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DTE Energy

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U. S. Nuclear Regulatory Commission
Attn.: Document Control Desk
Washington, D.C. 20555

References: 1) Enrico Fermi Atomic Power Plant, Unit No. 1
NRC Docket No. 50-16
NRC License Number DPR-9

2) Detroit Edison Letter, NRC-00-0092, "Notification of Changes in Fermi 1 Schedule and Activities", dated November 6, 2000

3) Detroit Edison Letter, NRC-07-0015, "Decommissioning Funding Status Report for Fermi 1", dated March 29, 2007

Subject: Notification of Changes in Fermi 1 Decommissioning Cost

This letter provides the notification required by 10 CFR 50.82 (a) (7) of changes to the Fermi 1 expected decommissioning cost and decommissioning schedule.

Fermi 1 is a permanently shutdown experimental sodium cooled breeder reactor, which last operated in 1972. It is in the SAFSTOR status and its possession only license expires in 2025. In Reference 2, Detroit Edison informed the NRC and the State of Michigan of the plan for

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completing nuclear decommissioning of Fermi 1. Decommissioning activities have been proceeding at a slow careful pace.

As discussed in Reference 3, the cost estimate increased last year based on bids received for the removal of the reactor vessel and large components. Reference 3 also discussed that Detroit Edison was evaluating whether to proceed with vessel and large component removal or postpone these activities. Following the decision, a notification would be made to the NRC per 10CFR50.82 of either the cost estimate increase or change in schedule.

Detroit Edison has decided to continue the Fermi 1 decommissioning project, including removal of the reactor vessel and large components.

Detroit Edison now estimates the total cost of the decommissioning project at $63 million (nominal dollars), of which the cost remaining as of the beginning of 2007 was $43 million (nominal dollars). This corresponds to a remaining cost of approximately $39 million in constant 2006 dollars. Previous reporting was in terms of constant dollars. The Nuclear Decommissioning Trust Fund can cover approximately $13 million. Documentation of the parent company guarantee for $25 million was submitted in Reference 3. Cost and fund performance will continue to be monitored as the project continues. The schedule currently shows the facility will be ready for license termination in 2011.

The performance of the project will be assessed periodically and a decision made whether to continue or revise the decommissioning plans. If the latter decision is made, notification in accordance with 10 CFR 50.82 (a) (7) will be made to address future plans.

If there are any questions, please contact Lynne Goodman, Manager, Fermi 1 at (734) 586-1205. She would be happy to meet with you as decommissioning planning proceeds.

Sincerely,

Joseph Plona

Joseph Plona
Site Vice President, Nuclear Generation

JP/LSG/ljd

cc: NRC Regional Administrator, Region III
NRC Resident Inspector – Fermi 2
T. Smith - NRC
P. Lee, NRC, Region III
T. Strong, State of Michigan