

November 26, 2008

Mr. J. A. Stall  
Senior Vice President, Nuclear and  
Chief Nuclear Officer  
Florida Power and Light Company  
P.O. Box 14000  
Juno Beach, Florida 33408-0420

SUBJECT: ST. LUCIE PLANT, UNIT NOS. 1 AND 2 – BIENNIAL DECOMMISSIONING  
FUNDING REPORT (TAC NOS. MD9354 AND MD9355)

Dear Mr. Stall:

By letter dated January 29, 2008 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML083260472), Florida Power and Light Company (FPL) responded to the Nuclear Regulatory Commission (NRC) staff's request for additional information dated December 31, 2007 (ADAMS Accession No. ML073090054), regarding the 2006 biennial decommissioning funding status report. The response discussed the reduction from the 2004 reported balance to the 2006 reported balance in FPL's radiological decommissioning trust fund. According to the January 29, 2008 letter, FPL did not withdraw or otherwise receive a disbursement of funds from the Decommissioning Trust Fund (DTF).

The *Code of Federal Regulations*, Title 10, section 50.75(f)(1), requires all nuclear reactor licensees to submit decommissioning funding status reports every 2 years. According to FPL, TLG Services prepared Decommissioning Cost Studies (TLG Studies) for FPL in January 2001 and then in October 2005, which were used for the 2004 and 2006 biennial decommissioning reports, respectively. The TLG Studies provided amounts greater than the NRC's required minimum formula amounts for radiological decommissioning. Reasonable assurance of decommissioning funding is provided because FPL provides decommissioning funding assurance based on site-specific cost estimates that meet or exceed the NRC's formula amounts.

According to FPL, it maintains external trust fund accounts for the purpose of decommissioning the St. Lucie Plant, Unit Nos. 1 and 2 (St. Lucie). The funds include the following nonsegregated components: license termination costs (radiological costs), spent fuel management costs, and non-nuclear demolition and restoration costs. Under NRC guidance, FPL may commingle their funds within the DTF, but must properly earmark each component. Because FPL does not earmark the three cost components, FPL should be reporting all funds within the external trust to the NRC as radiological decommissioning (license termination costs) unless the state regulatory authority will not allow the use of certain funds for radiological decommissioning.

J. A. Stall

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If FPL decides to create subaccounts in the future, funds within the current external trust may not be moved to nonradiological subaccounts unless the FPL provides the NRC with sufficient documentation that the state regulator specifically authorized collections for those nonradiological purposes in certain amounts that are not to be used for radiological decommissioning.

Based on the response provided in the January 29, 2008 letter, no further action is requested of you at this time and TAC Nos. MD9354 and MD9355 will be closed.

If you have any questions regarding this letter, feel free to contact me at 301-415-2020.

Sincerely,

*/RA/*

Brenda L. Mozafari, Senior Project Manager  
Plant Licensing Branch II-2  
Division of Operating Reactor Licensing  
Office of Nuclear Reactor Regulation

Docket Nos. 50-335 and 50-389

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/RA/

Brenda L. Mozafari, Senior Project Manager  
Plant Licensing Branch II-2  
Division of Operating Reactor Licensing  
Office of Nuclear Reactor Regulation

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