

DRAFT OMB SUPPORTING STATEMENT  
FOR PROPOSED RULE  
10 CFR PARTS 20, 30, 40, 50, 70, and 72  
DECOMMISSIONING PLANNING  
(RIN 3150-AH45)  
REVISION

DESCRIPTION OF THE INFORMATION COLLECTION

The Nuclear Regulatory Commission (NRC) is proposing to amend its regulations for decommissioning licensed nuclear facilities to reflect experience gained since promulgation of the general requirements for decommissioning nuclear facilities in 1988, and to improve the effectiveness, efficiency, and clarity of the rules. The decommissioning cost estimating and financial assurance regulations are part of the overall NRC strategy to maintain safety and protection of the public and the environment during and after decommissioning of nuclear facilities. The proposed rule would add new requirements to 10 CFR Part 20 to ensure that licensees minimize the introduction of residual radioactivity into the site, including the subsurface, and perform surveys of residual radioactivity, including in the subsurface, that are necessary to comply with regulations or to evaluate potential radiological hazards. The proposed rule also would amend 10 CFR Parts 30, 40, 50, 70, and 72 to strengthen the requirements pertaining to decommissioning cost estimates; eliminate certain financial mechanisms that the NRC has concluded might present risks and are not used by licensees; strengthen the requirements pertaining to other financial mechanisms; and strengthen certain reporting requirements pertaining to financial assurance.

A. JUSTIFICATION

1. Need for and Practical Utility of the Collection of Information

Section 20.1403(c)(1) would be amended to require the funds for financial assurance of long-term care and maintenance of a restricted release site to be placed into a trust segregated from the licensee's assets and outside the licensee's administrative control. This would eliminate the possibility that a licensee could use any other form of prepayment, such as the escrow account, government fund, certificate of deposit, or deposit of government, which are currently authorized by the rule. The proposed rule also would add a requirement that the initial amount of the trust fund established for long-term care and maintenance must be based on a 1 percent annual real rate of return on investment.

This provision will help to ensure that the financial mechanisms used to provide financial assurance are secure in bankruptcy. No current licensees are affected because no restricted release sites are currently under long-term care and maintenance. An estimated 3 licensees may use restricted release in the future. However, they are not expected to use restricted release within this clearance period.

Section 20.1403(c)(2), which currently provides that a licensee whose license is being terminated under restricted conditions may use a surety method, insurance, or other guarantee method described in 10 CFR 30.35(f)(2) to provide financial assurance to enable an independent third party to assume and carry out responsibilities for any necessary control and maintenance of the site, would be removed.

This provision will help to ensure that the financial mechanisms used to provide financial assurance are secure in bankruptcy. No current licensees are affected because no restricted release sites are currently under long-term care and maintenance. No additional licensees will be affected by this provision in the future.

Section 20.1404(a)(5) would add a new provision specifying that one of the factors that the Commission must consider in determining whether to terminate a license under alternate criteria is whether the licensee has provided sufficient financial assurance to enable an independent third party, including a government custodian of a site, to assume and carry out responsibilities for any necessary control and maintenance of the site.

This provision will enable the NRC to ensure that license transfers are not made to entities that cannot provide sufficient financial assurance for control and maintenance of the site. No current licensees are affected because no restricted release sites are currently under long-term care and maintenance. The universe of licensees that may use restricted release in the future is estimated at 3. However, they are not expected to use restricted release within this clearance period.

Section 20.1406(c) would be added requiring each operator of a licensed facility, to the extent practical, to conduct operations to minimize the introduction of residual radioactivity into the site, including the subsurface.

No current licensees are affected because this provision merely clarifies requirements already present in 10 CFR 20.1101(b) that licensees use procedures to achieve occupational doses and doses to the public that are as low as is reasonably achievable (ALARA). That section requires minimization of waste generation during operations to achieve doses that are ALARA. The proposed rule clarifies that minimization of waste generation includes residual radioactivity in the subsurface. One NRC licensee and 4 Agreement State licensees may be affected in the future. However, they are not expected to be affected within this clearance period.

Section 20.1501(a) would be amended to require each licensee to make or cause to be made surveys of areas, including the subsurface, that are reasonable under the circumstances to evaluate in a timely manner the magnitude and extent of radiation levels, concentrations or quantities of residual radioactivity, and the potential radiological hazards of the radiation levels and residual radioactivity detected.

No current licensees are affected because there are no records indicating that significant residual radioactivity is present at a site. The proposed rule clarifies that surveys may need to be performed of residual radioactivity in the subsurface to comply with regulations or to evaluate a potential radiological hazard. One NRC licensee and 4 Agreement State licensees may be affected in the future. However, they are not expected to be affected within this clearance period.

Section 20.1501(b) would be amended to require each licensee to maintain the records of surveys of subsurface residual radioactivity with records important for decommissioning.

This provision will ensure that licensees retain subsurface residual radioactivity surveys, until the site is released for unrestricted use, as records important for decommissioning under the requirements of §§ 30.35(g), 40.36(f), 50.75(g), 70.25(g), and 72.30(d). No current licensees are affected because none are known at this time to require the surveys be performed. One NRC licensee and 4 Agreement State licensees may be affected in the future. However, they are not expected to be affected within this clearance period.

Section 30.34(b)(2) would be amended to add a new paragraph (b)(2) requiring an applicant for transfer of a license to include the identity, technical and financial qualifications of the proposed transferee, and the information on financial assurance for decommissioning required by 10 CFR §30.35.

This provision will ensure that the NRC has necessary information concerning the transferee and financial assurance for decommissioning to enable the agency to assess the application for transfer of the license.

Section 30.35 would be amended to add a new paragraph 30.35(c)(6) providing that if, in surveys made under §20.1501, residual radioactivity in the facility and the environment, including the subsurface, is detected at levels that would, if left uncorrected, prevent the site from meeting the §20.1402 criteria for unrestricted use, the licensee must submit a decommissioning funding plan within one year of when the survey is completed.

This provision will ensure that if residual radioactivity is detected, the licensee provides a decommissioning cost estimate that addresses that residual radioactivity. In the past, licensees have used certification amounts for decommissioning financial assurance that did not take residual radioactivity into account, or they have developed decommissioning cost estimates based on the assumption that they will be able to meet the criteria for unrestricted use, but the presence of previously undetected residual radioactivity has made those certification amounts or decommissioning cost estimates inadequate.

Section 30.35(e)(1) would require that each decommissioning funding plan must be submitted for review and approval, would require the decommissioning cost estimate to be "detailed," and would add a list of elements that the DCE must contain. In particular, Section 30.35(e)(1)(i)(A) would require licensees to include in their decommissioning cost estimate an amount adequate to cover the cost of an independent contractor to perform all decommissioning activities; Section 30.35(e)(1)(i)(B) would add a new requirement that the DCE must cover the cost of meeting the criteria for unrestricted release, unless the applicant or licensee can demonstrate its ability to meet the provisions of § 20.1403, and in that case the decommissioning cost estimate may be based on meeting the criteria of § 20.1403; Section 30.35(e)(1)(i)(C) would require the decommissioning cost estimate to address the volume of onsite subsurface material containing residual radioactivity that will require remediation to meet the criteria for license termination; Section 30.35(e)(1)(i)(D) would require the DCE to include an adequate contingency factor.

Section 30.35(e)(1)(ii) would add a new requirement that the DFP explain and justify the basis for using the key assumptions in the DCE.

Section 30.35(e)(1)(iv) would add a new requirement that the DFP contain a certification by the licensee that financial assurance for decommissioning has been provided in the amount of the cost estimate.

Section 30.35(e)(2) would require that if one of a list of events should occur, the licensee must assess the effect of the event on the cost of decommissioning and update the information submitted to adjust for changes in the costs and extent of decommissioning.

The provisions in §§30.35(e)(1) and (e)(2) would incorporate into regulatory requirements criteria for the decommissioning funding plan and decommissioning cost estimate that are currently only recommended in regulatory guidance in NUREG-1757, Volume 3, Appendix A. In some cases licensees have not provided decommissioning funding plans or cost estimates that adequately addressed these criteria. By making them regulatory requirements, the NRC can ensure that they are addressed adequately.

Section 30.35(f) would require financial assurance instruments to include the licensee's name, license number, and docket number; the name, address, and contact information of the financial institution or trustee, as applicable; and to be revised and submitted to the NRC within 30 days of a change in this information.

This provision is necessary to ensure that the financial assurance information is, and remains, correct and up to date so that if it becomes necessary for the NRC to draw on the financial instrument it can do so without delay.

Section 30.35(f)(1) would require prepayment financial assurance for decommissioning to be in the form of a trust and would eliminate the four other prepayment mechanisms, the escrow account, government fund, certificate of deposit, and deposit of government securities.

