



**Constellation Energy**

Nine Mile Point Nuclear Station

P.O. Box 63  
Lycoming, NY 13093

May 27, 2005  
NMP1L 1954

U.S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Washington, D.C. 20555-0001

**SUBJECT:** Nine Mile Point Unit 1  
Docket No. 50-220  
Facility Operating License No. DPR-63

Response to NRC Request for Additional Information Regarding the  
Preliminary Decommissioning Cost Estimate (TAC No. MC4399)

Gentlemen:

By letter dated December 29, 2004, Nine Mile Point Nuclear Station, LLC (NMPNS) submitted the preliminary decommissioning cost estimate for Nine Mile Point Unit 1 in accordance with 10 CFR 50.75(f)(2).

By letter dated March 1, 2005, the NRC requested additional information regarding the preliminary decommissioning cost estimate. The NMPNS responses to this request for additional information are provided in Attachment 1.

If you have any questions regarding this submittal, please contact Steven Leonard, General Supervisor Licensing, at (315) 349-4039.

Very truly yours,

James A. Spina  
Vice President Nine Mile Point

JAS/RF/sac  
Attachment

A001

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cc: Mr. S. J. Collins, NRC Regional Administrator, Region I  
Mr. G. K. Hunegs, NRC Senior Resident Inspector  
Mr. P. S. Tam, Senior Project Manager, NRR (2 copies)

## ATTACHMENT 1

### Nine Mile Point Unit 1

#### Response to NRC Request for Additional Information (RAI)

#### Regarding the Preliminary Decommissioning Cost Estimate

The requests are repeated below, followed by the Nine Mile Point Nuclear Station (NMPNS) response.

#### RAI

*The following factors were addressed in the licensee's submittal; however, the supporting basis for the information should be included to ensure the cost estimate is an up-to-date assessment of the cost to decommission:*

- (1) Regarding the potential for known or suspected contamination of the facility or site to affect the cost of decommissioning, the licensee identified some soil contamination. A brief description should be included that estimates the extent of the known contamination with an estimate of the volume.*
- (2) Regarding the preliminary schedule of decommissioning activities, for the SAFSTOR period, the licensee should indicate which parts of the costs are annual costs and what is the one-time cost associated with the \$296 million. If storage or monitoring of spent fuel is included in the cost estimate, it should be shown separately.*
- (3) As to any other factors that could significantly affect the cost to decommission, the licensee should include a basis for the selection of a 20.4-percent contingency factor and a summary of the component escalation factors (NRC recommends a 25-percent contingency factor).*
- (4) If demolition of uncontaminated structures and site restoration activities are included in the cost estimate, they should be shown separately.*

#### NMPNS Response

- (1) The estimated volume of known soil contamination at the facility, included in the cost calculation for the burial of low level waste, is 57,700 cubic feet. This volume has the following estimated concentrations of contamination, which are slightly above the Lower Limit of Detection (LLD) for each radionuclide:

Co-60:  $4.94\text{E-}08 \pm 1.14\text{E-}08$  uCi/gm

Cs-137:  $1.09\text{E-}07 \pm 1.73\text{E-}08$  uCi/gm

(2) All costs associated with the \$296 million during the SAFSTOR period are annual recurring costs. Anticipated storage and monitoring costs associated with spent fuel storage during the SAFSTOR period are not included in the cost estimate. As stated in NMPNS letter NMP1L 1862 dated August 23, 2004, "Notification of Irradiated Fuel Management Plan in Accordance with 10 CFR 50.54(bb)," NMPNS will fund the operating costs associated with Nine Mile Point Unit 1 (NMP1) irradiated fuel storage as part of the overall costs to operate the Nine Mile Point site. These funds will not be drawn from the decommissioning trust funds.

(3) The 20.4 percent represents a weighted average of the contingency factors for the decommissioning costs. Contingency factors associated with the radioactive waste costs, including burial, waste conditioning and hazardous waste, are 50 percent, given their inherent above-average uncertainty levels. Contingency factors associated with preparation, decontamination, removal, packaging and transportation of the radioactive waste are 20 percent. Contingency factors for most of the remaining costs are 15 percent.

Escalation factors used in the estimate for hazardous waste, low level radioactive waste, labor, transportation and energy costs range from 2 to 6 percent depending on the individual cost bases and contributing scenarios.

These contingency and escalation factors are based on accepted engineering estimation practices for decommissioned facilities similar to NMP1.

(4) Demolition of uncontaminated structures and site restoration activities are not included in the preliminary decommissioning cost estimate.