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# Midwest Interstate Low-Level Radioactive Waste Compact Commission

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## Annual Report

for the period from July 1, 2001 to June 30, 2002

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# Introduction

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An interstate compact is a formal agreement between two or more states. Under Article 1, Section 10 of the U.S. Constitution, states may form compacts with the consent of Congress to resolve conflicts or address common problems. More than 120 such compacts have focused on various subjects, including water, education, transportation, fisheries, health, and waste.

The Midwest Interstate Low-Level Radioactive Waste Compact is an agreement between the states of Indiana, Iowa, Minnesota, Missouri, Ohio, and Wisconsin that provides for the cooperative and safe disposal of commercial low-level radioactive waste. The Compact was enacted into law by each member state legislature during the period from 1982 through 1984, and received Congressional consent in 1985.

During the late 1970s, prior to formation of the Compact, all of the nation's low-level radioactive waste was shipped to three disposal facilities located in Nevada, South Carolina, and Washington. With the support of the National Governors' Association and the National Conference of State Legislatures, these three states demanded a more equitable distribution of waste disposal responsibility and development of new disposal facilities. Congress responded by enacting the Low-Level Radioactive Waste Policy Act of 1980. (This Act was later replaced by the Low-Level Radioactive Waste Policy Amendments Act of 1985.) The federal legislation made disposal of Class A, B, and C low-level radioactive waste a state responsibility.

To reduce the number of new disposal facilities, Congress encouraged states to form regional compacts, and it gave compacts the unique authority to exclude waste from outside the boundaries of the compact region. States found this approach attractive because access to a regional disposal facility could be restricted solely to members of the compact. In addition, the approach allowed compact states to share the development costs for new disposal facilities.

Today, the Midwest Compact is one of 10 regional low-level radioactive waste compacts in the United States. There are 6 states not part of a compact.

This is the seventeenth in the series of annual reports published by the Midwest Compact Commission, the Compact's administrative body. The report summarizes activities and actions during the preceding fiscal year (July 1, 2001 through June 30, 2002). As required by Article 111(k) of the Compact, the report also contains the Commission's FY 2002 audited financial statements and the report of its independent, certified public accountant.

In accordance with another provision of the Compact, Article III(i)(2), this annual report will be submitted to the member state governors and appropriate legislative officers.

# The Commission

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The Midwest Interstate Low-Level Radioactive Waste Compact Commission (the Commission) is the administrative body of the Compact. It consists of one voting Commissioner from each of the six member states. Each state determines how it will appoint its Commissioner, and the state's Governor must provide written notification to the Commission of the appointment of a Commissioner and any

Alternate Commissioners. Advance notice is given for all meetings which are open to the public, and actions are recorded in meeting minutes.

The Commission holds an annual meeting in June of each year to elect officers and approve a general fund budget. During FY 2002, Stanley York, Wisconsin, served as Commission Chair, and Roger Suppes, Ohio, served as Vice-Chair.

The Commission Chair also

serves as the administrative officer of the Commission. The State Of Wisconsin Division of Public Health provides clerical support and maintains a Commission address and telephone for the transaction of Commission business.

The following persons served as Commissioners and Alternate Commissioners during the period from July 1, 2001 to June 30, 2002:

## Commissioners

### INDIANA

Vacant

## Alternate Commissioners

Bruce Palin, Deputy Assistant Commissioner  
Office of Land Quality  
Department of Environmental Management  
100 N. Senate Avenue, Suite 1154  
Indianapolis, IN 46206-6015  
Voice: (317) 233-6591  
Fax: (317) 232-3403  
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### IOWA

Liz Christiansen  
Deputy Director  
Department of Natural Resources  
Wallace State Office Building  
900 East Grand  
Des Moines, IA 50319  
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Fax: (515) 281-8895  
e-mail: liz.christiansen@dnr.state.ia.us

Larry Wilson, Director  
Department of Natural Resources  
Wallace State Office Building  
900 East Grand  
Des Moines, IA 50319  
Voice: (515) 281-3388  
Fax: (515) 281-6794

**Commissioners**

**Alternate Commissioners**

**MINNESOTA**

Art Dunn  
Policy and Planning Division  
Minnesota Pollution Control Agency  
520 Lafayette Road North  
St Paul, MN 55155  
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Vacant