This provision is necessary to ensure that all financial instruments authorized for use by licensees will remain secure in bankruptcy. Licensees who are currently using one of the financial instruments that is being removed will need to obtain and submit an alternative financial instrument.

Section 30.35(f)(2) would amend the list of surety, insurance, or other guarantee methods to eliminate the line of credit.

This provision is necessary to ensure that all financial instruments authorized for use by licensees will remain secure in bankruptcy. Any licensees using the line of credit would be affected, but NRC estimates that no licensees are currently affected.

Section 30.35(f)(3) would require that an external sinking fund be in the form of a trust, which cannot be combined with a surety or insurance.

This provision is necessary to ensure that all financial instruments authorized for use by licensees will remain secure in bankruptcy.

Section 30.35(h) would require a licensee to monitor the balance of funds held to account for market variations and, if the balance falls below levels specified in this

section, must replenish the funds and report the replenishment to the NRC within 30 days. If the balance at the end of the calendar quarter is below the amount necessary to cover the cost of decommissioning, but is not below 75 percent of that cost, the licensee must increase the balance to cover the cost within 5 days after the end of the calendar quarter. If the balance at any time falls below 75 percent of the amount necessary to cover decommissioning, the licensee must increase the balance to cover the cost within 5 days of the occurrence.

This provision is necessary to ensure that the amount of funds available to cover the cost of decommissioning does not fall below the amount necessary. Because the decommissioning cost estimate will include a 25 percent contingency, replenishment is not required immediately if the amount in the fund remains above 75 percent of the cost of decommissioning, but is replenished at the end of the calendar quarter. However, if the amount in the fund falls below 75 percent at any time, the fund must be replenished within 5 business days. Whenever the licensee is required to replenish the fund, it must notify the NRC of such replenishment. Such notice will enable the NRC, if necessary, to carry out additional regulatory monitoring of the fund to ensure that it is not subject to recurring losses or other financial problems.

Appendix A to 10 CFR Part 30, Section II. A would amend the financial test for parent guarantee in the following ways: Section II. A would specify that tangible net worth must be calculated to exclude the net book value of the nuclear facility and site and any intangible assets, and net worth must be calculated to exclude the net book value and good will of the nuclear facility and site; Section II. A(1)(iii) would specify that tangible net worth must be at least \$19 million; Section II. A. 2(i) would specify that the current rating of the most recent bond issuance of AAA, AA, or A by Standard and Poor's could include adjustments of + or - (i.e., AAA+, AA+, or A+ and AAA-, AA-, and A- ), and the current rating of Aaa, Aa, or A by Moody's could include adjustments of 1, 2, or 3. In addition, it would specify that the bond must be the most recent "uninsured, uncollateralized, and unencumbered" bond issuance; Section II. A(2)(iii) would specify that tangible net worth must be at least \$19 million; Section II. B would require the parent company's independent certified public accountant to evaluate the parent company's off-balance sheet transactions and provide an opinion on whether the transactions could materially adversely affect the parent company's ability to pay for decommissioning costs. This section would also require the accountant to verify that a bond rating, if used, meets the requirements of the financial test. The licensee must notify the NRC within 90 days of any matters coming to the auditor's attention which cause the auditor to believe that the data specified in the financial test should be adjusted and that the company no longer passes the test; Section II. C. 1 would require a parent company guarantor to repeat passage of the test within 90 days after the close of each succeeding fiscal year and require that the parent company provide documentation to the Commission of its continued eligibility to provide the guarantee within 90 days after the close of its fiscal year.

This provision clarifies the terms of the financial test and ensures that the NRC will be informed, when the test is used as the basis for financial assurance, that the entity providing the assurance continues to pass the test. In some cases in the past entities have initially passed the test but have failed to notify the NRC when they ceased to pass the test. The clarifications address topics that have raised questions in the past and will

provide additional regulatory efficiency. The terms of the financial test also involve criteria for the opinions to be rendered by independent certified public accountants, who will be hired by the guarantors to supply services.

Appendix A to 10 CFR Part 30, Section III. would amend the parent company guarantee in the following ways: Section III. B would require the parent company guarantor to provide alternative financial assurance within 90 days after receipt by the licensee and the Commission of a notice of cancellation of the parent company guarantee if the licensee fails to provide alternate financial assurance; Section III. C would require the parent company guarantee to remain in effect until the Commission has terminated the license, accepted in writing the parent company's alternate financial assurances, or accepted in writing the licensee's financial assurances; Section III. D would require a parent company providing a parent company guarantee to set up a standby trust before the parent company guarantee agreement is submitted, and would add new criteria for selecting an acceptable trustee; Section III. E would require the guarantor to agree that it is jointly and severally liable with the licensee for the full cost of decommissioning, and that if the costs of decommissioning and termination of the license exceed the amount guarantee, the guarantor will pay such additional costs that were not paid by the licensee; Section III. F would require the guarantor to agree that it will be subject to Commission order to make payments under the guarantee agreement; Section III. G would require the guarantor to agree that if the guarantor admits in writing its inability to pay its debts generally, or makes a general assignment for the benefit of creditors, or any proceeding instituted by or against the guarantor seeking to adjudicate it as bankrupt or insolvent, or seeking dissolution, liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian, or other similar official for the guarantor or for any substantial part of its property, or the guarantor takes any action to authorize or effect any of these actions, then the Commission may declare that the financial assurance is immediately due and payable to the standby trust and exercise any and all of its other rights under applicable law; Section III. H would require the guarantor to notify the NRC immediately, in writing, following the filing of a voluntary or involuntary petition for bankruptcy or the occurrence of any other event listed in Section III. G by or against the guarantor, the licensee, an entity controlling the licensee, or an affiliate. This notice must include a description of the event, including major creditors, the amounts involved, and the actions taken to assure the funds guaranteed by the parent company guarantee will be transferred to the standby trust as soon as possible; the identity of the bankruptcy court, if any, and the date of filing of any petitions.

This provision strengthens the terms of the guarantee, which states the basic obligation by the guarantor to provide financial assurance if called upon to do so. The guarantee instrument incorporates reporting requirements and other commitments by the guarantor. Including these requirements in the guarantee promotes additional regulatory efficiency.

Appendix C to 10 CFR Part 30 would amend the financial test for self guarantee in the following ways: Section II. A would specify that tangible net worth must be calculated to exclude the net book value of the nuclear facility and site and any intangible assets, and

net worth must be calculated to exclude the net book value and good will of the nuclear facility and site; Section II. A(1) would specify that tangible net worth must be at least \$ 19 million; Section II. A.(3) would specify that the current rating of the most recent bond issuance of AAA, AA, or A by Standard and Poor's could include adjustments of + or - (i.e., AAA+, AA+, or A+ and AAA-, AA-, and A- ), and the current rating of Aaa, Aa, or A by Moody's could include adjustments of 1, 2, or 3. In addition, it would specify that the bond must be the most recent "uninsured, uncollateralized, and unencumbered" bond issuance; Section II. B (2) would require the company's independent certified public accountant to evaluate the company's off-balance sheet transactions and provide an opinion on whether the transactions could materially adversely affect the parent company's ability to pay for decommissioning costs. This section would also require the accountant to verify that a bond rating, if used, meets the requirements of the financial test. The licensee must notify the NRC within 90 days of any matters coming to the auditor's attention which cause the auditor to believe that the data specified in the financial test should be adjusted and that the company no longer passes the test; Section II. B.(3) would require the company to repeat passage of the financial test within 90 days after the close of each succeeding fiscal year and require that the parent company provide documentation to the Commission of its continued eligibility to provide the guarantee within 90 days after the close of its fiscal year.

This provision clarifies the terms of the financial test and ensures that the NRC will be informed, when the test is used as the basis for financial assurance, that the entity providing the assurance continues to pass the test. In some cases in the past entities have initially passed the test but have failed to notify the NRC when they ceased to pass the test. The clarifications address topics that have raised questions in the past and will provide additional regulatory efficiency. The terms of the financial test also involve criteria for the opinions to be rendered by independent certified public accountants, who will be hired by the guarantors to supply services.

Appendix C to 10 CFR Part 30, Section III. would amend the self guarantee in the following ways: Section III.E would require a company to notify the NRC in writing within 20 days after publication of a change by a rating service that reduces the rating of the licensee's most recent bond issuance below the level specified in the financial test; Section III. F would require the applicant or licensee to provide a written guarantee to the Commission; Section III. G would require the self guarantor to set up a standby trust before the self-guarantee agreement is submitted; Section III. H would require the guarantor to agree that if the guarantor admits in writing its inability to pay its debts generally, or makes a general assignment for the benefit of creditors, or any proceeding instituted by or against the guarantor seeking to adjudicate it as bankrupt or insolvent, or seeking dissolution, liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian, or other similar official for the guarantor or for any substantial part of its property, or the guarantor takes any action to authorize or effect any of these actions, then the Commission may declare that the financial assurance is immediately due and payable to the standby trust and exercise any and all of its other rights under applicable law; Section III. I would require the guarantor to notify the NRC immediately, in writing, following the filing of a voluntary or involuntary petition for bankruptcy or the occurrence of any other event listed in Section

III. H by or against the guarantor. This notice must include a description of the event, including major creditors, the amounts involved, and the actions taken to assure the funds guaranteed by the guarantee will be transferred to the standby trust as soon as possible.

