

10 CFR 50.75(b)(1)

RS-07-031

February 27, 2007

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

Braidwood Station, Units 1 and 2
Facility Operating License Nos. NPF-72 and NPF-77
NRC Docket Nos. STN 50-456 and STN 50-457

Byron Station, Units 1 and 2
Facility Operating License Nos. NPF-37 and NPF-66
NRC Docket Nos. STN 50-454 and STN 50-455

LaSalle County Station, Units 1 and 2
Facility Operating License Nos. NPF-11 and NPF-18
NRC Docket Nos. 50-373 and 50-374

Subject: Response to Request for Additional Information Regarding Site-specific Decommissioning Cost Estimates

- References:**
- (1) Letter from Exelon Generation Company, LLC, "Report on Status of Decommissioning Funding for Reactors," to NRC dated March 31, 2006
 - (2) Letter from Exelon Generation Company, LLC, "Site-specific Decommissioning Cost Estimates," to NRC dated December 18, 2006

In Reference 1, Exelon Generation Company, LLC (Exelon) committed to submit site-specific decommissioning cost estimates for Braidwood Station, Byron Station and LaSalle County Station to the NRC by December 31, 2006. These cost estimates were provided to the NRC in Reference 2.

The NRC requested additional information via facsimile dated February 7, 2007, to support their review of Reference 2. A conference call occurred on February 22, 2007, between Exelon and the NRC to obtain clarification of the information request. The attachment to this letter provides the requested information.

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There are no commitments contained in this letter.

If you have any questions about this letter or enclosures, please contact me at (630) 657-2823.

Respectfully,

A handwritten signature in black ink that reads "Patrick R. Simpson". The signature is written in a cursive style with a large initial "P" and a distinct "R".

Patrick R. Simpson
Manager – Licensing

Attachment – Response to NRC Request for Additional Information

Response to Request for Additional Information

NRC Request

On December 18, 2006 Exelon Generation Company, LLC (EGC, the licensee) submitted letter RS-06-176, which included site-specific cost estimates and identified SAFSTOR periods for Braidwood Station (Braidwood) Units 1 and 2; Byron Station (Byron), Unit Nos. 1 and 2; and LaSalle County Station (LaSalle) Units 1 and 2. The information was submitted in response to questions raised by the Nuclear Regulatory Commission (NRC) staff following its review of letter RS-05-035, "Report on the Status of Decommissioning Funding for Reactors," dated March 24, 2005.

The NRC staff conducted an independent analysis of the decommissioning costs for the EGC plants identified in the licensee's December 18, 2006, letter. For the independent analysis, the NRC staff applied a 2 percent real rate of return credit to the trust fund balance for the licensed operating period for these plants. Once the plants were projected to enter into SAFSTOR, the NRC staff applied a 2 percent real rate of return on the annual fund; however, total annual costs identified in Tables A-1 (Braidwood Unit 1), Table A-2 (Braidwood Unit 2), Table B-1 (Byron Unit 1), Table B-2 (Byron Unit 2), Table C-1 (LaSalle Unit 1), and Table C-2 (LaSalle Unit 2) were deducted annually before the 2 percent real rate of return was credited for each prospective year.

The NRC staff's analysis indicates that EGC has sufficient funds to complete decommissioning of the LaSalle units. However, for both Braidwood Units 1 and 2, and Byron Unit Nos. 1 and 2, the NRC staff needs additional information to determine whether its trust funds are sufficient to complete decommissioning.

EGC did not identify any additional or separate funds to address the costs of spent fuel storage, which were included in the annual costs in Table A-1 and A-2 for Braidwood, and Tables B-1 and B-2 for Bryon. The total annual costs identified in these tables were included in the NRC staff's analysis. Please identify any additional or separate funds to address spent fuel storage expenses, or other costs identified in your submittal.

Exelon Response

In response to the NRC's above request and consistent with the discussions which occurred between the NRC and Exelon on February 22, 2007, Exelon has created the following table which provides clarification and updating of the information provided in the cost estimation studies previously provided in the Exelon letter dated December 18, 2006. The table lists the estimated cash flows for radiological decommissioning each of the subject units in 2007 dollars. These cash flows are for radiological decommissioning only and do not reflect expenditures for any other purpose. In addition, the following table differs from Tables A-1, A-2, B-1, B-2, C-1, and C-2, in that the labor costs during the SAFSTOR periods are adjusted such that both units at a site share the cost equally rather than the majority of the labor costs being allocated to the first unit. The amount of funds in the decommissioning trusts for each unit as of December 31, 2006, are also provided.

Any spent fuel management expenses associated with these units can be paid by Exelon operating revenues and other assets, as needed. Pursuant to 10 CFR

Response to Request for Additional Information

50.54(bb), Exelon will submit spent fuel management plans five years before expiration of the reactor operating licenses. At that time, Exelon will elect one or more mechanisms for the payment of the spent fuel management costs.

