



Columbia Riverkeeper White Paper: Private Industry on Hanford Land May 2013 Update

Introduction

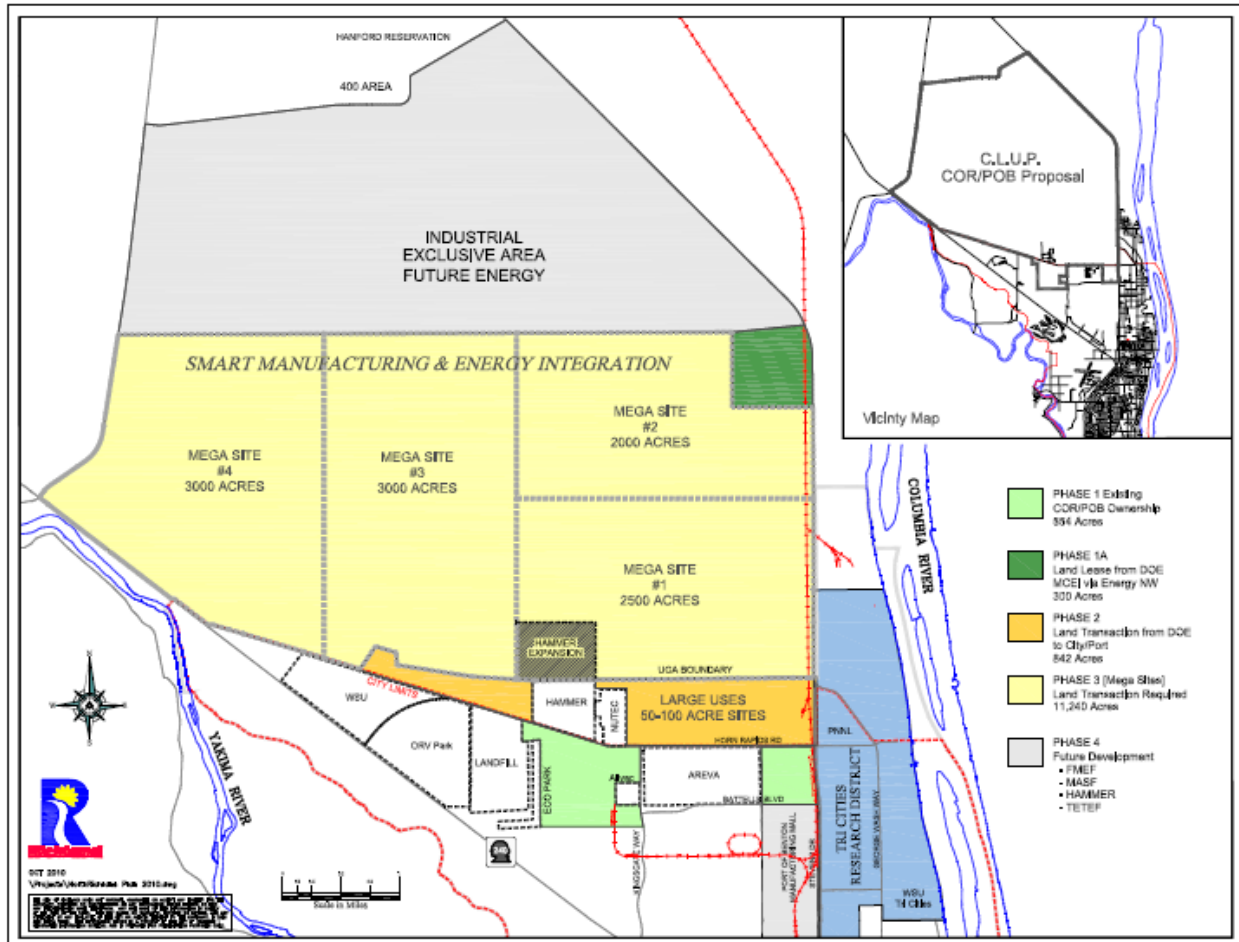
On May 31, 2011, the Tri-City Development Council (TRIDEC), in cooperation with the City of Richland, Benton County, and the Port of Benton, requested roughly 1,641 acres of the Hanford Site in fee simple from the U.S. Department of Energy (Energy). If approved, TRIDEC's request would result in the sale or, more likely, give-away of 1,641 acres of public land at Hanford. This land would be sold or transferred to corporate ownership for industrial development. Pursuant to 10 C.F.R. § 770, Energy is considering TRIDEC's land conveyance request, and has initiated a National Environmental Policy Act (NEPA) review to analyze the environmental impacts of conveying the land out of federal ownership. *See Energy Notice of Intent to Prepare an EA for Hanford Land Disposal* (hereinafter "Energy Notice"), 77 Fed. Reg. 58,112 (Sept. 19, 2012). This white paper describes Energy's NEPA review to date, and summarizes TRIDEC's aspirations for private industrial development at Hanford.