This provision strengthens the terms of the guarantee, which states the basic obligation by the guarantor to provide financial assurance if called upon to do so. The guarantee instrument incorporates reporting requirements and other commitments by the guarantor. Including these requirements in the guarantee promotes additional regulatory efficiency.

Appendix D to 10 CFR Part 30, Section II. A would amend the financial test for self guarantee by firms that do not issue bonds in the following ways: Section II. A (1) would specify that tangible net worth must be calculated to exclude the net book value of the nuclear facility and site and any intangible assets, and net worth must be calculated to exclude the net book value and good will of the nuclear facility and site; Section II. B (1) would require the company's independent certified public accountant to evaluate the company's off-balance sheet transactions and provide an opinion on whether the transactions could materially adversely affect the parent company's ability to pay for decommissioning costs. This section would also require the accountant to verify that a bond rating, if used, meets the requirements of the financial test. The licensee must notify the NRC within 90 days of any matters coming to the auditor's attention which cause the auditor to believe that the data specified in the financial test should be adjusted and that the company no longer passes the test; Section II. B.(2) would require the company to repeat passage of the financial test within 90 days after the close of each succeeding fiscal year and require that the parent company provide documentation to the Commission of its continued eligibility to provide the guarantee within 90 days after the close of its fiscal year.

This provision clarifies the terms of the financial test and ensures that the NRC will be informed, when the test is used as the basis for financial assurance, that the entity providing the assurance continues to pass the test. In some cases in the past entities have initially passed the test but have failed to notify the NRC when they ceased to pass the test. The clarifications address topics that have raised questions in the past and will provide additional regulatory efficiency. The terms of the financial test also involve criteria for the opinions to be rendered by independent certified public accountants, who will be hired by the guarantors to supply services.

Appendix D to 10 CFR Part 30, Section III. would amend the self guarantee for firms that do not issue bonds in the following ways: Section III. D. would require the applicant or licensee to provide a written guarantee to the Commission; Section III. E would require the self guarantor to set up a standby trust before the self-guarantee agreement is submitted; Section III. F would require the guarantor to agree that if the guarantor admits in writing its inability to pay its debts generally, or makes a general assignment for the benefit of creditors, or any proceeding instituted by or against the guarantor seeking to adjudicate it as bankrupt or insolvent, or seeking dissolution, liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver,



trustee, custodian, or other similar official for the guarantor or for any substantial part of its property, or the guarantor takes any action to authorize or effect any of these actions, then the Commission may declare that the financial assurance is immediately due and payable to the standby trust and exercise any and all of its other rights under applicable law; Section III. G would require the guarantor to notify the NRC immediately, in writing, following the filing of a voluntary or involuntary petition for bankruptcy or the occurrence of any other event listed in Section III. H by or against the guarantor. This notice must include a description of the event, including major creditors, the amounts involved, and the actions taken to assure the funds guaranteed by the guarantee will be transferred to the standby trust as soon as possible.

This provision strengthens the terms of the guarantee, which states the basic obligation by the guarantor to provide financial assurance if called upon to do so. The guarantee instrument incorporates reporting requirements and other commitments by the guarantor. Including these requirements in the guarantee promotes additional regulatory efficiency.

Appendix E to 10 CFR Part 30, Section II. would amend the financial test for non-profit colleges, universities, and hospitals in the following way: Sections II.A(1).and II. B. (1) would specify that the current rating of the most recent bond issuance of AAA, AA, or A by Standard and Poor's could include adjustments of + or - (i.e., AAA+, AA+, or A+ and AAA-, AA-, and A- ), and the current rating of Aaa, Aa, or A by Moody's could include adjustments of 1, 2, or 3. In addition, it would specify that the bond must be the most recent "uninsured, uncollateralized, and unencumbered" bond issuance. Section II. C (1) would require the company's independent certified public accountant to evaluate the company's off-balance sheet transactions and provide an opinion on whether the transactions could materially adversely affect the parent company's ability to pay for decommissioning costs. This section would also require the accountant to verify that a bond rating, if used, meets the requirements of the financial test. The licensee must notify the NRC within 90 days of any matters coming to the auditor's attention which cause the auditor to believe that the data specified in the financial test should be adjusted and that the company no longer passes the test; Section II. C.(2) would require the company to repeat passage of the financial test within 90 days after the close of each succeeding fiscal year and require that the licensee provide documentation to the Commission of its continued eligibility to use the self-guarantee within 90 days after the close of its fiscal year.

This provision clarifies the terms of the financial test and ensures that the NRC will be informed, when the test is used as the basis for financial assurance, that the entity providing the assurance continues to pass the test. In some cases in the past entities have initially passed the test but have failed to notify the NRC when they ceased to pass the test. The clarifications address topics that have raised questions in the past and will provide additional regulatory efficiency. The terms of the financial test also involve criteria for the opinions to be rendered by independent certified public accountants, who will be hired by the guarantors to supply services.

Appendix E to 10 CFR Part 30, Section III. would amend the self guarantee for non-profit colleges, universities, and hospitals firms that do not issue bonds in the following ways: Section III. D would require the applicant or licensee to provide a written guarantee to

the Commission; Section III. E would require the applicant or licensee to notify the NRC in writing within 20 days after publication of a change by a rating service that reduces the rating of the licensee's most recent bond issuance below the level specified in the financial test; Section III. F would require a licensee providing a self-guarantee to set up a standby trust, and would add new criteria for selecting an acceptable trustee. Section III. G would require the guarantor to agree that if the guarantor admits in writing its inability to pay its debts generally, or makes a general assignment for the benefit of creditors, or any proceeding instituted by or against the guarantor seeking to adjudicate it as bankrupt or insolvent, or seeking dissolution, liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian, or other similar official for the guarantor or for any substantial part of its property, or the guarantor takes any action to authorize or effect any of these actions, then the Commission may declare that the financial assurance is immediately due and payable to the standby trust and exercise any and all of its other rights under applicable law; Section III. H would require the guarantor to notify the NRC immediately, in writing, following the filing of a voluntary or involuntary petition for bankruptcy or the occurrence of any other event listed in Section III. H by or against the guarantor. This notice must include a description of the event, including major creditors, the amounts involved, and the actions taken to assure the funds guaranteed by the guarantee will be transferred to the standby trust as soon as possible.

This provision strengthens the terms of the guarantee, which states the basic obligation by the guarantor to provide financial assurance if called upon to do so. The guarantee instrument incorporates reporting requirements and other commitments by the guarantor. Including these requirements in the guarantee promotes additional regulatory efficiency.

Section 40.36 would be amended to add a new paragraph 40.36(c)(5) providing that if, in surveys made under §20.1501(a), residual radioactivity in the facility and the environment, including the subsurface, is detected at levels that would, if left uncorrected, prevent the site from meeting the §20.1402 criteria for unrestricted use, the licensee must submit a decommissioning funding plan within one year of when the survey is completed.

This provision will ensure that if residual radioactivity is detected, the licensee provides a decommissioning cost estimate that addresses that residual radioactivity. In the past, licensees have used certification amounts for decommissioning financial assurance that did not take residual radioactivity into account, or they have developed decommissioning cost estimates based on the assumption that they will be able to meet the criteria for unrestricted use, but the presence of previously undetected residual radioactivity has made those certification amounts or decommissioning cost estimates inadequate.

Section 40.36(d)(1) would require that each decommissioning funding plan must be submitted for review and approval, would require the decommissioning cost estimate to be "detailed," and would add a list of elements that the DCE must contain. In particular, Section 40.36(d)(1)(i)(A) would require licensees to include in their decommissioning cost estimate an amount adequate to cover the cost of an independent contractor to

perform all decommissioning activities; Section 40.36(d)(1)(i)(B) would add a new requirement that the DCE must cover the cost of meeting the criteria for unrestricted release, unless the applicant or licensee can demonstrate its ability to meet the provisions of § 20.1403, and in that case the decommissioning cost estimate may be based on meeting the criteria of § 20.1403; Section 40.36(d)(1)(i)(C) would require the decommissioning cost estimate to address the volume of onsite subsurface material containing residual radioactivity that will require remediation to meet the criteria for license termination; and an adequate contingency factor. Section 40.36(d)(1)(i)(D) would require the DCE to include an adequate contingency factor.

Section 40.36(d)(1)(ii) would add a new requirement that the DFP explain and justify the basis for using the key assumptions in the DCE.

