

**NEW MEXICO RADIOACTIVE MATERIALS LICENSEES’ NOTIFICATION OF POTENTIAL FEES INCREASES BY
THE RMLLRWC(DRAFT)**

BACKGROUND

The Rocky Mountain Low-Level Radioactive Waste Board (Board) is the agency that administers the Rocky Mountain Low-Level Radioactive Waste Compact (Compact). The Compact was created by legislation passed in 1982 and 1983 by the member states: Colorado, Nevada, and New Mexico. The Compact is an independent regulatory organization that is not an agency of any of its member states. The Compact received U.S. Congressional approval via the Omnibus Low-Level Radioactive Waste Interstate Compact Consent Act, P.L. 99-240, in 1986. Thus, the Compact is authorized by both federal and state law. Because of the interstate commerce powers delegated to the Compact by Congress, low-level radioactive waste (LLW) cannot be brought into the member states nor be removed from the member states without the approval of the Board. The main purposes of the Compact are to provide for the disposal of LLW produced within the member states and to regulate the interstate commerce aspects of LLW (i.e., the import to and export from the Compact Region of LLW). Without the Compact, the member states would be unable to prevent unlimited quantities of any type of LLW from being disposed in their states.

POTENTIAL FEE INCREASE

The Board is considering raising the fees it charges for all activities. The Board has been receiving far less in revenue than its expenses for a number of years, despite having carefully constrained its budget. Board fees have not been increased for 14 years. If the Board does not find a way to increase revenue it is in danger of having insufficient funds to operate.

WASTE EXPORT

Currently, there is a two-tier export fee structure:

6.3.2 Application Fee

A. The Export Application Fee shall be calculated as follows:

Volume	Fee
0-399 cubic feet	\$200
400-999 cubic feet	\$0.50/cubic foot
1,000 – 9,999 cubic feet	\$250 + \$0.25/cubic foot
10,000 – 99,999 cubic feet	\$750 + \$0.20/cubic foot
>100,000 cubic feet	\$15,750 + \$0.05/cubic foot

MAXIMUM FEE NOT TO EXCEED \$50,000.

Please note that if an Export Application is approved, a Permit Fee as specified under Section 6.8 must also be paid by the applicant before the Export Permit is issued.

- B. Any amendment to an Export Permit that does not result in an increase in the volume of waste shall be accompanied by a fee of \$100.00. Amendments that result in an increase in volume shall be charged the same fee as a new Export Application for the increase in volume.

6.8 Permit Fee

No Export Permit shall be issued until the applicant has paid a permit fee calculated as follows:

Volume	Fee
0-100 cubic feet	No Fee
101-399 cubic feet	\$2.00/cubic foot, less the application fee of \$200
400-999 cubic feet	\$1.50/cubic foot
1,000 – 9,999 cubic feet	\$750 + \$0.75/cubic foot
10,000 – 99,999 cubic feet	\$5,250 + \$0.30/cubic foot
>100,000 cubic feet	\$30,250 + \$0.05/cubic foot

MAXIMUM FEE NOT TO EXCEED \$50,000.

The Board is considering replacing the two-tier export fee structure with only an export application fee. The two-tier system was originally adopted because it was believed that some applications would not result in a permit. However, this VERY rarely is the case.

Following is a potential approach for the new export application fee system that would replace 6.3.2 and 6.8.

6.3.2 Application Fee

- A. The Export Application Fee shall be calculated as follows:

Volume	Fee
0-99 cubic feet	\$400
100-499 cubic feet	\$4.50/cubic foot
500-999 cubic feet	\$2,100 + 0.50/cubic foot
1,000 – 9,999 cubic feet	\$2,600 + \$1.00/cubic foot
10,000 – 99,999 cubic feet	\$10,750 + \$0.50/cubic foot
>100,000 cubic feet	\$60,500 + \$.10/cubic foot

- B. Any amendment to an Export Permit that does not result in an increase in the volume of waste shall be accompanied by a fee of \$250.00. Amendments that result in an increase in volume shall be charged the same fee as a new Export Application for the increase in volume.

Based on FY 2021-2022 applications/permits, the new export fee schedule would increase export fee revenue from approximately \$56,800 to approximately \$86,400 per year. This is an increase of \$29,600 (52%). The total new project export fee revenue will fund approximately 29% of the Board's annual budget.

COMPACT SURCHARGE

The current Compact Surcharge is \$1/ton for in-region waste and \$5/ton for out-of-region waste received by Clean Harbors.

The Board is considering a doubling of these rates to \$2/ton for in-region waste and \$10/ton for out-of-region waste. Based on FY 2021-2022 waste received by Clean Harbors this would increase the Compact Surcharge revenue from approximately \$9,000 to \$18,000 per year. While a doubling of the Compact Surcharge is a relatively large percentage increase, it is important to remember that the original intent reflected in the Compact Statute was for the Compact Surcharge to pay all of the Board's expenses. In recent years the Compact Surcharge has contributed approximately 3.5% of the Board's budget. With the doubling of the Compact Surcharge, approximately 7% of the budget would be funded.

TOTAL REVENUE ENHANCEMENT

If both of these fee increases were to be adopted, there would be an approximately \$38,000 annual increase in total Board revenue towards a \$300,000 annual budget. This assumes that the export and import demand does not decrease. While this is not insignificant, it amounts to only 38% of the average annual deficit over the last 10 years and 21% of the maximum annual deficit. The Board is also considering an automatic annual adjustment of the rates according to the Consumer Price Index, or another widely recognized index, to keep up with inflation.

ROCKY MOUNTAIN BOARD PROCESS

Following internal review by each Compact State, and before a proposed rule is prepared, the potential fee increases will be informally shared with a few key permittees. Following this focused review, the potential fee increases will be widely circulated for stakeholder feedback.

If the Board decides to move forward, a proposed rule will be prepared and circulated widely along with a 30-day notice for a Regular Board Meeting (virtual). Following the Regular Meeting, the Board will finalize the Rule or take other action it deems appropriate. If the Board issues an amended fee Rule it will provide at least a 60-day period before the new rates go into effect.

The Rocky Mountain Low-Level Radioactive Waste Board, 999 18th Street Suite 2400 S, Denver, Colorado 80202. Phone: 303-825-1912, Fax: 303-892-3882. Email for Leonard Slosky: lslosky@rmlwb.us, Email for Elaine McDonald: board@rmlwb.us.