**MISSOURI**

Stephen Mahfood, Director  
Department of Natural Resources  
P.O. Box 176  
Jefferson City, MO 65102  
Voice: (573) 751-3195  
Fax: (573) 751-7627

Ron Kucera, Director, Intergovernmental Cooperation  
Department of Natural Resources  
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Jefferson City, MO 65102  
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Fax: (573) 751-7627  
e-mail: nrkucera@mail.dnr.state.mo.us

**OHIO**

Roger Suppes, Chief  
Bureau of Radiation Protection  
Ohio Department of Health  
246 N. High Street, 7th Floor  
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Fax: (614) 466.0381  
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Vacant

**WISCONSIN**

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Voice: (608) 831-5434  
Fax: (608) 831-1375  
e-mail: yorks@prodigy.net

Vacant

**The following are under contract with the Commission:**

Commission Counsel	Richard Ihrig, Lindquist & Vennum. P.L.L.P
Commission Auditor	James F. Warner, Boulay, Heutmaker, Zibell & Co. P.L.L.P.
Commission Clerical Support	Susan Hagstrom, Wisconsin Division of Public Health

# Annual Meeting

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## Annual Meeting 2002

Article III (d) of the Midwest Compact requires that the Commission hold an annual meeting, and the Commission's By-laws specify that "the annual meeting shall include, but not be limited to, election of officers and adoption of a budget for the following fiscal year."

The Commission scheduled its Annual Meeting for June 20, 2002 at the Hilton Hotel at O'Hare International Airport in Chicago. The six Commissioners attended. The Chair reported on the activities of the Low-Level Radioactive Forum, Inc., in which the Compact has made

a heavy investment. The Commission received the FY 2001 audit from the auditor and adopted a budget for FY 2003. The Commission reviewed the availability of disposal sites nationally.

# Public Involvement

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To encourage public involvement, the Midwest Compact Commission maintains a mailing list of nearly 300 people who have expressed an interest in the Commission's activities. The mailing list includes individuals who have attended Commission meetings; generators; special interest groups in the Midwest Compact region; persons and groups from outside the region; and

federal, state and local officials concerned with the disposal of low-level radioactive waste. Those on the mailing list receive meeting announcements, agendas, meeting summaries, and other information regarding Commission activities.

The Commission encourages public attendance at all of its meetings. Commission meetings are open to the public

and noticed at least twenty days before the meeting. Public comment on agenda items is invited at the meetings.

Member states also distribute material on the subject within their jurisdictions.

## Figure 1

### What is Commercial Low-Level Radioactive waste?

Commercial low-level radioactive waste is material that is contaminated with radioactivity. In 1995, there were 187 potential generators of such waste in the Midwest Compact region (including nuclear power plants, hospitals, universities, research institutions, government agencies, and industries) of which 49 actually shipped waste that was received at commercial disposal.

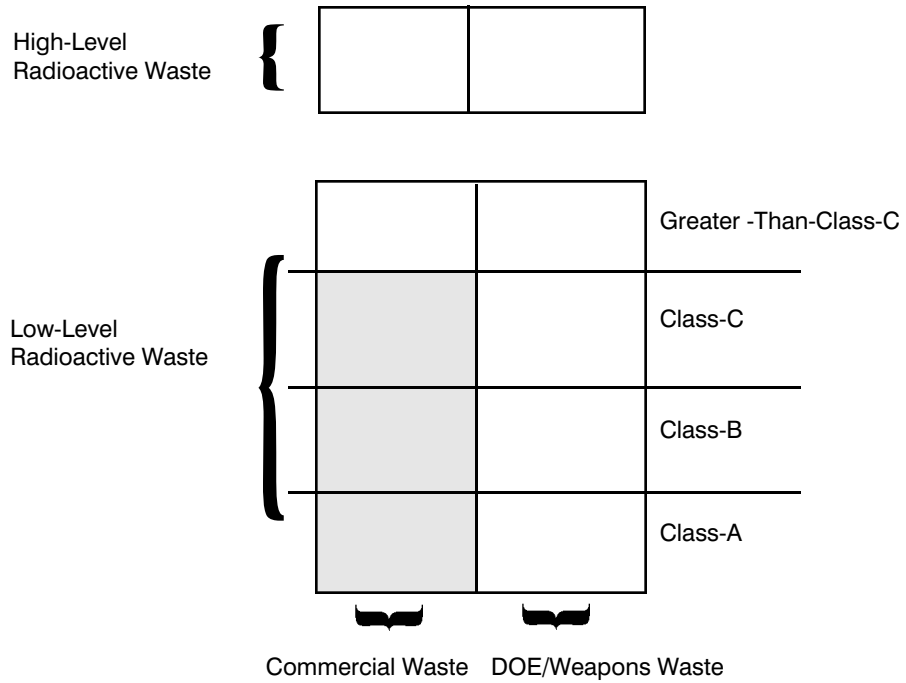
The number of generators shipping waste for disposal during any given year is subject to some variation. The reasons for this variation can include the following: changes in product line or services offered, substitution of different radioactive or nonradioactive materials, periodic maintenance, equipment replacement, decontamination and dismantlement activities, and temporary storage of waste pending collection of amounts sufficient for economical shipment.

