ordinary law is sufficient). However, Government expects it will take several years to alter the revised Convention and that in the interim V/LLW facilities will need to provide the necessary financial security or insurance (at the 'low risk' liability level of €70m) when the revised Convention comes into force.

The Government intends to amend UK legislation to implement these changes later this year, though the changes to the Convention will only come into force when all signatory States have implemented the changes.

NuLeAF has not taken a firm view on the above matters but is interested to know whether NNLAG is likely to consider the implications of the changed Convention. There are two issues which NuLeAF is particularly interested in: 1) even at €1.2bn, whether NNLAG considers that the level of liability of nuclear site operators towards third parties is set high enough (particularly in the light of current estimated costs arising from the Fukushima disaster), and 2) whether NNLAG agrees with broadening the scope of the Convention to capture all radioactive waste disposal facilities as well as existing nuclear licenced sites.

I would appreciate your response, to enable me to report back to our next Steering Group meeting on 24 October.

Sincerely