

418

FISCAL NOTE (Form 1)
 (Office of Fiscal Analysis)
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BILL NUMBER: SHB 5233
 FILE NUMBER:
 AMENDMENTS: House "A"

TITLE: "AN ACT CONCERNING THE SITING OF A LOW-LEVEL RADIOACTIVE WASTE DISPOSAL FACILITY"

FAVORABLY REPORTED BY Environment and Energy and Public Utilities

EFFECTIVE DATE: Upon Passage

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FISCAL IMPACT STATEMENT - BILL NUMBER SHB 5233

STATE IMPACT	Cost and Future Costs (Low-Level Radioactive Waste Fund) and Future Cost (General Fund), see explanation below
MUNICIPAL IMPACT	Potential Future Revenue Gain and Future Costs, see explanation below
STATE AGENCY(S)	Hazardous Waste Management Service (quasi-public), University of Connecticut, and the UCONN Health Center, Legislative Management

EXPLANATION OF ESTIMATES:

STATE IMPACT: Requiring the CT Hazardous Waste Management Service (CHWMS) to develop a new site selection plan using new criteria, to start a new bidding procedure to select a contractor and to develop a plan for a temporary low-level radioactive waste storage facility will increase costs to the Low-Level Radioactive Waste Fund (LLRWF), especially if selection of a temporary site is deemed necessary. The extent of the increase in costs is not known at this time, but could cost in the millions of dollars based on costs to date for the CHWMS (\$8 million since 1988). The LLRWF is used by the State for the costs associated with siting a facility, approving a facility operator and other activities. The Fund is financed through assessments on low-level radioactive waste generators with Northeast Utilities contributing over 70% of the waste and the revenues. It is anticipated that the LLRWF will have a balance of approximately \$15.3 million at the end of FY 92. The large balance exists since the State is behind schedule in the siting process. The increased duties proposed in this legislation will not increase next FY's assessment (\$2.8 million), but will increase future year assessments starting in FY 94. Both the University of Connecticut and the UCONN Health Center are currently assessed for their generation of low-level radioactive

waste. The exact increase in future year costs to these institutions is not known. It should be noted, however, that in FY 92 their combined assessment was less than 1% of the total assessment of \$9.7 million. In addition, since the State and municipalities are rate payers of nuclear energy the increased assessments will affect them as well.

Since the CHWMS would determine the need for a temporary facility, as well as host compensation, increased costs, if any, to the LLRWF due to these provisions cannot be determined at this time. In addition, provisions of the bill as amended requiring action by the General Assembly should have no additional fiscal impact since the Legislature would be in session during the time frame outlined in the legislation.

MUNICIPAL IMPACT: Passage of this bill as amended could provide additional municipalities (host and neighboring) with compensation or increased compensation depending upon the plan developed by the CHWMS, increasing revenue to those municipalities and potentially increasing costs to all others.

House "A" eliminates changes in financial incentives to host and neighboring municipalities, requires a plan for a temporary facility rather than selection of a site decreasing costs to the LLRWF.