The waste can consist of clothing, wipe rags, lab equipment and glassware, luminous dials, hand tools, sealed radiation sources (e.g., measurement devices), filters and filter resins, consumer products (e.g., smoke detectors), internal reactor parts, and demolition debris. Most of this waste (Class A) has low concentrations of radionuclides, although a very small amount (Class B and Class C) has higher concentrations and different management requirements.

Low level radioactive waste shipped to commercial disposal facilities does not include spent fuel from nuclear reactors, atomic weapons production waste, or uranium mine and mill residues. Nor does it include liquid waste, or waste that is explosive, pyrophoric, or chemically hazardous.

**Figure 2**

**Radioactive Waste Disposal Responsibility**  
(chart not proportional)



■ Waste that is the disposal responsibility of the Midwest Compact  
□ Waste that is a federal disposal responsibility

### Figure 3

#### Midwest Compact Commission Budgets for FY 99, 00, 01, 02 and 03

Activity	FY 1999 Budget	FY 2000 Budget	FY 2001 Budget	FY 2002 Budget	FY 2003 Budget
Reimbursement to WI for executive	\$20,000.00	\$11,000.00	\$11,000.00	\$8,000.00	\$11,000.00
Reimbursement to WI for clerical	10,000.00	4,000.00	3,000.00	1,000.00	1,200.00
Telephone, fax	600.00	200.00	0.00	200.00	300.00
Travel	10,000.00	6,000.00	4,000.00	3,000.00	4,000.00
Office supplies	100.00	200.00	200.00	200.00	100.00
Printing	600.00	1,000.00	1,500.00	1,500.00	1,500.00
Meeting expense	3,000.00	1,500.00	1,500.00	1,500.00	2,000.00
Publications, subscriptions	600.00	700.00	100.00	0.00	0.00
Accounting, audit	5,500.00	8,000.00	8,000.00	6,220.00	8,000.00
Legal counsel	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00
Web Page	0.00	1,000.00	2,000.00	500.00	700.00
Record storage	0.00	500.00	200.00	200.00	200.00
Forum support	0.00	0.00	25,000.00	7,000.00	10,000.00
Non-recurring:					
Gregg Larson	3,100.00	500.00	0.00	0.00	0.00
Sandra Schmidt	3,900.00	0.00	0.00	0.00	0.00
Afton Associates					
disposal status report	0.00	0.00	0.00	0.00	0.00
SC preparation materials	15,000.00	2,000.00	0.00	0.00	0.00
<b>Total</b>	<b>70,400.00</b>	<b>54,100.00</b>	<b>76,500.00</b>	<b>49,320.00</b>	<b>59,000.00</b>



# Interregional Cooperation

The Midwest Compact Commission regularly interacts with other compacts and states. Among the notable activities and actions involving other compacts and states were the following:

## Low-Level Radioactive Waste Forum

The Commission continues to participate actively in the Low-Level Radioactive Waste Forum, Inc. (LLW Forum). The LLW Forum is a national association of representatives of compacts, host states, unaffiliated states, and states with currently operating disposal facilities, established to facilitate the implementation of the 1985 Low-Level Radioactive Waste Policy Amendments Act. The LLW Forum provides an opportunity for compacts and states to share information and exchange views with officials of federal agencies and other interested parties. LLW Forum participants also serve as liaisons to other entities, including the Conference of State Radiation Control Program Directors, the Conference of State Legislatures, and the Federal Facility Compliance Act Task Force. The Commission is represented on the LLW Forum by its Chair and Vice Chair.

