

WAM3 – Incentivise Waste Minimisation
SC2 – Incentivise Segregation of Waste
WT1 – Incentivise Treatment of Waste

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LLW Metrics and Incentivisation Task Objectives

1. Inform reporting requirements within new LLWR contracts (Nov 2009)
2. Inform targets and monitoring metrics for the LLW Strategy (Jan 2010)
3. Recommend suite of generic PBIs to NDA for implementation (April 2010 onwards)

Process

- Develop initial ideas and possible approaches (workshop held 28th October 2009)
- Discuss approach with wider LSG (17th November 2009)
- Refine proposals and consult with key stakeholders as required
- Recommend implementation to NDA

Current Issues – Metrics

- Poor visibility currently of LLW routes being used
- Different data collected for different purposes
 - NDA contract reporting (PCP 13)
 - Nuclear Sector Plan
 - RSA returns
 - LLWR planning conditions (LLWR customer contracts)
- Preferable to utilise existing reporting systems where possible
- Minimise reporting burden on sites
- **KEEP IT SIMPLE!**

Metrics for LLW Strategy Implementation

- Metrics are required to measure implementation of the LLW Strategy
- These can be aligned to the LLW Strategy objectives
 - Apply the waste management hierarchy
 - Make best use of existing assets
 - Open new treatment and disposal routes
- How do we measure implementation of these elements?
- What is the most efficient reporting mechanism?

Examples of data currently being gathered

1. Magnox South are already reporting m³ via different routes:

- Supercompaction
- Dissolution
- Off-site incineration
- On-site incineration
- Waste destined for other processing
- Waste to be decontaminated to free release
- Awaiting dispatch to LLWR
- LLWR

Do we need anything else??

2. Nuclear Sector Plan reports % of LLW:

- Re-used and recycled
- Disposed via an alternative route than LLWR
- Disposed to LLWR

3. LLWR are considering requesting m³ via different routes for CCC reporting:

- Supercompaction
- Metal recycling
- Incineration
- VLLW
- LLWR Disposal
- Re-classified to exempt

Targets - Feedback from LLW Strategy Consultation

- **Question 13 – *Do you think that waste recycling targets could have benefit to the national strategy?***
 - 51 Responses
 - Mixed response to this question
 - Some respondents keen on setting targets (inc regulators)
 - “We support setting of appropriate waste recycling targets” – EA
 - “One key approach to instigate change is setting targets that encourage alternatives to the disposal of LLW” – SEPA
 - Need to recognise the true value of diversion of waste from LLWR (and its successor) even if not cheapest option
 - Some respondents expressed caution in setting targets:
 - Need to recognise different types of wastes on each site – case-by-case approach
 - Needs supporting infrastructure and routes in place
 - Targets need to recognise difference in relative starting points of different sites

Current Issues – Incentivisation

- Consignors make decisions based on costs (in terms of money, time and trouble) of alternative options available to them in a funding-constrained environment
- Disposal to LLWR is baseline assumption for most sites
- Sites use LLWR disposal price as benchmark for other routes & approaches (e.g. increased characterisation)
- Barriers to implementing alternative routes:
 - Perceived difficulty of opening new routes
 - Time and resources for procurement
 - Current lack of authorisations and timescales to obtain variations
 - Work required to modify LLW systems and procedures at sites
 - Absence of financial incentives compared to LLWR disposal?
- Delivery of the LLW strategy objectives will be aided by appropriate incentives

UK LLW Strategy Consultation – Section 6.1

- **Incentivising** – *in some circumstances we may deem it appropriate to use financial or other contractual incentives to influence the behaviour of NDA contractors; we will also work with LLW Repository Ltd to develop pricing strategies for its services which support implementation of the LLW strategy. One way to instigate change in waste management could be to set targets for reuse, recycling, using alternative management routes for LLW.*

LLW Management

- LLW Management Plan – 54 initiatives to implement the strategy
 - WAM3 – Incentivise Waste Minimisation
 - Key Deliverable: Performance Based Incentives for Waste Management Hierarchy Implementation
 - SC2 – Incentivise Segregation of Waste
 - Key Deliverable: Performance Based Incentives for Waste Segregation Implementation
 - WT1 – Incentivise Treatment of Waste
 - Key Deliverable: Performance-Based Incentives; Contract and CFA modifications for LLW treatment
- *“PBI metrics that are Specific, Measurable, Achievable, Realistic, and Timely (SMART) will be developed and provided for site consultation prior to contract incorporation to ensure proper understanding and commitment for implementation”*

Performance Based Incentives (PBIs)

- Initial ideas:
 - Waste avoidance
 - Use of alternative routes for VLLW and LLW
 - Use of LLWR Segregated Waste Services
 - Improve forecast accuracy
 - Reduction in legacy LLW
 - Implementation of standard characterisation practices
 - Implement consistent waste data reporting
- Payment in m³ increments or % accuracy
- Example PBIs drafted – some initial comments from Magnox and Sellafield now received
- Dialogue with NDA now needed – demonstration of VfM is critical
- Drawn from existing fee pool or new fee pool?

Timeline for implementation

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