



Perth:

Level 6, Allendale Square

77 St Georges Terrace

Perth WA 6000

18 July 2024

SUBMISSION TO PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS – INQUIRY INTO DEPARTMENT OF DEFENCE – SUBMARINE ROTATIONAL FORCE—WEST, PRIORITY WORKS, HMAS STIRLING, WESTERN AUSTRALIA.

Dear Chair

Tellus appreciates the opportunity to provide a submission to the Parliamentary Standing Committee on Public Works regarding the Submarine Rotational Force – West Priority Works.

Executive Summary

Tellus, a proud Western Australian company, is the owner and operator of Australia’s first and only nationwide low-level radioactive waste (LLW) disposal facility, located in the Western Australian Goldfields (**Sandy Ridge**).

Tellus is a strong supporter of the AUKUS partnership. Successful implementation of the AUKUS program will require a solution for low-level radioactive waste generated by the operation and maintenance of nuclear-powered submarines based in Western Australia under Submarine Rotational Force – West.

Defence and the Australian Submarine Agency’s infrastructure proposal includes the establishment of a temporary radioactive waste storage facility to store LLW from SRF-West nuclear submarines. That said, there is already a licensed permanent disposal facility, built and operating to international, national and state standards that is already operating in Western Australia (at Sandy Ridge). Tellus questions the need to duplicate costly temporary storage for LLW, particularly when international best practice is to dispose of waste when safe disposal options are readily available.

We would suggest that the consideration of Sandy Ridge’s existence (i.e. a readily available permanent disposal solution for LLW) is not outside the scope of this committee’s remit in this instance; instead, it should be a key factor in the Committee’s decision-making process. This is because the choice to spend time and money to build new temporary LLW storage should be weighed against alternatives to such a proposal. This consideration of any “final fate” (i.e. disposal) solutions is also in-line with IAEA international best practice.

Accordingly, we highlight in this submission the following key points, which we believe are critical considerations for the committee. Using Sandy Ridge for permanent disposal of LLW would provide Defence and the Australian Submarine Agency (**Government**) with the following benefits:

1. **Cost Savings for Taxpayers and Defence:** Government would likely realise significant capital and operating expense savings by incorporating the Sandy Ridge LLW disposal facility into the nuclear submarine maintenance supply chain. Doing so will avoid or reduce the need for capital for a new facility and ongoing operating costs for safe management and oversight of the facility.
2. **Enables Focus on Mission-Critical Challenges:** Government resources would be free focus on mission critical challenges of AUKUS that do not yet have a solution, instead of a challenge (LLW) that has already been solved.
3. **Meet International Best Practice, IAEA Guidelines and Australian Government Policy:** Government would be adopting a path that meets international nuclear regulation best practice. Regulatory guidance from the International Atomic Energy Agency and ARPANSA stipulate that permanent disposal of radioactive waste is the safest and most secure option for its management. Additionally, the plan to create yet another temporary



radioactive waste facility in Australia appears to be counter to the policy aims of the National Radioactive Waste Management Framework, as published by the Australian Radioactive Waste Agency.

Noting the Committee’s requirement to report expeditiously on the matters set out in section 17(3) of the Public Works Committee Act 1969, Tellus’ submission addresses each of these points directly.

1. Stated purpose of the proposed work and its suitability for that purpose

Defence proposes to establish a temporary storage facility for low-level radioactive waste at HMAS Stirling.

Tellus does not contest that the proposed works will be suitable for the temporary storage of low-level radioactive waste; rather arguing that a significant component of the infrastructure is essentially unnecessarily duplicating (to a lower safety standard) what already exists in the marketplace today at Sandy Ridge. This new construction and operation of another temporary storage facility is likely to be significantly more expensive for Defence (and taxpayers) than utilising the existing market solution at Sandy Ridge. To back up this statement, consider that Sandy Ridge was built for around the same cost as the Australian Radioactive Waste Agency’s annual budget.

As is being done by other owners of LLW across Australia, instead of building a new temporary facility, Defence could instead package that material onsite and immediately ship it for safe and permanent disposal at Sandy Ridge. This would be faster, more economical for taxpayers and safer.

2. Need for the work

With a permanent disposal solution available, supported by well-established transport links and an existing supply chain that has safely and successfully moved LLW from every mainland State and Territory in Australia in the past twelve months, Tellus questions the need for Defence to indefinitely store low-level radioactive waste at HMAS Stirling. Again, there is a licensed permanent disposal facility, built and operating to international, national and state standards that is already operating in Western Australia.

Further, Sandy Ridge has enough capacity to accept and dispose of the entire Defence and Commonwealth LLW inventory hundreds of times over.

Additionally, national security concerns are unlikely to drive the need for a separate storage facility – both because the LLW from Defence will be primarily maintenance waste and PPE, but also because Sandy Ridge already has an ASNO safeguards permit (and has accepted safeguards waste) and can provide heightened security, if required, offering both passive (an extremely remote site) and active (including CCTV, security clearances for workers and other active measures like locked areas and protocols) security barriers.

Accordingly, Tellus questions the need to duplicate costly temporary storage, particularly when international best practice is to safely dispose of waste (not store it) when safe disposal options are readily available.

Although Defence proposes to locate a site for a future low-level radioactive waste disposal facility, no previous Australian government agency has been able to successfully achieve this objective over the past five decades, despite numerous attempts.

Further, based on overseas experience, the location and establishment of an LLW disposal facility by Government would likely be a multi-decade project that will cost taxpayers hundreds of millions of dollars (see below) with no guarantee of success. There appears to be low public awareness of Defence’s proposal, which not provide the nearby community of the City of Rockingham, around HMAS Stirling, with any certainty about when temporarily stored LLW will be permanently disposed of.



Finally, the cost of siting a future disposal facility should also be considered when assessing Defence’s proposal to create a temporary storage facility. For example, more than \$111m was spent on the proposed National Radioactive Waste Management Facility at Kimba between 2012 and 2023 before the project was abandoned and ANSTO. This did not even include building or operating the facility.

3. Cost-effectiveness of the proposal

Defence’s proposal does not include a specific costing for the temporary radioactive waste facility it proposes to establish at Garden Island. A similar temporary storage facility for radioactive waste is under construction by ANSTO at its Lucas Heights facility. The capital cost for this project is around \$60m and ANSTO currently spends around \$9.5m a year to maintain waste in storage.

The cost effectiveness of the works can be materially improved by utilising an already established safe and secure supply chain for the packaging, transport and safe disposal of LLW at the nearby licensed Sandy Ridge LLW disposal facility.

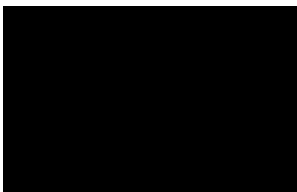
4. The amount of revenue it will produce if the work is revenue producing the current and prospective value of the work.

This section is not relevant.

* * * * *

If any further information is required, please contact [redacted] [redacted] Head of External Affairs at [redacted]

Yours sincerely,



Nate Smith
Managing Director & CEO
Tellus Holdings Ltd