Stanley York, Chair of the Commission, served as Secretary/Treasurer of the Forum.

## Export and Disposal of Midwest Compact Waste

With the creation of the Atlantic Compact, Midwest Compact region generators have limited access to the Chem-Nuclear Systems, Inc., disposal facility in Barnwell, South Carolina. The Barnwell disposal facility is a full-service disposal facility capable of accepting Class A, B, and C low-level radioactive waste.

South Carolina law imposes a surcharge on disposal of low-level radioactive waste at Barnwell. The continued availability of the Barnwell site to Midwest Compact generators is scheduled to be phased out in 2008. In addition to Barnwell, generators also have access to the Envirocare of Utah, Inc., disposal facility in Clive, Utah. The Envirocare facility generally accepts high volume, low activity Class A waste that does not exceed license limitations on radionuclide concentrations. Envirocare has over 300 million cubic feet of unused capacity.

It is uncertain how long existing disposal facilities in South Carolina or Utah may be willing or able to accept low-level radioactive waste. If access to these facilities were to be lost, temporary waste storage by generators would be necessary during the interval of time needed to secure or develop disposal facilities elsewhere. Although undesirable from a waste management standpoint, most utilities and large waste generators have sufficient storage capacity for periods of time ranging from five to ten years. Smaller generators may also have similar waste storage capacity, or could rely on vendors for storage needs.

# Looking Ahead

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## **Exploration of Disposal Alternatives**

The Commission intends to continue its exploration of opportunities that may arise for consolidation, contractual disposal arrangements, or other means of assuring generator access to existing disposal facilities. This includes review of the situation of currently operating facilities, as well as possibilities related to proposed new, privately-developed disposal facilities.

## **Continued Support for New Disposal Capacity in Other Compacts**

Although no longer developing a site of its own, the Commission will continue to actively support development activities in other compacts. Development efforts in other compacts are followed closely.

