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BY EMAIL

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Subject: Comments on the Draft NRC Regulatory Issue Summary 2001-07, Rev. 1

This letter is in reference to the Draft Regulatory Issue Summary 2001-07, Rev 1 (RIS) which was the subject of a public meeting on December 1, 2008. Unfortunately, I could not attend that meeting so, therefore, I am offering the following comments for the NRC's consideration.

As a general comment, the thrust of the RIS is positive. It should a) better inform the industry of NRC's expectations and b) provide a mechanism for the NRC and stakeholders to better understand the status of current decommissioning funding and the relation to such funding with NRC requirements. However, in my view, several changes are needed to the language in the draft RIS to achieve these benefits.

1) The paragraph under Costs Reported states that, "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." This exceeds the requirements of 10 CFR 50.75(b) which requires that financial assurance for decommissioning must be "...provided in an amount which may be more but not less than the amount stated in the table in paragraph (c)(1) of this section." Section 50.75(b)(4) states that the amount "may" be based on a site-specific cost estimate, but this is not a requirement.

The RIS should be revised to reflect the wording of Section 50.75, which could be accomplished by inserting the words "if they so choose" as shown below in italics:

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, *if they so choose*, a site specific cost estimate if higher than the amount derived from the formulas.

2) To assist the NRC staff in the analysis of decommissioning costs, the staff is requesting three categories of information: (1) the current site-specific cost estimate for radiological

decommissioning (2) a current separate estimate of State costs, and (3) a current separate estimate of spent fuel management costs. It is not clear what “State costs” are. NRC noted in the draft RIS that “some licensees have reported cost estimates that include additional costs, such as State costs, that are not required by the NRC.” Additional decommissioning costs included in the funds previously reported might include costs such as greenfield costs, costs to decommission below NRC regulatory limits, cost associated with agreements made with former interveners to settle cases, costs associated with agreements to satisfy local governmental officials and community groups, and costs set aside to dispose of major reactor components in advance of cessation of operations. I would presume that NRC would be interested in knowing not just “State costs” but also the total for any additional costs which have been collected for in the decommissioning trust funds. NRC should consider revising the RIS to focus on funds included in the decommissioning trust funds that are not included to meet NRC decommissioning funding requirements rather than just the amount of funds to address “State costs.”

If NRC adopted the above recommendation, NRC could change the draft RIS as follows:

Costs Reported

“... 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 (this estimate should reflect only the NRC required costs at time of cessation of operations),
- (2) a current separate estimate of any other costs associated with decommissioning that are covered by decommissioning funds not addressed in item 1, 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 spent fuel management costs and other decommissioning costs not required to meet NRC decommissioning requirements at the time of cessation of operations 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 would be more complete and transparent for the NRC staff and for stakeholders if licensees provided:

- (1) the amount of funds for radiological decommissioning accumulated to meet the requirements of 10 CFR 50.75 (b) and (c) [this information is needed to meet the current reporting requirement],
- (2) the amount of funds for NRC required radiological decommissioning, following cessation of operations, in excess of the amounts in item 1 accumulated to meet site specific costs estimates,

- (3) the amount of funds accumulated to address other decommissioning costs that are not addressed in items 1 and 2,
- (4) the amount of funds accumulated to pay for spent fuel management costs, and
- (5) whether the amounts in items 3 and 4 are commingled with funds accumulated to pay for NRC required radiological decommissioning.”

I have not included the information requested concerning the disposition of funds without State regulatory authority as that information may not be readily obtainable.

I would appreciate the opportunity to discuss these comments with you at your convenience. Please call me at 301-299 3607 if you would find a discussion to be helpful.

Cc:

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