1. Status of NEPA Review

Energy has made relatively little progress towards compiling the necessary NEPA documentation. Energy began its NEPA analysis by announcing that Energy would prepare an Environmental Analysis (EA) of the land conveyance, and take public comments on the scope of the analysis. 77 Fed. Reg. 58,112 (Sept. 19, 2012). However, Energy's NEPA contractor, who has never worked at Hanford, has apparently encountered unexpected delays due to the unique safety concerns and bureaucratic requirements of operating at Hanford. *Pers. Comm. with Paula Call, Energy NEPA Document Manager* (April 18, 2013). The NEPA contractor has apparently not begun preparing the NEPA document and was not even scheduled to commence on-site field investigations until May 8, 2013. *Id.* Energy personnel indicated that a "NEPA document" (likely an EA) would hopefully be available for public comment by fall of 2013, with

a final NEPA decision following in the spring of 2014. *Id.* However, given the delays thus far, and the fact that the NEPA contractor has essentially not begun work, that timeline is far from certain.

Figure 1. Proposed Clean Energy Park Boundaries.



2. TRIDEC's Plans for Private Industrial Development at Hanford

The public deserves to know: what would happen on the land after Energy conveyed it out of federal ownership? TRIDEC's conveyance request was very vague, and offered no concrete plans about the specific industries that would own and operate on the former Hanford land. To better understand which specific industries or corporations TRIDEC is attempting to attract, Riverkeeper sent a Freedom of Information Act request to Energy and Washington Public Records Act requests to the City of Richland, Benton County, and the Port of Benton. This white paper summarizes the information discovered through those records requests, and explains TRIDEC's vision for land acquisition and private industrial development at Hanford.

a. TRIDEC's 'Clean Energy Park'

TRIDEC and the cooperating municipalities envision turning part of Hanford into a privately-owned 'clean energy park.' Though TRIDEC and its allies have put substantial effort into marketing the idea of a clean energy park at Hanford, the park concept is fairly amorphous and TRIDEC is requesting the land with few specific uses in mind. Perhaps to avoid more NEPA review, and in part because TRIDEC has no firm concept of what might occur on the land, TRIDEC has repeatedly rebuffed Energy's requests for more specific information about the future use of the 1,641 acres. Documents obtained via public records requests indicate that TRIDEC intends to acquire the land first, and then find industrial users to locate there.

TRIDEC has proposed a myriad of minor projects that could locate at the clean energy park. TRIDEC's marketing documents, and its responses to inquiries by Energy, talk about potential uses for the site including: green manufacturing, manufacturing of renewable energy products (like wind turbine blades), providing renewable energy, solar energy generation, energy storage, and a pilot biofuels plant. These potential uses of the site appear to exist almost entirely in TRIDEC's imagination and marketing propaganda. Public records requests revealed almost no information indicating that TRIDEC has received commitments from companies to locate at the 'clean energy park.'