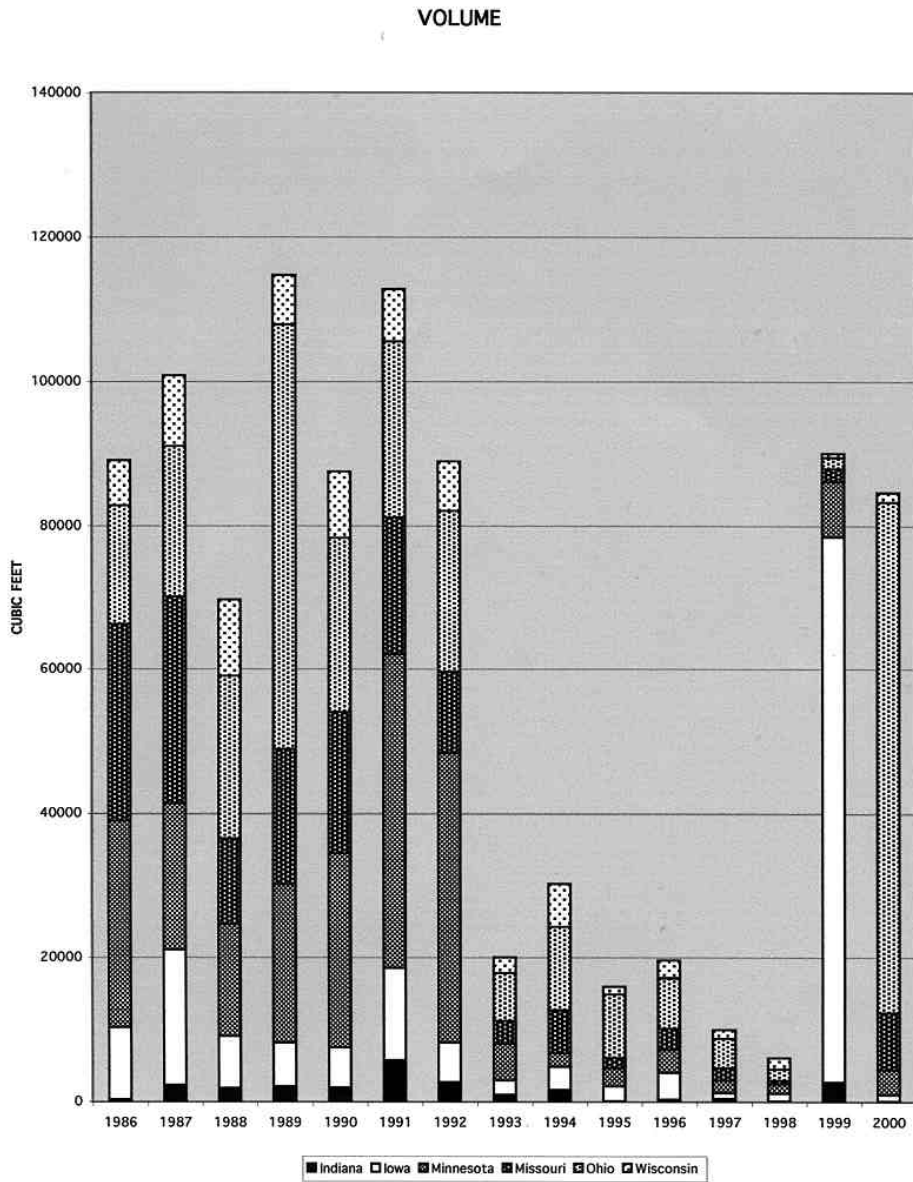
## **Commission Staffing**

During FY 2002 the Commission reviewed its decision to vest the administrative function in the Chair, and to contract with the State of Wisconsin to provide administrative backup to the Chair and decided to continue the arrangement.

The Commission's office address and phone are located in the Office of Radiation Protection, Division of Public Health, Department of Health and Family Services, of the State of Wisconsin.