Attachment

	<u>Braidwood 1</u>	<u>Braidwood 2</u>	<u>Byron 1</u>	<u>Byron 2</u>	<u>LaSalle 1</u>	<u>LaSalle 2</u>
Trust Fund Balance (as of 12/31/06)	\$ 204,139,957	\$ 219,721,175	\$ 222,975,642	\$ 216,613,975	\$ 304,462,961	\$ 303,435,299

Radiological Decommissioning Cash Flows (in thousands, 2007\$)

	<u>Braidwood 1</u>	<u>Braidwood 2</u>	<u>Byron 1</u>	<u>Byron 2</u>	<u>LaSalle 1</u>	<u>LaSalle 2</u>
2022					29,657	
2023					52,776	1,724
2024			7,050		5,293	42,842
2025			48,611		5,278	34,288
2026	8,647		18,886	5,988	3,937	3,933
2027	50,213	1,500	5,141	46,977	3,937	3,933
2028	15,474	41,348	5,155	21,798	3,947	3,944
2029	5,180	31,846	3,808	3,803	3,937	3,933
2030	3,845	3,842	3,808	3,803	3,937	3,933
2031	3,845	3,842	3,808	3,803	3,937	3,933
2032	3,856	3,853	3,818	3,813	3,947	3,944
2033	3,845	3,842	3,808	3,803	3,937	3,933
2034	3,845	3,842	3,808	3,803	3,937	3,933
2035	3,845	3,842	3,808	3,803	3,937	3,933
2036	3,856	3,853	3,818	3,813	3,947	3,944
2037	3,845	3,842	3,808	3,803	3,937	3,933
2038	3,845	3,842	3,808	3,803	3,937	3,933
2039	3,845	3,842	3,808	3,803	3,937	3,933
2040	3,856	3,853	3,818	3,813	3,947	3,944
2041	3,845	3,842	3,808	3,803	3,937	3,933
2042	3,845	3,842	3,808	3,803	3,937	3,933
2043	3,845	3,842	3,808	3,803	3,937	3,933
2044	3,856	3,853	3,818	3,813	3,947	3,944
2045	3,845	3,842	3,808	3,803	3,937	3,933
2046	3,845	3,842	3,808	3,803	3,937	3,933
2047	3,845	3,842	3,808	3,803	3,937	3,933
2048	3,856	3,853	3,818	3,813	3,947	3,944
2049	3,845	3,842	3,808	3,803	3,937	3,933
2050	3,845	3,842	3,808	3,803	3,937	3,933
2051	3,845	3,842	3,808	3,803	3,937	3,933
2052	3,856	3,853	3,818	3,813	3,947	3,944
2053	3,845	3,842	3,808	3,803	3,937	3,933
2054	3,845	3,842	3,808	3,803	3,937	3,933
2055	3,845	3,842	3,808	3,803	3,937	3,933
2056	3,856	3,853	3,818	3,813	3,947	3,944
2057	3,845	3,842	3,808	3,803	3,937	3,933
2058	3,845	3,842	3,808	3,803	3,937	3,933
2059	3,845	3,842	3,808	3,803	3,937	3,933
2060	3,856	3,853	3,818	3,813	3,947	3,944
2061	3,845	3,842	3,808	3,803	3,937	3,933
2062	3,845	3,842	3,808	3,803	3,937	3,933
2063	3,845	3,842	3,808	3,803	3,937	3,933
2064	3,856	3,853	3,818	3,813	3,947	3,944
2065	3,845	3,842	3,808	3,803	3,937	3,933
2066	3,845	3,842	3,808	3,803	3,937	3,933
2067	3,845	3,842	3,808	3,803	3,937	3,933
2068	3,856	3,853	3,818	3,813	3,947	3,944
2069	3,845	3,842	3,808	3,803	3,937	3,933
2070	3,845	3,842	3,808	3,803	3,937	3,933
2071	3,845	3,842	3,808	3,803	3,937	3,933
2072	3,856	3,853	3,818	3,813	3,947	3,944
2073	3,845	3,842	3,808	3,803	3,937	3,933
2074	3,845	3,842	3,808	3,803	3,937	3,933
2075	3,845	3,842	3,808	3,803	3,937	3,933
2076	3,856	3,853	3,818	3,813	35,947	3,915
2077	3,845	3,842	3,808	3,803	82,916	29,779
2078	3,845	3,842	8,711	2,471	117,878	95,037
2079	3,845	3,842	39,858	15,194	68,799	119,042
2080	9,659	2,516	94,674	34,636	47,668	84,192
2081	40,234	16,144	84,352	113,794	17,227	59,589
2082	96,672	36,127	46,171	74,341	9,521	9,477
2083	82,578	117,567	22,275	67,784	91	38
2084	46,953	76,141	25,531	33,238	26	11
2085	21,251	71,669	75	32		
2086	25,840	31,178	75	32		
2087	78	33	23	10		
2088	78	33				
2089	10	4				
Total	595,267	618,348	593,287	602,768	670,043	676,722
Funding Required at Shutdown	296,449	303,206	296,086	299,970	332,895	327,489
Funding Available at Shutdown	297,393	326,494	312,220	315,566	409,767	416,552
Unit Percent Funded	100%	108%	105%	105%	123%	127%
Site Percent Funded		104%		105%		125%