



From: Schäffler, Ulrich <Ulrich.Schaeffler@JEN-Juelich.de>
Sent: Wednesday, October 12, 2022 3:53 AM
To: Angela S Watmore <angela.watmore@em.doe.gov>; William Bates <william.bates@srnl.doe.gov>
Cc: Kallenbach-Herbert, Beate <beate.kallenbach@jen-juelich.de>; Niedrée, Denis <Denis.Niedree@jen-juelich.de>; Nünighoff, Kay <Kay.Nuenighoff@JEN-Juelich.de>; Caspary, Guido <Guido.Caspary@JEN-Juelich.de>; Böcking, Axel <Axel.Boecking@jen-juelich.de>; Jack Edlow <jedlow@edlow.com>; Russell Neely <rneely@edlow.com>; Köndgen, Viola-Christina <Viola.Koendgen@JEN-Juelich.de>
Subject: [EXTERNAL] U.S.- Option

Dear Angela and Bill:

We hope this e-mail finds you well.

As already communicated during the recent video call with Denis Niedrée, JEN would like to take the opportunity to provide you with more background information regarding JEN's decision to terminate the U.S.-Option, but above all, to thank you for the successful cooperation in recent years. To summarize:

- In 2014, the atomic supervisory authority ordered that the interim storage facility in Julich, where the spent AVR fuel is stored, be emptied without further delay and that the previous storage license was not to be extended, due to recent findings suggesting that the whole area surrounding Julich may be earthquake-prone .
- Following that order, DOE, BMBF and MWIDE NRW signed a relevant Statement of Intent (SOI) in 2014 with regard to the return and disposal of the spent AVR fuel within the framework of non-proliferation.

- As the project team may well remember, the common history between SRS/DOE and JEN/Forschungszentrum Julich dates back even further than this SOI, since spent research reactor fuel was sent back to its country of origin from Julich to the U.S. regularly.
- Interestingly, similar to today, almost 10 years ago the U.S. option was on the verge of being suspended for reasons outside the sphere of influence of the Forschungszentrum Julich, JEN's predecessor regarding the responsibility for the spent AVR fuel at the time. Fortunately, the international project team managed to overcome these uncertainties, and our collaboration led to the development of two very valuable patents which established a novel process to further reduce nuclear waste that results from the civilian use of nuclear energy.

Now, we will turn to the situation that has overtaken our project today. As a beneficiary of the federal government (BMBF) and the state of North Rhine-Westphalia (NRW), JEN receives grants, which are awarded as institutional funding from the federal and state budgets based on JEN's annual business plan which is approved by the relevant ministries and budget committee. With the combined impact of the Covid pandemic and the Ukrainian crisis, the public budget has become more strained, which caused the competent budget commission to request that JEN re-evaluate all options to empty the Julich storage facility and to reduce the costs of these accordingly. The evaluation of all possible options was conducted against the background of the above-mentioned 2014 order, which requests JEN to empty the storage facility without further delay. Therefore, the options were examined once more regarding their feasibility and timeframe for implementation. Unfortunately, the result is that the probability of realization of the U.S.-option is currently the lowest. There was a stage of the U.S. project where the schedule showed it to be amongst the most favourable and that it would empty the storage facility the fastest. However, negotiating the relevant draft contracts put the U.S. option clearly in arrears over the years, which is why other possible remedies have now gained an advantage on the relevant timeline, as further explained below.

Amongst other requirements, the supervisory authority directed JEN to obtain a renewed license for the existing interim storage facility, including taking the necessary earthquake measurements. According to recent information from the licensing authority, such a license may be issued in the near future. If this were to occur the German Atomic Energy Act would prohibit a subsequent export of the spent fuel, since spent fuel stored in a licensed facility may not be exported under current legislation.

Furthermore, the new NRW government's coalition agreement provides for the minimization of transports of radioactive material and supports the construction of a new interim storage facility at Julich for the spent AVR fuel. A transport to the U.S. would entail a transnational shipment to a German seaport, crossing further German states, which probability of realization JEN considers very low, as long as no other assessment of priority is made by the ministries involved.

The previously mentioned reasons have now led to the fact that JEN is bound to terminate the US option, which we very much regret to have to inform you about. Please note that this is the JEN perspective, but it does not represent the perspective of the ministry, BMBF, and the ministry will

contact its counterparties at US DOE directly to explain its perspective.

Our thanks go above all to the excellent scientific team around Robert Pierce on the U.S. side, without whose technical implementation the research work would not have been feasible. We would also like to thank the many American colleagues at the Savannah River Site and DOE, whose collaboration on contracts and other administrative decisions made our many years of trusting cooperation possible in the first place.

Since the clearance of the AVR storage facility ultimately involves a large number of stakeholders and is also influenced, among other things, by political decisions, we very much regret that we are unfortunately unable to provide you with a more positive announcement at this time.

Sincerely yours,

Beate Kallenbach

Ulrich Schäffler

Ass. jur. Ulrich Schäffler
Kaufmännischer Geschäftsführer

Telefon +49 2461 629 47116

Ulrich.Schaeffler@JEN-Juelich.de
www.jen-juelich.de

JEN Jülicher Entsorgungsgesellschaft für Nuklearanlagen mbH

Wilhelm - Johnen - Straße | 52428 Jülich
Postfach 1160 | 52412 Jülich

Aufsichtsratsvorsitz

Dr. Martin Hillebrecht von Liebenstein

Geschäftsführung

Beate Kallenbach-Herbert (Vorsitzende der Geschäftsführung) | Ulrich Schäffler

Amtsgericht Düren | HRB 4349
Ust. ID-Nr. DE 119495754

Ein Unternehmen der **EWN** Gruppe

Rechtsbelehrung

Unbeschadet der Korrespondenz per E-Mail sind unsere Erklärungen ausschließlich dann rechtsverbindlich, wenn sie in herkömmlicher Schriftform (mit eigenhändiger Unterschrift zweier Unterschriftsberechtigter) oder durch Übermittlung eines solchen Schriftstückes per Telefax erfolgen.

Diese Information ist ausschließlich für den Adressaten bestimmt und kann vertraulich oder gesetzlich geschützte Informationen enthalten. Wenn Sie nicht der bestimmungsgemäße Adressat sind, unterrichten Sie bitte den Absender und vernichten Sie diese Mail. Anderen als dem bestimmungsgemäßen Adressaten ist es untersagt, diese E-Mail zu lesen, zu speichern, weiterzuleiten oder ihren Inhalt auf welche Weise auch immer zu verwenden. Wir verwenden aktuelle Virenschutzprogramme. Für Schäden, die dem Empfänger gleichwohl durch von uns zugesandte mit Viren befallene E-Mails entstehen, schließen wir jede Haftung aus.