**Figure 4a**

**Commercial LLRW Disposed at Barnwell, Beatty, and Richland; 1986-2000**



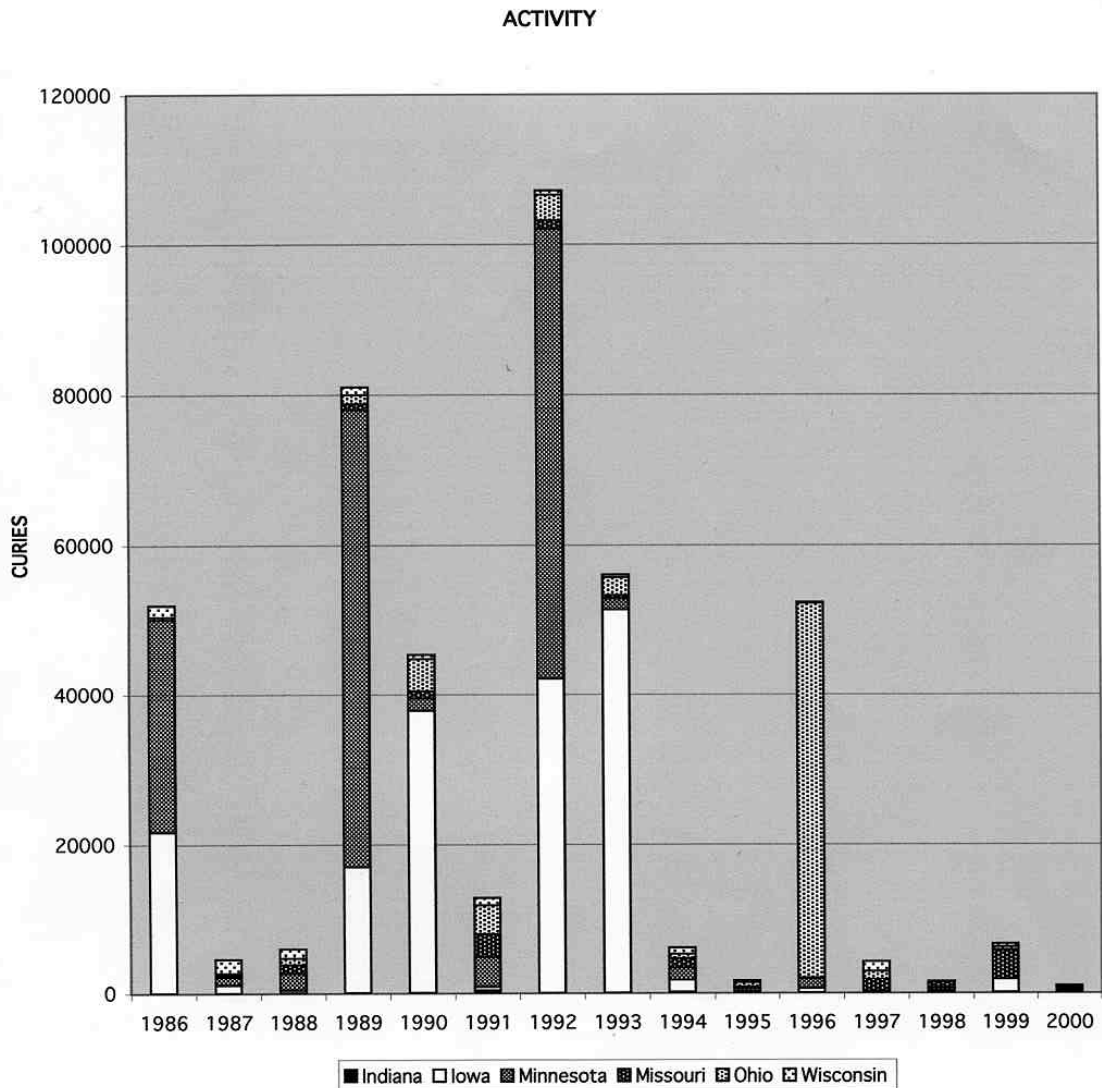
**VOLUME (ft<sup>3</sup>)**

	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Indiana	295.51	2,257.06	1,891.97	2,150.31	1,956.01	5,723.62	2,715.14	967.15	1,622.81	100.78	328.98	380.93	73.71	2,689.17	60.73
Iowa	9,975.20	18,795.26	7,206.61	6,055.37	5,557.86	12,815.37	5,447.79	1,979.32	3,179.02	2,058.00	3,639.22	842.46	1,035.88	75,748.78	943.95
Minnesota	28,655.60	20,250.67	15,477.16	21,954.29	26,985.22	43,520.53	40,197.42	5,056.68	1,932.46	2,466.63	3,215.22	1,751.67	1,316.63	7,643.48	3,395.59
Missouri	27,307.48	28,782.69	11,911.77	18,802.64	19,609.59	19,055.46	11,271.86	3,178.02	5,896.82	1,423.04	2,916.99	1,657.19	498.81	1,841.02	7,962.51
Ohio	16,541.70	20,882.17	22,585.21	58,866.18	24,146.85	24,335.89	22,339.31	6,637.84	11,667.83	8,822.07	7,090.83	4,074.20	1,554.41	1,529.39	70,870.73
Wisconsin	6,252.10	9,792.73	10,599.36	6,880.93	9,217.32	7,228.19	6,884.60	2,225.38	5,892.17	1,050.86	2,396.65	1,282.43	1,544.07	568.62	1,306.75
<b>TOTALS</b> (rounded)	89,028	100,761	69,672	114,710	87,473	112,679	88,856	20,044	30,191	15,921	19,588	9,989	6,024	90,020	84,540

**GRAND TOTAL 1986 THROUGH 2000: 939,495.88** NOTE: Volume amounts for 2001 are not available at this time

**Figure 4b**

**Commercial LLRW Disposed at Barnwell, Beatty, and Richland; 1986-2000**



**ACTIVITY (curies)**

	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Indiana	0	34.78	58.75	63.13	43.67	370.39	26.89	6.75	128.92	35.61	9.61	0.89	45.32	65.00	0.74
Iowa	21,664.13	1,067.71	400.98	16,953.42	37,807.79	528.67	42,085.40	51,341.86	1,632.89	209.38	552.04	114.33	266.7	1,721.81	150.27
Minnesota	28,332.33	1,042.42	2,327.71	60,952.08	1,657.09	4,030.69	59,979.20	1,449.65	1,738.82	365.12	1,406.00	82.73	313.95	128.05	127.28
Missouri	30.54	310.46	1,166.45	793.03	919.62	3,046.88	1,127.67	444.13	1,200.21	183.44	150.4	1,670.54	811.53	3,923.94	174.85
Ohio	339.00	309.46	836.96	1,211.40	4,315.70	3,839.66	3,440.21	2,370.27	582.68	552.75	50,021.21	1,076.32	99.75	402.45	284.05
Wisconsin	1,564.88	1,885.48	1,215.25	1,074.88	569.68	1,011.62	570.65	345.09	879.26	347.92	153.07	1,343.55	8.05	441.602	183.14
TOTALS (rounded)	51,931	4,650	6,006	81,048	45,314	12,828	107,230	55,958	6,163	1,694	52,292	4,288	1,545	6,683	920