Section 40.36(d)(1)(iv) would add a new requirement that the DFP contain a certification by the licensee that financial assurance for decommissioning has been provided in the amount of the cost estimate.

Section 40.36(d)(2) would require that if one of a list of events should occur, the licensee must assess the effect of the event on the cost of decommissioning, and must update the decommissioning funding plan, considering the effects of the specified events.

The provisions in §§40.36(d)(1) and (e)(2) would incorporate into regulatory requirements criteria for the decommissioning funding plan and decommissioning cost estimate that are currently only recommended in regulatory guidance in NUREG-1757, Volume 3, Appendix A. In some cases licensees have not provided decommissioning funding plans or cost estimates that adequately addressed these criteria. By making them regulatory requirements, the NRC can ensure that they are addressed adequately.

Section 40.36(e) would require financial assurance instruments to include the licensee's name, license number, and docket number; the name, address, and contact information of the financial institution or trustee, as applicable; and to be revised within 30 days of a change in this information.

This provision is necessary to ensure that the financial assurance information is, and remains, correct and up to date so that if it becomes necessary for the NRC to draw on the financial instrument it can do so without delay.

Section 40.36(e)(1) would require prepayment financial assurance for decommissioning to be in the form of a trust and would eliminate the four other prepayment mechanisms, the escrow account, government fund, certificate of deposit, and deposit of government securities.

This provision is necessary to ensure that all financial instruments authorized for use by licensees will remain secure in bankruptcy. Licensees who are currently using one of the financial instruments that is being removed will need to obtain and submit an alternative financial instrument.

Section 40.36(e)(2) would amend the list of surety, insurance, or other guarantee methods to eliminate the line of credit.

This provision is necessary to ensure that all financial instruments authorized for use by licensees will remain secure in bankruptcy. Any licensees using the line of credit would be affected, but NRC estimates that no licensees are currently affected.

Section 40.36(e)(3) would require that an external sinking fund be in the form of a trust, which cannot be combined with a surety or insurance.

This provision is necessary to ensure that all financial instruments authorized for use by licensees will remain secure in bankruptcy.

Section 40.36(g) would require a licensees to monitor the balance of funds held to account for market variations and, if the balance falls below levels specified in this section, must replenish the funds and report the replenishment to the NRC within 30 days. If the balance at the end of the calendar quarter is below the amount necessary to cover the cost of decommissioning, but is not below 75 percent of that cost, the licensee must increase the balance to cover the cost within 5 days after the end of the calendar quarter. If the balance at any time falls below 75 percent of the amount necessary to cover decommissioning, the licensee must increase the balance to cover the cost within 5 days of the occurrence. Within 30 days of replenishing the funds, the licensee must report the new balance of the fund to the NRC.

This provision is necessary to ensure that the amount of funds available to cover the cost of decommissioning does not fall below the amount necessary. Because the decommissioning cost estimate will include a 25 percent contingency, replenishment is not required immediately if the amount in the fund remains above 75 percent of the cost of decommissioning, but is replenished at the end of the calendar quarter. However, if the amount in the fund falls below 75 percent at any time, the fund must be replenished within 5 business days. Whenever the licensee is required to replenish the fund, it must notify the NRC of such replenishment. Such notice will enable the NRC, if necessary, to carry out additional regulatory monitoring of the fund to ensure that it is not subject to recurring losses or other financial problems.

Section 40.46(b) would be amended to require an applicant for transfer of a license to include the identity, technical and financial qualifications of the proposed transferee, and the information on financial assurance for decommissioning required by 10 CFR §40.36 or Appendix A, as applicable.

This provision will ensure that the NRC has necessary information concerning the transferee and financial assurance for decommissioning to enable the agency to assess the application for transfer of the license.

Part 40 Appendix A would be amended to add a new Criterion 9 (b)(1) requiring that a decommissioning cost estimate must contain a "detailed" cost estimate for decontamination, decommissioning, and reclamation, in an amount reflecting specified criteria. In particular, Criterion 9 (b)(1)(i) would require licensees to include in their decommissioning cost estimate an amount adequate to cover the cost of an independent contractor to perform all decontamination, decommissioning, and reclamation activities;

Criterion 9 (b)(1)(ii) would require the cost estimate to include an adequate contingency factor.

Criterion 9 (b)(2) would require the cost estimate to include an estimate of the amount of residual radioactivity in onsite subsurface material.

Criterion 9 (b)(3) would add a new requirement that the DFP explain and justify the basis for using the key assumptions in the DCE.

Criterion 9 (f) would require the amount of surety liability to be adjusted to recognize any increases or decreases resulting from one of a list of events.

The revisions to Criterion 9(b) are necessary to ensure that the decommissioning cost estimate contains the information necessary to ensure that it is complete and accurate. The revisions make the requirements under Criterion 9 more closely similar to the requirements in 10 CFR Parts 30, 40, 70, and 72 with respect to decommissioning cost estimates and by providing greater consistency in the cost estimates will provide greater regulatory efficiency and consistency. In addition, the provisions in Criterion 9 would incorporate into regulatory requirements criteria for the decommissioning funding plan and decommissioning cost estimate that are currently only recommended in regulatory guidance in NUREG-1757, Volume 3, Appendix A. In some cases licensees have not provided decommissioning funding plans or cost estimates that adequately addressed these criteria. By making them regulatory requirements, the NRC can ensure that they are addressed adequately.

Criterion 9 (l) would require that proof of forfeiture must not be necessary to collect the surety.

This provision is necessary to ensure that the financial assurance can be obtained if necessary without delay.

Section 50.75(e)(1)(iii)(A) would amend the list of surety, insurance, or other guarantee methods that may be used to provide financial assurance for decommissioning to eliminate the line of credit.

This amendment is necessary to ensure that the financial assurance mechanisms that are approved for use by licensees will be secure in bankruptcy so that the funds are available if needed. No licensees are expected to be affected.

Section 50.82(a)(4)(i) would add a new requirement that the post-shutdown decommissioning activities report submitted to the NRC must contain a cost estimate for managing irradiated fuel until title to the fuel and possession of the fuel is transferred to the Secretary of Energy.

This provision is necessary to ensure that the NRC has the necessary information to determine if the licensee has sufficient funds to manage its irradiated fuel until title to the fuel and possession of it is transferred to the Secretary of Energy.

Section 50.82(a)(8)(v) would add a new requirement that a power reactor licensee must, following submittal of the certificate of permanent cessation of operation, report annually on a calendar year basis on the status of its radiological decommissioning funding. The reports would include information on the amount spent on decommissioning, both cumulative and over the previous calendar year, the remaining balance of any decommissioning funds, and the amount provided by other financial assurance methods being relied up; an estimate of the costs to complete decommissioning and the decommissioning criteria on which the estimate is based; any modifications to the licensee's method of providing financial assurances occurring since the previous report; and any material changes to trust agreements or financial assurance contracts.

Section 50.82(a)(8)(vi) would require that if the sum of the balance of any remaining decommissioning funds, plus earnings on such funds calculated at not greater than a 2 percent real rate of return, together with the amount provide by other financial assurance methods being relied upon, does not cover the estimated cost to complete the decommissioning, the financial assurance status report must include additional financial assurance to cover the estimated cost of completion.

The provisions in §50.82(a)(8)(v) and (vi) are necessary to ensure that the NRC has the necessary information to determine if the licensee has and will have sufficient funds to complete decommissioning.

Section 50.82(a)(8)(vii) would add a new requirement that in the years following the submittal of the cost estimate for managing irradiated fuel, the licensee must annually submit to the NRC by March 31, a report on the status of its funding for managing irradiated fuel containing information, current through the end of the previous calendar year, on the amount of funds accumulated to cover the cost of managing the irradiated fuel, the projected cost of managing the irradiated fuel until title and possession of the fuel is transferred to the Secretary of Energy, and if the funds accumulated do not cover the projected cost, a plan to obtain additional funds to cover the cost.

This provision is necessary to ensure that the licensee has sufficient funds to manage its irradiated fuel until title to the fuel and possession of it is transferred to the Secretary of Energy.

Section 70.25 would be amended to add a new paragraph 70.25(c)(5) providing that if, in surveys made under §20.1501, residual radioactivity in the facility and the environment, including the subsurface, is detected at levels that would, if left uncorrected, prevent the site from meeting the §20.1402 criteria for unrestricted use, the licensee must submit a decommissioning funding plan within one year of when the survey is completed.

This provision will ensure that if residual radioactivity is detected, the licensee provides a decommissioning cost estimate that addresses that residual radioactivity. In the past, licensees have used certification amounts for decommissioning financial assurance that did not take residual radioactivity into account, or they have developed decommissioning cost estimates based on the assumption that they will be able to meet the criteria for unrestricted use, but the presence of previously undetected residual radioactivity has made those certification amounts or decommissioning cost estimates inadequate.

