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**To:** <foia@nrc.gov>  
**Date:** Wed, May 15, 2002 3:10 PM  
**Subject:** Nuclear Decommissioning Trusts

In a GAO report, dated May 1999, it states that each licensee must report the amounts of decommissioning funds, the expected amount needed at a plant's retirement, and remaining to be collected each year with the NRC every 2 years.

I would like to get hold of this information for each licensee.

Rama

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**FOIA/PA REQUEST**

**Case No:** 2002-0268  
**Date Rec'd:** 5/15/02  
**Action Off:** Brown  
**Related Case:** \_\_\_\_\_



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## facsimile transmittal

**To:** Barbara **Fax:** 301 415 5130

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**From:** Rama Ramachandran **Date:** 05/15/02

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**Re:** Nuclear Decommissioning Trusts **Pages:** 3 (including Cover)

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**CC:**

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Attached is a copy of a GAO report published in May 1999. In the report, page 6 (also attached), it states that all licensees will be required to report to the NRC, the amount of funds accumulated, the expected amount need for decommissioning and the remaining amount to be collected each year.

I'm requesting, under the FOIA, the latest information reported to the NRC. Please call me at (415) 953-1191 if you have any questions.

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**GAO**

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**United States General Accounting Office**  
**Report to Congressional Requesters**

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**May 1999**

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**NUCLEAR  
REGULATION****Better Oversight  
Needed to Ensure  
Accumulation of Funds  
to Decommission  
Nuclear Power Plants****G A O****Accountability \* Integrity \* Reliability**

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**Executive Summary**

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NRC elected not to address the likelihood of premature plant retirements because, in its view, a few premature closures do not justify requiring all licensees to accelerate the collection of their decommissioning funds. NRC intends to continue its practice of addressing early plant retirements on a case-by-case basis. Also, at NRC's request, the administration included a provision in its 1999 proposed bill on the deregulation of the electricity industry that would give priority to funding decommissioning in bankruptcy proceedings.

NRC also began requiring licensees to report financial information on decommissioning funds every 2 years beginning by the end of March 1999. Each licensee must report the amounts of decommissioning funds accumulated, expected to be needed at a plant's retirement, and remaining to be collected each year. The reports must state the licensee's assumptions for escalating decommissioning costs, estimating the fund's earnings, and discounting projections for the fund. After reviewing the initial reports from licensees, NRC intends to consider the need for further rulemaking in this area.

The new financial-reporting requirements should provide NRC with the information to address such issues as the rates at which licensees are accumulating decommissioning funds, the effect of the electricity industry's deregulation on financial assurances for decommissioning, and the possibility of the additional early retirements of uneconomical plants. However, NRC has not explained how it intends to act on the reported financial information. For example, NRC has not established criteria for requiring a licensee to change how it accumulates funds or to provide additional assurance that funds will be available. Instead, NRC stated that it will consider issuing additional guidance after licensees have submitted their initial reports.

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**Recommendations**

To provide for the logical, coherent, and predictable oversight of licensees' financial assurances for decommissioning their nuclear power plants, GAO recommends that the Chairman, NRC, provide licensees and the public with information on the (1) objectives of, scope of, and methods used in NRC's reviews of licensees' financial reports; (2) thresholds for identifying, on the basis of these reviews, acceptable, questionable, and unacceptable indications of financial assurances; and (3) criteria for actions to be taken on the results of these reviews.