GRAND TOTAL 1986 THROUGH 2000: 438,550.6

NOTE: Activity amounts for 2001 are not available at this time

# **Midwest Interstate Low-Level Radioactive Waste Compact Commission**

## **Annual Audit Report**

Audited Financial Statements  
Year ended June 30, 2002

**16 Report of Independent Auditors**

**Financial Statements**

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- 20** Notes to Financial Statements



**BOULAY, HEUTMAKER, ZIBELL & CO. P.L.L.P.**

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS



MEMBER OF  
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MEMBER OF  
SEC AND PRIVATE COMPANIES  
PRACTICE SECTIONS OF THE  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

## REPORT OF INDEPENDENT AUDITORS

Commissioners  
Midwest Interstate Low-Level Radioactive Waste Compact Commission  
Madison, Wisconsin

We have audited the accompanying statement of financial position of Midwest Interstate Low-Level Radioactive Waste Compact Commission as of June 30, 2002 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Midwest Interstate Low-Level Radioactive Waste Compact Commission as of June 30, 2002, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

*Boulay, Heutmaker, Zibell & Co. P.L.L.P.*

Certified Public Accountants

Minneapolis, Minnesota  
August 2, 2002

**MIDWEST INTERSTATE LOW-LEVEL  
RADIOACTIVE WASTE COMPACT COMMISSION**

Statement of Financial Position

<b>ASSETS</b>	June 30, 2002		
	General Fund	Rebate Fund	Total
Investments		\$1,377,971	\$1,377,971
Interest receivable		27,253	27,253
<b>Total assets</b>	<b>\$ -</b>	<b>\$1,405,224</b>	<b>\$1,405,224</b>
<b><u>LIABILITIES AND NET ASSETS</u></b>			
<b>Liabilities</b>			
Deferred rebate		\$1,405,224	\$1,405,224
Total liabilities		1,405,224	1,405,224
Net Assets, unrestricted			
<b>Total liabilities and net assets</b>	<b>\$ -</b>	<b>\$1,405,224</b>	<b>\$1,405,224</b>

Notes to Financial Statements are an integral part of this Statement.

**MIDWEST INTERSTATE LOW-LEVEL  
RADIOACTIVE WASTE COMPACT COMMISSION**

Statement of Activities

Year Ended June 30, 2002

<b>Revenue and Other Support</b>	
Rebate Fund revenue transfers	\$49,076
<b>Expenses</b>	
LLW Forum	11,831
Contract services	9,794
Legal	6,852
Accounting	6,220
Dues	5,000
Travel	4,359
Meetings	2,396
General printing, office supply and storage	1,753
Web site	440
Annual report	400
Miscellaneous	31
Total expenses	<u>49,076</u>
<b>Change in Net Assets</b>	-
<b>Net Assets - Beginning of Year</b>	<u>-</u>
<b>Net Assets - End of Year</b>	<u>\$ -</u>

Notes to Financial Statements are an integral part of this Statement.



**MIDWEST INTERSTATE LOW-LEVEL  
RADIOACTIVE WASTE COMPACT COMMISSION**

Statement of Cash Flows

Year Ended June 30, 2002

<b>Cash Flows from Operating Activities</b>	
Change in net assets	\$ -
Adjustments to reconcile change in net assets to net cash from operating activities:	
Changes in assets and liabilities	
Interest receivable	(10,545)
Deferred rebate	<u>(21,231)</u>
Net cash used for operating activities	(31,776)
<b>Cash Flows from Investing Activities</b>	
Proceeds from investments, net	<u>31,776</u>
<b>Net Change in Cash</b>	-
<b>Cash - Beginning of Year</b>	<u>-</u>
<b>Cash - End of Year</b>	<u><u>\$ -</u></u>

Notes to Financial Statements are an integral part of this Statement.