Section 70.25(e)(1)(i) would require that each decommissioning funding plan must be submitted for review and approval, would require the decommissioning cost estimate to be “detailed,” and would add a list of elements that the DCE must contain. In particular, Section 70.25(e)(1)(i)(A) would require licensees to include in their decommissioning cost estimate an amount adequate to cover the cost of an independent contractor to perform all decommissioning activities; Section 70.25(e)(1)(i)(B) would add a new requirement that the DCE must cover the cost of meeting the criteria for unrestricted release, unless the applicant or licensee can demonstrate its ability to meet the provisions of § 20.1403 or § 20.1404, and in that case the decommissioning cost estimate may be based on meeting the criteria of those sections; Section 70.25(e)(1)(i)(C) would require the decommissioning cost estimate to address the volume of onsite subsurface material containing residual radioactivity that will require remediation to meet the criteria for license termination; and an adequate contingency factor. Section 70.25(e)(1)(i)(D) would require the DCE to include an adequate contingency factor.

Section 70.25(e)(1)(ii) would add a new requirement that the DFP explain and justify the basis for using the key assumptions in the DCE.

Section 70.25(e)(1)(iv) would add a new requirement that the DFP contain a certification by the licensee that financial assurance for decommissioning has been provided in the amount of the cost estimate.

Section 70.25(e)(2) would require that if one of a list of events should occur, the licensee must assess the effect of the event on the cost of decommissioning, and must update the decommissioning funding plan, considering the effects of the specified events.

The provisions in §§70.25(e)(1) and (e)(2) would incorporate into regulatory requirements criteria for the decommissioning funding plan and decommissioning cost estimate that are currently only recommended in regulatory guidance in NUREG-1757, Volume 3, Appendix A. In some cases licensees have not provided decommissioning funding plans or cost estimates that adequately addressed these criteria. By making them regulatory requirements, the NRC can ensure that they are addressed adequately.

Section 70.25(f) would require financial assurance instruments to include the licensee’s name, license number, and docket number; the name, address, and contact information of the financial institution or trustee, as applicable; and to be revised and submitted to the NRC within 30 days of a change in this information.

This provision is necessary to ensure that the financial assurance information is, and remains, correct and up to date so that if it becomes necessary for the NRC to draw on the financial instrument it can do so without delay.

Section 70.25(f)(1) would require prepayment financial assurance for decommissioning to be in the form of a trust and would eliminate the four other prepayment mechanisms, the escrow account, government fund, certificate of deposit, and deposit of government securities.

This provision is necessary to ensure that all financial instruments authorized for use by licensees will remain secure in bankruptcy. Licensees who are currently using one of the financial instruments that is being removed will need to obtain and submit an alternative financial instrument.

Section 70.25(f)(2) would amend the list of surety, insurance, or other guarantee methods to eliminate the line of credit.

This provision is necessary to ensure that all financial instruments authorized for use by licensees will remain secure in bankruptcy. Any licensees using the line of credit would be affected, but NRC estimates that no licensees are currently affected.

Section 70.25(f)(3) would require that an external sinking fund be in the form of a trust, which cannot be combined with a surety or insurance.

This provision is necessary to ensure that all financial instruments authorized for use by licensees will remain secure in bankruptcy.

Section 70.25(h) would require a licensee to monitor the balance of funds held to account for market variations and, if the balance falls below levels specified in this section, must replenish the funds and report the replenishment to the NRC within 30 days. If the balance at the end of the calendar quarter is below the amount necessary to cover the cost of decommissioning, but is not below 75 percent of that cost, the licensee must increase the balance to cover the cost within 5 days after the end of the calendar quarter. If the balance at any time falls below 75 percent of the amount necessary to cover decommissioning, the licensee must increase the balance to cover the cost within 5 days of the occurrence. Within 30 days of replenishing the funds, the licensee must report the new balance of the fund to the NRC.

This provision is necessary to ensure that the amount of funds available to cover the cost of decommissioning does not fall below the amount necessary. Because the decommissioning cost estimate will include a 25 percent contingency, replenishment is not required immediately if the amount in the fund remains above 75 percent of the cost of decommissioning, but is replenished at the end of the calendar quarter. However, if the amount in the fund falls below 75 percent at any time, the fund must be replenished within 5 business days. Whenever the licensee is required to replenish the fund, it must notify the NRC of such replenishment. Such notice will enable the NRC, if necessary, to carry out additional regulatory monitoring of the fund to ensure that it is not subject to recurring losses or other financial problems.

Section 70.36(b) would be amended to require an applicant for transfer of a license to include the identity, technical and financial qualifications of the proposed transferee, and the information on financial assurance for decommissioning required by 10 CFR §70.25.

This provision will ensure that the NRC has necessary information concerning the transferee and financial assurance for decommissioning to enable the agency to assess the application for transfer of the license.



Section 72.30(b) would require that decommissioning funding plans must be submitted for review and approval. Section 72.30(b)(1) would require the decommissioning funding plan to contain information on how reasonable assurance will be provided that funds will be available to decommission the ISFSI or MRS. Section 72.30(b)(2) would require a detailed cost estimate for decommissioning, in an amount reflecting the following: Section 72.30(b)(2)(i) would require the decommissioning cost estimate to be in an amount adequate to cover the cost of an independent contractor to perform all decommissioning activities; Section 72.30(b)(2)(ii) would require the decommissioning cost estimate to include an adequate contingency factor; and Section 72.30(b)(2)(iii) would add a new requirement that the DCE must cover the cost of meeting the criteria for unrestricted release, unless the applicant or licensee can demonstrate its ability to meet the provisions of § 20.1403, and in that case the decommissioning cost estimate may be based on meeting the criteria of that section.

Section 72.30(b)(3) would add a new requirement that the decommissioning cost estimate identify and justify the key assumptions in the DCE.

Section 72.30(b)(5) would add a new requirement that the decommissioning cost estimate must identify the volume of onsite subsurface material containing residual radioactivity that will require remediation to meet the criteria for license termination.

Section 72.30(b)(6) would add a new requirement that the DFP contain a certification by the licensee that financial assurance for decommissioning has been provided in the amount of the cost estimate.

The provisions in §§72.30(b)(2), (b)(3), (b)(5) and (b)(6) would incorporate into regulatory requirements criteria for the decommissioning funding plan and decommissioning cost estimate that are currently only recommended in regulatory guidance in NUREG-1757, Volume 3, Appendix A. In some cases licensees have not provided decommissioning funding plans or cost estimates that adequately addressed these criteria. By making them regulatory requirements, the NRC can ensure that they are addressed adequately

Section 72.30(c) would require that if one of a list of events should occur, the licensee must assess the effect of the event on the cost of decommissioning, and must update the decommissioning funding plan, considering the effects of the specified events.

This provision will ensure that decommissioning cost estimates, and the decommissioning financial assurance amounts that are based on the cost estimates, will not become inadequate due to the failure to take into account events that are likely to increase the costs of decommissioning.

Section 72.30(e) would require financial assurance instruments to include the licensee's name, license number, and docket number; the name, address, and contact information of the financial institution or trustee, as applicable; and to be revised and submitted to the NRC within 30 days of a change in this information.

This provision is necessary to ensure that the financial assurance information is, and remains, correct and up to date so that if it becomes necessary for the NRC to draw on the financial instrument it can do so without delay.

Section 72.30(e)(1) would require prepayment financial assurance for decommissioning to be in the form of a trust and would eliminate the four other prepayment mechanisms, the escrow account, government fund, certificate of deposit, and deposit of government securities.

This provision is necessary to ensure that all financial instruments authorized for use by licensees will remain secure in bankruptcy. Licensees who are currently using one of the financial instruments that is being removed will need to obtain and submit an alternative financial instrument.

Section 72.30(e)(2) would amend the list of surety, insurance, or other guarantee methods to eliminate the line of credit.

This provision is necessary to ensure that all financial instruments authorized for use by licensees will remain secure in bankruptcy. Any licensees using the line of credit would be affected, but NRC estimates that no licensees are currently affected.

Section 72.30(e)(3) would require that an external sinking fund be in the form of a trust, which cannot be combined with a surety or insurance.

This provision is necessary to ensure that all financial instruments authorized for use by licensees will remain secure in bankruptcy.

Section 72.30(g) would require a licensees to monitor the balance of funds held to account for market variations and, if the balance falls below levels specified in this section, must replenish the funds and report the replenishment to the NRC within 30 days. If the balance at the end of the calendar quarter is below the amount necessary to cover the cost of decommissioning, but is not below 75 percent of that cost, the licensee must increase the balance to cover the cost within 5 days after the end of the calendar quarter. If the balance at any time falls below 75 percent of the amount necessary to cover decommissioning, the licensee must increase the balance to cover the cost within 5 days of the occurrence. Within 30 days of replenishing the fund, the licensee must report the new balance of the fund to the NRC.

