December 4, 2007

William Levis, President and COO
PSEG Nuclear LLC
P.O. Box 236
Hancock Bridge, NJ 08038-1236

Dear Mr. Levis:

I am writing to organizations within the Atlantic Compact region that have shipped significant amounts of waste to the Barnwell disposal site over the past few years. The purpose of this letter is to request information by February 15, 2008, that will help us in developing recommendations to the South Carolina Budget and Control Board (the Board) regarding the future operation of the Barnwell disposal facility.

Section 48-46-40(B)(7)(a), South Carolina Code of Laws, requires that the Board direct the suspension of disposal operations if it appears that disposal revenues received at the facility will not be sufficient to meet operating costs. Beginning July 1, 2008, the Barnwell facility may receive waste only from organizations in the three-State compact region. The disposal site can continue operating for Atlantic Compact waste if income received from regional disposal customers covers all facility operating costs and obligations.

The disposal site operator, Chem-Nuclear, LLC, recently briefed the Atlantic Compact Commission in a public meeting on its plans and cost projections for managing the disposal facility for the smaller volumes of waste expected from regional generators. Since 2000, when South Carolina joined the Atlantic Compact, there have been major changes in the market for radioactive waste treatment and disposal. Chem-Nuclear's proposals for low-volume operation of the Barnwell site are feasible only if they are consistent with the plans and preferences of the region's waste generators in today's evolving market.

In view of these changes, we need to determine whether the major waste generators within the Compact region are still committed to supporting a regional disposal facility. The disposal site operator can make plans for operating the site for smaller volumes of
If you believe that the Atlantic Compact Generators should continue to use and support a regional disposal facility, please ask your representatives to work with their counterparts in the region to submit a plan for disposing the economic viability of the regional disposal facility.

If, however, you may consider appropriate action under the law of this杰克政府, so that the emergency situation will need to advise the Board to cover costs. Therefore, if we do not have an emergency situation, there are no means to use dollars to subsidize the operating costs of the South Carolina Board, because the economic framework that may be necessary or helpful in executing the plan the budget and control board, the disposal site operator, within the current volume of waste received.

Additional operating costs that were unanticipated, or due to fluctuations in the revenue from the fee schedule, falls short of the revenue needed to cover costs. A legally binding mechanism for covering operating costs is in the event that the volume of waste received.

Information to consider the views of the General Assembly on how such a fee system should be structured to address disposal site, the budget and control board.

Health and Environmental Control and the Fiscal Budget and Control Board, AS the basis for a revenue requirement, the amount of operating costs, margin.

We request that those generators who want the Board to remain available for waste, but ultimately the waste generators themselves, must decide whether sustaining a fee is necessary. A workable plan might include:

152, 2008, for disposing that disposal fee revenue will be adequate to cover all disposal facility operating costs. We express and recognize the complexity of realizing a later date.
Director

John F. Clark

Sincerely,

Please do not hesitate to contact me at Hill Newberry at 803-737-8030.

If you would like further information or if we can assist you in support of your planning,