

# **ENERGY NORTHWEST**

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March 24, 2000  
GO2-00-055

Docket 50-397

U.S. Nuclear Regulatory Commission  
ATTN: Mr. M.T. Masnick  
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Washington, DC 20555-0001

Subject: **WNP-2 OPERATING LICENSE NPF-21  
DECOMMISSIONING FUND TARGETS  
COMMENTS ON NUREG-1307**

It is our understanding that Revision 9 to NUREG-1307 is being planned and that our comments regarding the improvement of the decommissioning funding process would be welcome. This letter identifies those areas where we believe the process could be improved.

Adequate amounts for power reactor decommissioning funds are specified in 10 CFR 50.75(c)(1) and expressed in 1986 dollars. This amount must be annually adjusted using the formula provided in 10 CFR 50.75(c)(2) and the waste burial escalation factor specified in NUREG-1307. For WNP-2, NUREG-1307 uses the disposal rates at the Hanford, Washington burial facility that are annually adjusted by the state. Although the overall cost to operate the burial facility has been relatively stable, rates vary widely from year to year depending on generator volume projections. It should be noted that WNP-2 is unique in this respect since it is the only operating reactor that will be using the Northwest Compact's Hanford, Washington facility.

As a result of the changing disposal rates, we have recently experienced single year changes of over \$200 million dollars in the calculated minimum decommissioning fund using the 10 CFR 50.75 method. Our financial planning and budgeting processes are unable to respond to rapid changes of this magnitude. Indeed, long-term financial planning should not be subject to short-term annual variations.

The high sensitivity to rate changes is a result of volatile disposal rates amplified by the estimation process used in the NUREG to recalculate the costs of burial and disposition of radioactive waste at the reference BWR. NUREG-1307 employs a number of assumptions that presuppose how the plant will be decommissioned (i.e., NUREG/CR-0672, Addendum 3, July 1988). It is our observation that these assumptions are very conservative and should be adjusted based on more

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realistic information. For example, we recommend that you consider the following recommendations to improve the process and lessen the year-to-year variability in the estimated decommissioning fund targets.

- Update the NUREG-1307 calculation spreadsheets with recent information for component activity and dose rates. This new information can be found in NUREG/CR-6174 (PNL-9975), July 1996.
- Revise the NUREG-1307 assumptions to allow for large component disposal (e.g., similar to the recent disposal involving the Trojan steam generators and reactor vessel). This addition would provide substantial cost and ALARA savings over the current methods that are based on cutting large vessels into small pieces for packaging and disposal.
- Discontinue using current disposal rate sheets and replace with long-term averages or trend analysis results reflecting historical values of the same. This change would moderate the effect of large annual changes in the rates and perhaps allow NUREG-1307 to be issued less frequently.

We would be pleased to meet with you and PNNL to discuss these changes. If you have any questions or desire additional information regarding this matter, please contact me at (509) 377-4342.

Respectfully,



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