This provision is necessary to ensure that the amount of funds available to cover the cost of decommissioning does not fall below the amount necessary. Because the decommissioning cost estimate will include a 25 percent contingency, replenishment is not required immediately if the amount in the fund remains above 75 percent of the cost of decommissioning, but is replenished at the end of the calendar quarter. However, if the amount in the fund falls below 75 percent at any time, the fund must be replenished within 5 business days. Whenever the licensee is required to replenish the fund, it must notify the NRC of such replenishment. Such notice will enable the NRC, if necessary, to carry out additional regulatory monitoring of the fund to ensure that it is not subject to recurring losses or other financial problems.

Section 72.50(b)(3) would be amended to require an applicant for transfer of a license to describe the financial assurance that will be provided for the decommissioning of the facility under § 72.30.

This provision will ensure that the NRC has necessary information concerning the transferee and financial assurance for decommissioning to enable the agency to assess the application for transfer of the license.

2. Agency Use of the Information

The NRC reviews and uses the records and reports that licensees are required to maintain during inspections, license renewals, and license amendment reviews to ensure the provision of an adequate level of protection of public health and safety, common defense and security, and the environment. Decommissioning cost estimates, decommissioning funding plans, certifications of financial assurance, terms and conditions of financial instruments, and other components of financial assurance are reviewed by NRC to ensure that a licensee has adequate procedures and funds for any necessary cleanup efforts before the licensee's responsibility for nuclear materials is terminated and the site is release for unrestricted use or the licensee is required to arrange for restricted use and long-term care and maintenance of the site.

3. Reduction of Burden Through Information Technology

There are no legal obstacles to reducing the burden associated with this information collection. The NRC encourages respondents to use information technology when it would be beneficial to them. NRC issued a regulation on October 10, 2003 (68 FR 58792), consistent with the Government Paperwork Elimination Act, which allows its licensees, vendors, applicants, and members of the public the option to make submissions electronically via CD-ROM, e-mail, special Web-based interface, or other means. It is estimated that less than 1 percent of the potential responses are filed electronically.

4. Effort to Identify Duplication and Use Similar Information

The proposed requirements do not duplicate information currently collected by the NRC. There is no similar information available to the NRC.

5. Effort to Reduce Small Business Burden

NRC recognizes that some of the licensees who would be regulated under the proposed requirements are small businesses; however, it is not possible to reduce the burden on small businesses by less frequent or less complete reporting, recordkeeping and control procedures.

6. Consequences to Federal Program or Policy Activities if the Collection is Not Conducted or is Conducted Less Frequently

If the NRC does not require the information, it will be unable to determine if a licensee has adequately estimated the amount of funds necessary to decommission the licensed facility or if the licensee has made arrangements consistent with the regulatory requirements for

decommissioning financial assurance to ensure that funds are available as necessary to carry out decommissioning. The schedule for collecting the information is the minimum frequency necessary to ensure that licensees will continue to conduct their decommissioning financial assurance programs in a manner that will ensure adequate protection of the public health and safety, common defense and security, and the environment.

7. Circumstances Which Justify Variation from OMB Guidelines

There is no variation from OMB guidelines.

8. Consultations Outside the NRC.

The opportunity for public comment has been published in the Federal Register. The NRC held a public workshop in April 2005 and a stakeholder meeting in January 2007, in which staff and stakeholders examined a number of topics that are being addressed in the rulemaking. For example, stakeholders discussed operating changes to reduce the occurrence of chronic leaks and spills, additional details that would be informative in the decommissioning cost estimate, and the burden of switching from an escrow account into a different financial instrument for decommissioning financial assurance.

9. Payment or Gifts to Respondents

Not applicable.

10. Confidentiality of Information

No information normally considered confidential is requested.

11. Justification for Sensitive Questions

Not applicable.

12. Estimate of Annualized Burden and Burden Hour Cost

The burden associated with the information collections is given in Table 1 for one-time burden, Table 2 for annual recordkeeping burden, Table 3 for annual reporting burden, and Table 4 for third-party collections. This estimate of burden addresses only the burden of amendments to the existing rule that affect the information collection requirements. These estimates are based in part on information obtained from industry stakeholders in public meetings conducted by the NRC and on estimates made by NRC personnel who are familiar with the records and reports required.

The Agreement States, with some exceptions, have adopted radiation protection and financial assurance requirements that are similar or identical to the NRC's requirements. In general, the number of Agreement State licensees that would be affected by amendments to 10 CFR Parts 20, 30, 40, and 70 is estimated at approximately 4 times the number of equivalent NRC licensees. No Agreement State licensees are expected to be affected by the amendments to 10 CFR Parts 50 or 72. Due to the time necessary to carry out revisions

to Agreement State statutes and regulations, no Agreement State licensees are expected to be affected within this clearance period.

13. Estimate of Other Additional Cost

The quantity of records to be maintained is roughly proportional to the recordkeeping burden and therefore can be used to calculate approximate records storage costs. Based on the number of pages maintained for a typical clearance, the records storage cost has been determined to be equal to .0004 the recordkeeping burden cost. Therefore, the storage cost for this clearance is estimated to be \$120.95 (1,172 recordkeeping hours x \$258 per hour x .0004).

14. Estimated Annualized Cost to the Federal Government

Table 5 describes the estimated annual cost to the NRC for administration of the reporting and recordkeeping requirements of this rule. The cost is fully recovered through fee assessments to NRC licensees pursuant to 10 CFR Parts 170 and/or 171.

15. Reasons for Change in Burden

The estimated annual burden of 1814.5 hours for one-time recordkeeping (annualized), annual recordkeeping, annual reporting, and annual third-party reporting burden of the rule represents new burden due to changes in the requirements. Of this, 476 hours, approximately 26%, are for one-time recordkeeping requirements.

16. Publication for Statistical Use

None.

17. Reason for Not Displaying the Expiration Date

The requirement is contained in a regulation. Amending the Code of Federal Regulations to display information that, in an annual publication, could become obsolete, and would be unduly burdensome and too difficult to keep current.

18. Exceptions to the Certification Statement

Not applicable.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods are not used in this collection of information.

**Table 1**  
**One-Time Recordkeeping Requirements**  
**(Annualized)**

**(Maintenance period for records: L= Duration of License)**

| <b>Section<br/>(Including Record Retention<br/>Period)</b>   | <b>Number of<br/>Licensees<br/>(Annualized)</b> | <b>Burden<br/>Hours<br/>per Record</b> | <b>Total<br/>Burden<br/>Hours<br/>(Annualized)</b>  |
|--|---|--|---|
| 20.1403(c)(1):Requires use of trust for FA for restricted release site and requires one percent real rate of return assumption for initial balance |   |  | No current licensees affected because no restricted release sites are currently under long-term care and maintenance. No restricted release sites expected to be approved during this clearance period. |
| 20.1403(c)(2): Eliminates surety, insurance, or other guarantee as FA for restricted release site  |   |  | No current licensees affected because no restricted release sites are currently under long-term care and maintenance. No restricted release sites expected to be approved during this clearance period. |
| 20.1404(a)(5):Requires licensee to demonstrate adequate financial assurance for third party to maintain site under restricted release criteria     |   |  | No current licensees affected because no restricted release sites are currently under long-term care and maintenance. No restricted release sites expected to be approved during this clearance period. |
| 30.35(f)(1): Requires prepayment financial assurance to be in form of trust with trust and trustee acceptable to Commission. (L)                   | 3.33  | 4                                      | 13.3  |
| 30.35(f)(2): Eliminates line of credit.  | 0   | 0                                      | 0   |
| 30.35(f)(3): Requires external sinking fund to be in the form of a trust (L)   | 0   | 0                                      | 0   |
| Appendix A, Section III Requires licensees using parent company guarantee to amend guarantee instrument (L)  | 7.667   | 24                                     | 184   |
| Appendix A, Section III.D Requires licensees using parent company guarantee to set up standby trust (L)  | 7.667   | 4                                      | 30.7  |
| Appendix C, Section III Requires licensees using self-guarantee to amend guarantee instrument (L)  | 3.667   | 24                                     | 88  |
| Appendix C, Section III.G Requires licensees using self-guarantee to set up standby trust (L)  | 3.667   | 4                                      | 14.7  |
| Appendix D, Section III. Requires licensees using self-guarantee for firms that do not issue bonds to amend guarantee instrument (L)               | 0.333   | 24                                     | 8   |

