



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001
February 24, 2009

MEMORANDUM TO: Lois M. James, Chief
Plant Licensing Branch III-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

FROM: Thomas J. Wengert, Senior Project Manager
Plant Licensing Branch III-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

A handwritten signature in black ink that reads "Thomas J. Wengert".

SUBJECT: PRAIRIE ISLAND NUCLEAR GENERATING PLANT, UNITS 1 AND 2 -
DRAFT REQUEST FOR ADDITIONAL INFORMATION (RAI)
REGARDING THE IRRADIATED FUEL MANAGEMENT PLAN AND
PRELIMINARY DECOMMISSIONING COST ESTIMATES (TAC NOS.
MD9492, MD9493, MD9494, AND MD9495)

The enclosed draft RAI was transmitted on February 5, 2009, to Mr. Dale Vincent of Prairie Island Nuclear Generating Plant, Units 1 and 2 (PINGP), requesting a clarification of PINGP's January 19, 2009, response to the U.S. Nuclear Regulatory Commission staff's request for additional information concerning PINGP's irradiated fuel management plan and preliminary decommissioning cost estimate submittal dated August 8, 2008. During a discussion with the licensee's staff on February 12, 2009, it was agreed that the licensee would provide a response by March 16, 2009.

Docket Nos. 50-282 and 50-306

Enclosure:
As stated

CONTACT: T. Wengert, NRR
301-415-4037

REQUEST FOR ADDITIONAL INFORMATION (RAI)

PRAIRIE ISLAND NUCLEAR GENERATING PLANT, UNITS 1 AND 2

DOCKET NOS. 50-282 AND 50-306

In reviewing the Nuclear Management Company, LLC* (the licensee) submittal dated August 8, 2008, as supplemented by letter dated January 19, 2009, which submitted the Irradiated Fuel Management Plan and the Preliminary Decommissioning Cost Estimate in accordance with Title 10 of the *Code of Federal Regulations* (10 CFR), Part 50, Section 50.54(bb) and 10 CFR 50.75(f)(3) for the Prairie Island Nuclear Generating Plant, Units 1 and 2 (PINGP), the U.S. Nuclear Regulatory Commission (NRC) staff has determined that the following information is needed in order to complete its review:

Irradiated Fuel Management Plan

Follow up Request for Clarification to RAI No. 1, Enclosure 1, Section III, Funding for Spent Fuel Management Based on DECON Decommissioning Option

On November 18, 2008 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML083110918), the NRC submitted an RAI to PINGP, which included the NRC's RAI No. 1 identified below. In response to NRC's RAIs dated November 18, 2008, the licensee submitted their response dated January 19, 2009 (ADAMS Accession No. ML090210156).

As a follow up to the licensee's January 19, 2009 response, the NRC staff and PINGP held a conference call on January 29, 2009, to discuss the licensee's responses. During the conference call, the NRC requested the licensee to supplement their response to NRC's RAI No. 1 by providing additional Tables for both Unit 1 and Unit 2 and a combined Table for Unit 1 and 2.

It was agreed that the Tables for Unit 1 and Unit 2 would identify for each unit the total decommissioning cost, the total expenditures for each year, and the total contributions for radiological decommissioning, spent fuel, and site restoration per year. The licensee was also requested to submit an additional table that would combine the total Unit 1 and Unit 2 combined expenses and contributions on an annual basis. The format of the Tables would be similar to Table 1 and Table 2 on pages 8 and 9 of the licensee's January 19, 2009 RAI response.

The original RAI No. 1 from the November 18, 2008, RAI letter is provided below for reference.

* On September 22, 2008, Nuclear Management Company, LLC (NMC), transferred its operating authority to Northern States Power Company, a Minnesota Corporation (NSPM). By letter dated September 3, 2008, NSPM stated that it would assume responsibility for actions and commitments submitted by NMC.

RAI No. 1: Enclosure 1, Section III, Funding for Spent Fuel Management Based on DECON Decommissioning Option

In Section III, the licensee stated that the Trust Funds are being supplemented with total annual contributions of approximately \$15 million for Unit 1 and \$19 million for Unit 2 based on a prescribed schedule per Minnesota Public Utility Commission direction and that these contributions will be used for radiological decommissioning and to pay for irradiated fuel management. The licensee's submittal entitled, "Decommissioning Funding Status" dated March 30, 2007, identified annual amounts to be collected for Unit 1 of approximately \$14.8 million and a projected real rate of return of 1.79 percent for 6.8 years, and an annual amount of approximately \$18.8 million and a projected real rate of return of 1.79 percent for 7.8 years for Unit 2. The March 30, 2007, submittal identified annual contributions that are consistent with the amount identified in the August 8, 2008, submittal; however, it is not clear to the NRC staff how much of these annual contributions, as well as the current trust balances, are to be allocated to support spent fuel management and site restoration, as compared to radiological decommissioning. Please clarify the allocation.

DRAFT

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