**MIDWEST INTERSTATE LOW-LEVEL  
RADIOACTIVE WASTE COMPACT COMMISSION**

Notes to Financial Statements

June 30, 2002

**1. NATURE OF ORGANIZATION**

The Midwest Interstate Low-Level Radioactive Waste Compact (the Midwest Compact) was formally established in October 1983, to meet state responsibilities under the Federal Low-Level Radioactive Waste Policy Act of 1980 (PL 96-573) and the Low-Level Radioactive Waste Policy Amendments Act of 1985 (PL 99-240). The Midwest Compact consists of six states: Indiana, Iowa, Minnesota, Missouri, Ohio and Wisconsin. The Midwest Compact established the Midwest Interstate Low-Level Radioactive Waste Compact Commission (the Commission), composed of one voting representative from each member state.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Financial Statement Presentation*

The Commission follows the guidelines established in Statement of Financial Accounting Standards (SFAS) No. 116, "Accounting for Contributions Received and Contributions Made" and SFAS No. 117, "Financial Statements of Not-for-Profit Organizations." In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. In accordance with SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Commission has no temporarily or permanently restricted net assets. Management has determined that expenses incurred are primarily related to its program of providing for waste disposal capacity. As permitted, the Commission also uses fund accounting, and has also presented its financial statements by fund. The Organization classifies its funds as follows:

General Fund – The General Fund is the operational fund of the Commission. From inception through June 30, 1989, the Midwest Compact's state members contributed to the Fund based on an approved projected annual budget. When future operational funding became available from Rebate Funds received by the Commission, the member states suspended contributions to the General Fund.

**MIDWEST INTERSTATE LOW-LEVEL  
RADIOACTIVE WASTE COMPACT COMMISSION**

Notes to Financial Statements

June 30, 2002

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Financial Statement Presentation* - Continued

Rebate Fund - Rebate funds are derived from disposal surcharges that were levied on generators of low-level radioactive waste from January 1986 through December 1992. The surcharges were mandated by the 1985 Low-Level Radioactive Waste Policy Amendments Act, and 25% of the surcharges were placed in an escrow account administered by the Department of Energy. Rebates of the escrowed amounts served as an incentive to regions and states to meet Federal milestones for the development of their own disposal facilities. Use of these funds is restricted by law, and all amounts, including investment earnings, are classified as a deferred item in the accompanying financial statements. However, consistent with the Amendments Act, Rebate Fund monies may be withdrawn and used by the Commission to the extent needed for general operations. The Commission recognizes revenues from the Rebate Fund when amounts are transferred for general operations.

*Accounting Estimates*

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

*Revenue Recognition*

All support and revenue are considered to be available for general use unless specifically restricted.

*Cash*

Investment cash or cash equivalents within the Rebate Fund is included in investments in the accompanying statement of financial position due to the nature and the terms of the fund.

**MIDWEST INTERSTATE LOW-LEVEL  
RADIOACTIVE WASTE COMPACT COMMISSION**

Notes to Financial Statements

June 30, 2002

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Investments

The Commission's investments are recorded at fair value based on quoted market prices. Realized and unrealized gains and losses are restricted under the terms of the Rebate Fund and are recorded in the same manner as a deferred item as are interest and dividend earnings within the fund.

Income Tax Status

The Commission has been declared tax exempt under the Internal Revenue Code and, accordingly, there is no provision for income taxes in the accompanying financial statements.

**3. INVESTMENTS**

Investments are recorded at market value, and consist of the following at June 30, 2002:

Money market funds	\$ 46,753
Government bond (Federal Home Loan Mortgage Corporation, due in 2021)	1,260,658
Corporate bond (Norwest Asset Securities Corporation, due in 2029)	38,560
Government bond (Federal Home Loan Mortgage Corporation REMIC 2458-GD, due in 2032)	<u>32,000</u>
Total	<u>\$1,377,971</u>

**MIDWEST INTERSTATE LOW-LEVEL  
RADIOACTIVE WASTE COMPACT COMMISSION**

Notes to Financial Statements

June 30, 2002

**3. INVESTMENTS - Continued**

Given the nature and restrictions of the Rebate Fund, the Commission records investment earnings as an agency fund and thus they are accumulated with the "deferred rebate" account of the Fund until restrictions are satisfied. At that time earnings are then recognized as revenue within the statement of activities. A reconciliation of investment accounts and a summary of earnings follows:

	<u>Rebate Fund</u>
Investments at June 30, 2001	\$1,409,747
Interest earnings	17,300
Transfers	<u>(49,076)</u>
Investments at June 30, 2002	<u>\$1,377,971</u>

**4. FUTURE OPERATIONS**

The Commission intends to monitor national and regional developments regarding management of low-level radioactive waste, and will continue to review office and staffing requirements during the fiscal year 2003.