| <b>Section<br/>(Including Record Retention<br/>Period)</b>  | <b>Number of<br/>Licensees<br/>(Annualized)</b> | <b>Burden<br/>Hours<br/>per Record</b> | <b>Total<br/>Burden<br/>Hours<br/>(Annualized)</b> |
|---|---|--|--|
| Appendix D, Section III.E Requires licensees using self-guarantee for firms that do not issue bonds to set up standby trust (L)                         | 0.333   | 4                                      | 1.3  |
| Appendix E, Section III Requires licensees using self-guarantee for non-profit colleges, universities, and hospitals to amend self-guarantee instrument | 3.667   | 24                                     | 88   |
| Appendix E, Section III.F Requires licensees using self-guarantee for non-profit colleges, universities, and hospitals to set up standby trust (L)      | 3.667   | 4                                      | 14.7   |
| 40.36(e)(1): Requires prepayment FA to be in form of trust, with trust and trustee acceptable to Commission (L)   | 5.667   | 4                                      | 22.7   |
| 40.36(e)(2): Eliminates line of credit.   | 0   | 0                                      | 0  |
| 40.36(e)(3): Requires external sinking fund to be in form of a trust (L)  | 0   | 0                                      | 0  |
| 50.75(e)(1)(iii)(A): Eliminates use of line of credit for decommissioning financial assurance   | 0   | 0                                      | 0  |
| 70.25(f)(1): Requires prepayment FA to be in form of trust (L)  | 2.667   | 4                                      | 10.6   |
| 70.25(f)(2): Eliminates line of credit.   | 0   | 0                                      | 0  |
| 70.25(f)(3): Requires external sinking fund to be in form of trust (L)  | 0   | 0                                      | 0  |
| 72.30(e)(1): Requires prepayment FA to be in form of trust (L)  | 0   | 0                                      | 0  |
| 72.30(e)(2): Eliminates line of credit.   | 0   | 0                                      | 0  |
| 72.30(e)(3): Requires external sinking fund to be in the form of a trust (L)  | 0   | 0                                      | 0  |

| <b>Section<br/>(Including Record Retention<br/>Period)</b> | <b>Number of<br/>Licensees<br/>(Annualized)</b> | <b>Burden<br/>Hours<br/>per Record</b> | <b>Total<br/>Burden<br/>Hours<br/>(Annualized)</b> |
|--|---|--|--|
| <b>Table 1 TOTAL:</b>                                      |   |  | <b>476</b>   |



**Table 2**  
**Annual Recordkeeping Burden**  
**(Maintenance Period for Records: L= Duration of License)**

| <b>Section<br/>(Including Record Retention<br/>Period)</b>  | <b>Number of<br/>Recordkeepers</b>   | <b>Burden<br/>Hours per<br/>Recordkeeper</b> | <b>Total Annual<br/>Burden<br/>Hours</b> |
|---|--|--|--|
| 20.1406(c) Requires licensee, to extent practical, to conduct operations to minimize the introduction of residual radioactivity into the site, including the subsurface, and maintain survey record with records important for decommissioning (L)  | No current licensees affected because this provision merely clarifies requirements already present in 20.1101(b).<br>One NRC licensee expected to be affected in the future, but not during this clearance period.   |  |  |
| 20.1501(a) and (b) Requires licensee to make surveys of areas, including subsurface, that are reasonable under the circumstances, to evaluate the magnitude and extent of radiation levels, concentrations or quantities of residual radioactivity, and maintain survey record with records important for decommissioning (L) | No current licensees affected because this provision merely clarifies survey requirements to include subsurface contamination if necessary to comply with existing regulations or to evaluate a radiological hazard, as is already present in 20.1501. One NRC licensee expected to be affected in the future, but not during this clearance period. |  |  |
| 30.35(e)(1) Revises specifications for contents of decommissioning funding plan and decommissioning cost estimate (L)   | 0<br>(Licensees already comply)  | 16   | 0  |
| 40.36(d)(1) Revises specifications for contents of decommissioning funding plan and decommissioning cost estimate (L)   | 0<br>(Licensees already comply)  | 16   | 0  |
| Part 40 Appendix A Criterion 9(b) Revises specifications for contents of decommissioning funding plan and decommissioning cost estimate (L)   | 8  | 16   | 128                                      |
| 70.25(e)(1) Revises specifications for contents of decommissioning funding plan and decommissioning cost estimate (L)   | 0<br>(Licensees already comply)  | 16   | 0  |

|  |                                    |    |            |
|--|------------------------------------|----|------------|
| 72.30(b)(1),(b)(3),(b)5), (b)(6)<br>Revises specifications for contents<br>of decommissioning funding plan<br>and decommissioning cost estimate<br>(L) | 0<br>(Licensees already<br>comply) | 16 | 0          |
| <b>Table 2: Total</b>  |                                    |    | <b>128</b> |

**Table 3  
Annual Reporting Burden**

| <b>Section</b>  | <b>Number of Respondents</b>   | <b>Responses per Respondent</b> | <b>Total Responses</b> | <b>Burden per Response (hours)</b> | <b>Total Burden Hours</b> |
|---|--|---------------------------------|------------------------|------------------------------------|---------------------------|
| 30.34(b)(2) Applicant for transfer of a license must submit information on the identity, technical and financial qualifications of the proposed transferee and information on financial assurance for decommissioning | 3  | 1                               | 3                      | 0.5                                | 1.5                       |
| 30.35(c)(6) If residual radioactivity is detected in surveys under 20.1501, licensee must submit new decommissioning funding plan within one year   | 1  | 1                               | 1                      | 40                                 | 40                        |
| 30.35(e)(1)(i) Requires decommissioning cost estimate to be submitted for review and approval   | Licensees already comply with requirement to submit decommissioning cost estimate. Burden for new NRC approvals of cost estimates is shown in Table 5. |                                 |                        |                                    |                           |
| 30.35(e)(2) Specifies requirements for when decommissioning funding plan and decommissioning cost estimate must be amended  | 10   | 1                               | 10                     | 16                                 | 160                       |
| 30.35(h) Requires report to NRC if licensee replenishes fund for decommissioning  | 5  | 1                               | 5                      | 4                                  | 20                        |
| Appendix A Section II.C Requires parent guarantor to provide documentation of continued eligibility to provide guarantee within 90 days after close of its fiscal year  | 23   | 1                               | 23                     | 4                                  | 92                        |
| Appendix C Section II.B (3) Requires self- guarantor to provide documentation of continued eligibility to provide guarantee within 90 days of close of its fiscal year  | 11   | 1                               | 11                     | 4                                  | 44                        |

| <b>Section</b>   | <b>Number of Respondents</b>            | <b>Responses per Respondent</b> | <b>Total Responses</b> | <b>Burden per Response (hours)</b> | <b>Total Burden Hours</b> |
|--|---|---------------------------------|------------------------|------------------------------------|---------------------------|
| Appendix D Section II.B.(2)<br>Requires self- guarantor to provide documentation of continued eligibility to provide guarantee within 90 of close of its fiscal year   | 1                                       | 1                               | 1                      | 4                                  | 4                         |
| Appendix E Section II.C. (2)<br>Requires self-guarantor to provide documentation of continued eligibility to provide guarantee within 90 of close of its fiscal year   | 11                                      | 1                               | 11                     | 4                                  | 44                        |
| 40.36(c)(5) If residual radioactivity detected in surveys under 20.1501 exceeds unrestricted use criteria, licensee must submit new decommissioning funding plan within one year                                   | Licensees switching from cert. to dfp=1 | 1                               | 1                      | 40                                 | 40                        |
|  | Licensees amending dfps=2               | 1                               | 2                      | 16                                 | 32                        |
| 40.46(b) Applicant for transfer of a license must submit information on the identity, technical and financial qualifications of the proposed transferee and information on financial assurance for decommissioning | 1                                       | 1                               | 1                      | 0.5                                | 0.5                       |
| 40.36(f) Requires report to NRC if licensee replenishes fund for decommissioning   | 5                                       | 1                               | 5                      | 4                                  | 20                        |
| 50.82(a)(4)(i) Post-shutdown decommissioning activities report must include cost estimate for managing irradiated fuel   | 3                                       | 1                               | 3                      | 0                                  | 0                         |
| 50.82(a)(8)(v) and (vi) Requires annual report on status of radiological decommissioning funding following permanent cessation of operations   | 3                                       | 1                               | 3                      | 8                                  | 24                        |

| <b>Section</b>  | <b>Number of Respondents</b>          | <b>Responses per Respondent</b> | <b>Total Responses</b> | <b>Burden per Response (hours)</b> | <b>Total Burden Hours</b> |
|---|---------------------------------------|---------------------------------|------------------------|------------------------------------|---------------------------|
| 50.82(a)(8)(vii) Requires annual report on status of funding for managing irradiated fuel   | 3                                     | 1                               | 3                      | 8                                  | 24                        |
| 70.25(c)(5) If residual radioactivity is detected in surveys under 20.1501, licensee must submit new decommissioning funding plan within one year   | Licensee switches from cert. to dfp=1 | 1                               | 1                      | 40                                 | 40                        |
|   | Licensee amends dfp=2                 | 1                               | 2                      | 16                                 | 32                        |
| 70.25(h) Requires report to NRC if decommissioning funds are replenished by licensee  | 5                                     | 1                               | 5                      | 4                                  | 20                        |
| 70.36 Applicant for transfer of a license must submit information on the identity, technical and financial qualifications of the proposed transferee and information on financial assurance for decommissioning | 1                                     | 1                               | 1                      | 0.5                                | 0.5                       |
| 72.30(g) Requires report to NRC if decommissioning funds are replenished by licensee  | 1                                     | 1                               | 1                      | 4                                  | 4                         |
| 72.50(b)(3) Applicant for transfer of a license must describe the financial assurance for decommissioning   | 0                                     | 0                               | 0                      | 0                                  | 0                         |
| <b>Table 3 Total:</b>   | 93                                    |                                 | 93                     |                                    | <b>642.5</b>              |