TRIDEC has, in the past, tried to recruit individual large industrial users to 'anchor' the energy park. The first such effort was TRIDEC's bid to get AREVA corporation to build a large nuclear fuel manufacturing plant on this land. During 2008, Energy courted AREVA to site a large uranium enrichment facility on several hundred acres of the land TRIDEC now seeks to acquire from Energy. Documents obtained through public records requests indicate that Hanford was among the top sites in the country where AREVA considered building this large new plant. The Hanford site was well-situated with regards to transportation access, utility services, undeveloped land, and a large, well-trained nuclear workforce. Ultimately, AREVA decided to build near the Idaho National Laboratories, thanks to significant tax incentives from Idaho, a tepid reception from the Washington state government, and the uncertainty and delay involved with acquiring federal land at Hanford. While this particular attempt at private development at Hanford failed, the experience demonstrates that the site is attractive to large manufacturers, and that TRIDEC has no qualms about siting nuclear facilities on this land.

TRIDEC's next attempt to foster major industrial development at Hanford was known as Project Aurora. During 2010 and 2011, TRIDEC worked to entice GCL Solar to construct a "massive solar panel manufacturing plant" on the land that is currently requested for conveyance. GCL Solar appeared interested in the site, and actually requested studies from the

Bonneville Power Administration about whether existing transmission lines could accommodate the plant's apparently substantial energy demands. Project Aurora appears to be indefinitely on hold, partly because GCL Solar wanted to own the land outright before committing to build there. Another reason Project Aurora stalled was that, after the Fukushima nuclear disaster, GCL Solar apparently became concerned about locating so close to the Northwest Generating Station. Some correspondence between TRIDEC and the cooperating municipalities indicates that Project Aurora could be revived in the future, but there is little indication that GCL Solar is still actively considering the site. Even so, GCL Solar's interest in the site indicates that some large manufacturer will probably locate there eventually if TRIDEC can offer the land in fee simple and at a bargain.

Twice frustrated, TRIDEC's latest vision for a large facility to 'anchor' the energy park revolves around the design and manufacture of small modular nuclear reactors (SMRs). TRIDEC's interest in SMRs is enhanced by federal funding opportunities for private companies to design and develop this technology. While TRIDEC does not appear to be in direct contact with private companies that could receive funding to design SMRs, TRIDEC *is* actively promoting Hanford as an ideal location to develop and test SMRs. Moreover, in 2012, several Washington legislators and former Governor Gregoire sent letters to Energy supporting development of SMRs at Hanford. While TRIDEC and others would undoubtedly welcome SMR development at Hanford, no federal funding has been awarded to any company that would potentially locate at Hanford. In short, there are no clear plans for SMR development at Hanford at this time.

Even if SMR development or manufacturing occurred at Hanford, nuclear testing or power generation might not happen on the 1,641 acres TRIDEC is currently requesting. TRIDEC's early marketing materials (from 2008 and 2009) talked about siting and operating test SMRs in the energy park. However, TRIDEC's more recent rhetoric (from roughly 2011 onward) asserts that nothing "nuclear" would happen on the 1,641 acres. Most calls for SMRs at Hanford, including those by Washington elected officials, have stated that the Northwest Generating Station would be the appropriate place for developing and testing SMRs. TRIDEC now appears to be advocating the "manufacture" of SMRs at the energy park (nuclear fuel would be added elsewhere). Because SMR technology is still in the early stages of development, it seems unlikely that SMRs could be commercially manufactured at Hanford (or anywhere else) in the near future.

b. 1,641 Acres: Just the Beginning

TRIDEC envisions a clean energy park that is much larger than the 1,641-acre parcel currently at issue. TRIDEC's request for 1,641 acres stated that this is merely the first of many parcels of federal land at Hanford that TRIDEC hopes to acquire. Documents obtained via

public records requests are replete with statements indicating that TRIDEC and the cooperating municipalities want more land, but there is no real consensus about how much more, or when to request it. The two sizes most often mentioned are 18–20 square miles and 60 square miles. Figure 1, above, shows TRIDEC’s most frequently-used map of the prospective boundaries of the ultimate clean energy park. The tan area is about 18 square miles, of which the 1,641-acre parcel occupies the southeastern corner. 60 square miles roughly translates into all the land that Energy decided might be appropriate for industrial development in the Hanford Comprehensive Land Use Plan. The ultimate boundaries of the clean energy park are hardly set in stone, but TRIDEC clearly hopes to obtain significantly more federal land in the future.