

September 23, 1992

To: Board of Directors (Water Problems Committee--Information) (Legal and Claims Committee--Information)

From: General Counsel

Subject: Ward Valley Radioactive Waste Disposal Litigation

<u>Report</u>

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On September 16, 1992, the California Court of Appeal in Sacramento stayed the adjudicatory hearing process for licensing the proposed Ward Valley Radioactive Waste Disposal facility (project), pending determination of legal challenges raised by the proposed licensee, U.S. Ecology, Inc. The project is located in the Riverside County desert 20 miles west of the Colorado River and 22 miles south of the City of Needles. The August 11 joint letter of the General Manager and General Counsel described the litigation in more detail.

Metropolitan filed a friend-of-the-court brief on August 18, supporting the adjudicatory process in light of the importance of assuring that the project will not impair Metropolitan's Colorado River water supply. The brief noted that that process would provide an opportunity to resolve concerns raised recently by several entities regarding the project's potential long term impacts. U.S. Ecology, Inc., filed an opposition to Metropolitan's brief on the basis that it raises irrelevant issues. However, the State Controller, the State Lands Commission, and the Los Angeles Department of Water and Power have also submitted friend-of-the court briefs supporting the adjudicatory process.

On August 27, the court allowed the Senate Rules Committee (SRC), which developed the adjudicatory process, to intervene in the litigation, and on September 15, heard oral arguments on U.S. Ecology's request to stay the adjudicatory proceedings until the court determines the validity of that process for this project. In addition to supporting the legal validity of the process, SRC noted that the new state budget appropriates over \$2.3 million to fund its use for this project. The court denied intervention requests by the City of Needles, the three Indian Tribes in the area, and several public interest groups which support the adjudicatory process on September 16. Board of Directors

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The court has established a schedule that requires submission of all briefs on the underlying legal issues next month and is expected to rule before the end of the year. This office will continue to monitor developments in the litigation and will report significant developments as they occur.

Board Committee Assignments

This letter is referred for information to:

The Water and Problems Committee because of it authority to study, advise, and make recommendations with regard to energy matters relating to water supply, pursuant to Administrative Code section 2481(a); and

The Legal and Claims Committee because of its authority to study, advise, and make recommendations with regard to matters pertaining to litigation under Administrative Code section 2461(a).

Recommendation

For information only.

Fred Vendig

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