**Table 4  
Annual Third-Party Burden**

| <b>10 CFR Part 20</b>  | <b>Number of Responses</b> | <b>Burden Hours per Response</b> | <b>Total Annual Burden Hours</b> |
|--|----------------------------|----------------------------------|----------------------------------|
|  | <b>0</b>                   | <b>0</b>                         | <b>0</b>                         |
| <b>10 CFR Part 30</b>  | <b>Number of Responses</b> | <b>Burden Hours per Response</b> | <b>Total Annual Burden Hours</b> |
| 30.35(f) Financial instrument providers amend financial assurance instruments to include the licensee's name, license number, and docket number; the name, address, and contact information of the financial institution or trustee; instruments to be revised within 30 days of a changes in this information | 40                         | 2                                | 80                               |
| Appendix A, Section II.B CPAs provide new opinions on off-balance sheet transactions   | 23                         | 8                                | 184                              |
| Appendix C, Section II.B.(2) CPAs provide new opinions on off-balance sheet transactions   | 11                         | 8                                | 88                               |
| Appendix D, Section II.B (1) CPAs provide new opinions on off-balance sheet transactions   | 1                          | 8                                | 8                                |
| <b>Total Part 30</b>   | <b>86</b>                  |                                  | <b>360</b>                       |
| <b>10 CFR Part 40</b>  | <b>Number of Responses</b> | <b>Burden Hours per Response</b> | <b>Total Annual Burden Hours</b> |
| Appendix E, Section II.C.(1) CPAs provide new opinions on off-balance sheet transactions   | 11                         | 8                                | 88                               |

|  |                            |                                  |                                  |
|--|----------------------------|----------------------------------|----------------------------------|
| 40.36(e) Financial instrument providers amend financial assurance instruments to include the licensee's name, license number, and docket number; the name, address, and contact information of the financial institution or trustee; instruments to be revised within 30 days of a changes in this information | 20                         | 2                                | 40                               |
| <b>Total Part 40</b>   | <b>86</b>                  |                                  | <b>128</b>                       |
| <b>10 CFR Part 50</b>  | <b>Number of Responses</b> | <b>Burden Hours per Response</b> | <b>Total Annual Burden Hours</b> |
| <b>Total Part 50</b>   | <b>0</b>                   | <b>0</b>                         | <b>0</b>                         |
| <b>10 CFR Part 70</b>  | <b>Number of Responses</b> | <b>Burden Hours per Response</b> | <b>Total Annual Burden Hours</b> |
| 70.25(f) Financial instrument providers amend financial assurance instruments to include the licensee's name, license number, and docket number; the name, address, and contact information of the financial institution or trustee; instruments to be revised within 30 days of a changes in this information | 40                         | 2                                | 80                               |
| <b>Total Part 70</b>   | <b>40</b>                  |                                  | <b>80</b>                        |
| <b>10 CFR Part 72</b>  | <b>Number of Responses</b> | <b>Burden Hours per Response</b> | <b>Total Annual Burden Hours</b> |
| 72.30(e) Financial instrument providers amend financial assurance instruments to include the licensee's name, license number, and docket number; the name, address, and contact information of the financial institution or trustee; instruments to be revised within 30 days of a changes in this information | 0                          | 0                                | 0                                |

|                      |            |            |
|----------------------|------------|------------|
| <b>Total Part 72</b> | <b>0</b>   | <b>0</b>   |
| <b>Table 4 Total</b> | <b>146</b> | <b>568</b> |

TOTAL BURDEN: 1,814.5 hours (476 hours one-time recordkeeping annualized + 128 hours annual recordkeeping + 642.5 hours reporting + 568 hours third-party reporting)

TOTAL NUMBER OF HOURS NEEDED ANNUALLY TO COMPLETE THE REPORTING REQUIREMENTS: 1,210.5 hours (10 CFR 20 – 0 hours; 10 CFR 30 – 853.5 hours; 10 CFR 40 – 132.5 hours; 10 CFR 50 – 48 hours; 10 CFR 70 – 172.5 hours; 10 CFR 72 – 4 hours)

TOTAL RESPONSES: 239 responses (10 CFR 20 – 0 responses; 10 CFR 30 – 151 responses; 10 CFR 40 – 29 responses; 10 CFR 50 – 9 responses; 10 CFR 70 – 49 responses; 10 CFR 72 – 1 response)

ANNUAL RESPONDENTS: 227 respondents (10 CFR 20 – 0 respondents; 10 CFR 30 – 139 respondents; 10 CFR 40 – 29 respondents; 10 CFR 50 – 9 respondents; 10 CFR 70 – 49 respondents; 10 CFR 72 – 1 respondent)

AVERAGE BURDEN PER RESPONSE: 5.1 hours (642.5 + 568 = 1210.5/239 = 5.1)

**Table 5  
Annualized NRC Burden**

| <b>NRC Action</b>  | <b>Number of Actions/Year</b> | <b>Burden Hours per Action</b> | <b>Total Hours (Annualized)</b> |
|--|-------------------------------|--------------------------------|---------------------------------|
| 20.1404(a)(5): Review applications for transfer of license | 0                             | 16                             | 0                               |
| 30.35(c)(6): Review new decommissioning funding plans      | 1                             | 16                             | 16                              |
| 30.35(e)(2)(i) Review decommissioning cost estimates       | 3.333                         | 16                             | 53.3                            |
| 30.35(h) Review reports of fund replenishment              | 1.667                         | 1                              | 1.7                             |
| App A II.C Review financial test documentation             | 7.667                         | 4                              | 30.7                            |
| App A III Review new guarantee instruments                 | 7.667                         | 4                              | 30.7                            |
| App A. III.D Review new standby trusts                     | 7.667                         | 4                              | 30.7                            |
| App C. II.B Review financial test documentation            | 3.667                         | 4                              | 14.7                            |
| App C. III Review new guarantee instruments                | 3.667                         | 4                              | 14.7                            |
| App C. III.G. Review new standby trusts                    | 3.667                         | 4                              | 14.7                            |
| App D. II.B.(2) Review financial test documentation        | 0.333                         | 4                              | 1.3                             |
| App. D. III Review new guarantee instruments               | 0.333                         | 4                              | 1.3                             |



| <b>NRC Action</b>   | <b>Number of Actions/Year</b> | <b>Burden Hours per Action</b> | <b>Total Hours (Annualized)</b> |
|---|-------------------------------|--------------------------------|---------------------------------|
| App. D. III.E. Review new standby trusts  | 0.333                         | 4                              | 1.3                             |
| App. E. II.C. (2) Review financial test documentation   | 3.667                         | 4                              | 14.7                            |
| App. E. III Review new guarantee instruments  | 3.667                         | 4                              | 14.7                            |
| App. E. III.F Review new standby trusts   | 3.667                         | 4                              | 14.7                            |
| 40.36(c)(5) Review new decommissioning funding plans reflecting detection of residual radioactivity   | 1                             | 4                              | 4                               |
| 40.46(1) and (2): Review application for transfer of license  | 0.333                         | 4                              | 1.3                             |
| 40.36(f) Review report of fund replenishment  | 1.667                         | 1                              | 1.7                             |
| Part 40 Appendix A Criterion 9: Review decommissioning cost estimates                                 | 2.667                         | 4                              | 10.7                            |
| 50.82(a)(4)(i): Review cost estimates in PSDAR  | 1                             | 4                              | 4                               |
| 50.82(a)(8)(v) and (vi) Review annual reports on status of radiological decommissioning funding       | 1                             | 1                              | 1                               |
| 50.82(a)(8)(vii): Review annual reports on status of funding for managing irradiated fuel             | 1                             | 2                              | 2                               |
| 70.25(c)(5): Review decommissioning funding plans submitted after detection of residual radioactivity | 1                             | 4                              | 4                               |
| 70.25(h) Review reports of replenishment of decommissioning funding                                   | 1.667                         | 1                              | 1.7                             |
| 70.36: Review applications for transfer of license  | 0.333                         | 4                              | 1.3                             |
| 72.30(g) Review reports of replenishment of decommissioning funding                                   | 0.333                         | 1                              | 0.3                             |
| <b>Total</b>  |                               |                                | <b>287.2</b>                    |