UNITED STATES
NUCLEAR REGULATORY COMMISSION
OFFICE OF NUCLEAR REACTOR REGULATION
WASHINGTON, DC 20555-0001

January 8, 2009

NRC REGULATORY ISSUE SUMMARY 2001-07, REV. 1
10 CFR 50.75 REPORTING AND RECORDKEEPING FOR DECOMMISSIONING PLANNING

ADDRESSEES

All holders of operating licenses and combined licenses for nuclear power reactors.

INTENT

The U.S. Nuclear Regulatory Commission (NRC) is issuing this regulatory issue summary (RIS) revision to clarify the reporting requirements of 10 CFR 50.75(f)(1) and 50.75(f)(2), "Reporting and Recordkeeping for Decommissioning Planning," regarding the status of decommissioning funding assurance.

In 1999, some licensees reporting under 10 CFR 50.75(f) did not distinguish between estimates of costs to complete decommissioning required by the NRC (radiological decommissioning) and other costs associated with cleaning up the site. The NRC staff is issuing this RIS to clarify for licensees the need to preserve the distinction between radiological decommissioning cost estimates and all other decommissioning cost estimates in the reports they must submit in accordance with 10 CFR 50.75.

Recently, the NRC staff has learned that some licensees also reporting under 10 CFR 50.75(f) have provided figures for the accumulation of decommissioning funds that included funds accumulated for purposes other than to meet the NRC's decommissioning requirements. Therefore, the staff is also issuing this RIS to clarify for licensees the need to preserve the distinction between funds accumulated for radiological decommissioning, which licensees are required to report, and funds accumulated for other purposes.

BACKGROUND INFORMATION

Subsections 50.75(f)(1) and 50.75(f)(2) of Title 10 of the *Code of Federal Regulations* require power reactor licensees to report decommissioning funding assurance information to the NRC at least once every 2 years. The NRC received the first reports on March 31, 1999. Required information includes:

(1) the amount of decommissioning funds estimated to be required pursuant to 10 CFR 50.75(b) and (c);
(2) the amount of funds for radiological decommissioning accumulated to the end of the calendar year preceding the date of the report;

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(3) a schedule of the annual amounts remaining to be collected;
(4) the assumptions used in determining rates of escalation in decommissioning costs, rates of earnings on decommissioning funds, and rates of other factors used in funding projections;
(5) any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e)(1)(v);
(6) any modifications occurring to a licensee's current method of providing financial assurance since the last submitted report; and
(7) any material changes to trust agreements.

Licensees must estimate the minimum funding needed for radiological decommissioning by using the formulas included in 10 CFR 50.75(c). As an alternative, licensees may also use a site-specific methodology to determine the funding needed, provided that amount is greater than the decommissioning cost estimate using the 10 CFR 50.75(c) formulas.

The NRC has not precluded the commingling in a single account of funds accumulated to comply with NRC radiological decommissioning requirements and funds accumulated to address State site restoration costs (State costs) and spent fuel management costs, as long as the licensee is able to identify and account for the NRC radiological decommissioning funds that are contained within its single account. However, NRC staff has learned that some licensees, in response to the requirement that they report the amount of decommissioning funds accumulated to the end of the calendar year preceding the date of the report, have reported as part of that amount funds accumulated to address State costs and spent fuel management costs. Accordingly, NRC staff is clarifying for licensees the need to report radiological decommissioning fund balances that are distinct from amounts accumulated for other purposes, such as paying for State costs and spent fuel management.

SUMMARY OF ISSUE

Costs Reported

In reporting the status of decommissioning funding assurance, licensees are required to report the cost of radiological decommissioning, using the amount derived from the formulas or a site-specific cost estimate if higher than the amount derived from the formulas. Some licensees have reported cost estimates that included additional costs, such as State costs, that are not required by the NRC. To assist the NRC staff in the analysis of decommissioning costs, it would significantly improve the analysis if licensees provided, in addition to the radiological cost estimate required to be reported by 10 CFR 50.75, (1) the current site-specific cost estimate for radiological decommissioning, and (2) a current separate estimate of State costs, and (3) a current separate estimate of spent fuel management costs.

Accumulated Funds Reported

Licensees are required to report the amount of funds accumulated to the end of the calendar year preceding the date of the report to pay for radiological decommissioning. Funds accumulated to pay for State costs and spent fuel management costs are not to be included in the reported amount of radiological decommissioning funds accumulated. The NRC's analysis of each licensee's decommissioning funding assurance being provided would be more complete and transparent for stakeholders if licensees provided, in addition to the amount of funds

accumulated to pay for radiological decommissioning required by 10 CFR 50.75, (1) the amount of funds accumulated to pay for State costs, and (2) the amount of funds accumulated to pay for spent fuel management costs, and (3) whether such amounts are commingled with funds accumulated to pay for radiological decommissioning, and (4) what amount of funds accumulated to pay for State costs or spent fuel management costs are available for radiological decommissioning without prior approval by a State regulatory authority and not subject to disapproval for radiological decommissioning use by a State regulatory authority.

BACKFIT DISCUSSION

This RIS provides regulatory clarification and does not represent a new or different staff position regarding the implementation of 10 CFR 50.75. It requires no action or written response beyond what is required in 10 CFR 50.75. Any action by addressees to implement changes to their reporting procedures in accordance with the clarifications in this RIS is strictly voluntary, ensures compliance with current regulations, and therefore, is not a backfit under 10 CFR 50.109, "Backfitting." This RIS requests the voluntary submittal of additional information to assist the NRC in analyzing licensees' financial obligations for decommissioning. Any response to this request for additional information is strictly voluntary. Consequently, the NRC staff did not perform a backfit analysis.

FEDERAL REGISTER NOTIFICATION

A notice of opportunity for public comment was not published in the *Federal Register* because this RIS is informational and does not represent a departure from current regulatory requirements. However, the NRC conducted a public meeting on December 1, 2008. The public meeting summary is located in ADAMS (ML083470955). Comments made during the public meeting or submitted to the NRC (before and after the public meeting) were considered before the issuance of this RIS.

CONGRESSIONAL REVIEW ACT

This RIS is not a rule as designated in the Congressional Review Act (5 U.S.C. § 801-886) and, therefore, is not subject to the Act.

PAPERWORK REDUCTION ACT STATEMENT

This RIS does not contain any new information collection requirements, and therefore is not subject to the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.). The information collection requirements referenced under 10 CFR 50.75 were approved by the Office of Management and Budget (OMB) approval number 3150-0011. This RIS requires no specific action or written response.

PUBLIC PROTECTION NOTIFICATION

The NRC may not conduct or sponsor, and a person is not required to respond to, a request for information or an information collection requirement unless the requesting document displays a currently valid OMB control number.

If you have any questions about this regulatory issue summary, please contact the person listed below or the Office of Nuclear Reactor Regulation project manager for your specific nuclear power plant.

CONTACT

Please direct any questions about this matter to the technical contact listed below, or the appropriate Office of Nuclear Reactor Regulation (NRR) project manager.

/RA/

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ADAMS Accession No: ML083440158

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