

From: Feintuch, Karl
Sent: Tuesday, January 19, 2010 5:30 PM
To: 'Doreen.Barta@nexteraenergy.com';
'Steve.Catron@nexteraenergy.com'
Cc: Pittiglio, Clayton; Pascarelli, Robert; Feintuch, Karl
Subject: ME1148 Request for Information (RAI) Number 1, Supplement 1
(resent)
Attachments: ME1148 (DAEC) RAI No 5 Supplement 1.doc

This email was previously sent in error without a subject line. This resent email is identical except for the added subject line content.

From: Feintuch, Karl
Sent: Tuesday, January 19, 2010 4:49 PM
To: 'Doreen.Barta@nexteraenergy.com'; 'Steve.Catron@nexteraenergy.com'
Cc: Pittiglio, Clayton; Pascarelli, Robert
Subject:

The Nuclear Regulatory Commission (NRC) staff has reviewed your letter NG-09-0038 dated February 19, 2009 and your response dated December 1, 2009 to an earlier Request for Additional Information (RAI), both pertaining to the Spent Fuel Management Program and Preliminary Decommissioning Cost Estimate, and requests some additional information (Supplemental 1 to RAI No. 5). Attached is a description of the needed information. The Supplemental RAI item (designated as RAI No 5, Supplement 1 is from our Financial Policy and Rulemaking Branch (PFPB). The reviewer from PFPB is Clayton (Larry) Pittiglio, who authored this item..

This item was discussed during a conference call on December 17, 2009. The NRC staff has decided to retain the draft RAI No. 5, Supplement 1 as the final version of the RAI, which is attached to this email.

Please feel free to contact me if you need further clarification of the final RAI item. A response is requested in 30 days (on or before February 19, 2010)

Karl Feintuch
Project Manager
USNRC
301-415-3079

E-mail Properties

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Subject: ME1148 Request for Information (RAI) Number 1, Supplement 1 (resent)
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Received Date: 1/19/2010 5:30:00 PM

From: Feintuch, Karl

Created By: Karl.Feintuch@nrc.gov

Recipients:

Doreen.Barta@nexteraenergy.com ('Doreen.Barta@nexteraenergy.com')

Tracking Status: None

Steve.Catron@nexteraenergy.com ('Steve.Catron@nexteraenergy.com')

Tracking Status: None

Clayton.Pittiglio@nrc.gov (Pittiglio, Clayton)

Tracking Status: None

Robert.Pascarelli@nrc.gov (Pascarelli, Robert)

Tracking Status: None

Karl.Feintuch@nrc.gov (Feintuch, Karl)

Tracking Status: None

Post Office:

HQCLSTR01.nrc.gov

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Options

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Recipients received:

RAI No. 5: Section 1.0 Executive Summary (NRC's November 9, 2009)

In the submittal, FPL identified 4 possible decommissioning scenarios for DAEC, and provided the total cost for each option, including spent fuel costs and Greenfield costs. Later in the cost study, FPL identified its annual costs associated with each option. However, FPL did not provide an analysis using the decommissioning funds to demonstrate that adequate funds are available to address these options. FPL needs to provide the supporting analysis for each of the identified alternatives or, at a minimum, for the selected option based on the trust fund balance as of December 31, 2008. NextERA's Response to NRC's RAI No. 5 was inadequate.

Supplemental RAI

In NextEra Entergy's December 1, 2009 (NG-09-0860) response to NRC's RAI No. 5 (above), NextEra did not address the staff concerns. In their RAI response, NextEra refers to Table 1 and Table 2 as part of their response. For both Table 1 and Table 2, NextEra appears to be deducting more than the 3 percent for decommissioning planning. The regulation, 10 CFR 50.82(8)(i)(C)(ii), limits the withdrawal to 3 percent of the generic amount specified in 10 CFR 50.75 which would limit the amount to \$ 15.1 million based on December 31, 2008 formula amount of \$503.7 million, and \$15.2 million based on September 30, 2009 formula amount of \$507.3 million. The amount deducted: \$7.9 million in 2012, \$9.1 million in 2013, and part or all of \$42.6 million depending on what is deducted prior to February 21, 2014, exceeds the 3 percent allowed (\$17.0 to \$59.6 million). NextEra needs to revise its submittal to reflect the regulatory limit allowed for decommissioning planning.

In addition, the NRC's RAI requested that both the spent fuel and decommissioning costs be addressed as NextEra submittal was in response to the 10 CFR 50.75 and 10 CFR 50.54(bb) requirements. The NextEra's December 1, 2009 response only addressed decommissioning costs for the SAFSTOR option. Based on the current balances shown in both Table 1 and Table 2, DAEC does not have sufficient funds to address both the spent fuel management and decommissioning costs for either option. The remaining balances shown in Table 1 and Table 2 are significantly less than the \$274.0 million, in 2008 dollars, that DAEC has estimated for spent fuel expenditures. NextERA needs to show how the spent fuel management costs will be addressed.

The NextEra December 1, 2009 response to RAI No. 5 refers to a \$93 million dollar parent company guarantee (PCG) issued by Entergy on behalf of DAEC. The staff's review of FPL's annual report for 2008 did not locate any reference to the \$93 million PCG mentioned in the response to RAI. No. 5. Provide a citation to the page in the annual report that discusses the PCG, or verify that the annual report does not include such a discussion. If there is no discussion of the PCG in the annual report, explain why the discussion was not included. In addition, the DAEC License Condition 2, Appendix B, page 2 of the Duane Arnold License, as amended in Amendment 275 (ML093030113 dated November 13, 2009) references a PCG of \$75 million (in 2005 dollars). Explain the reference to the \$93.0 million PCG in the December 1, 2009, NextEra's RAI response compared to the November 13, 2009 Amendment 275 that identifies a PCG in the amount of \$75 million in 2005 dollars.

