



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

May 21, 2010

Mr. Jon A. Franke, Vice President
Crystal River Nuclear Plant (NA2C)
ATTN: Supervisor, Licensing & Regulatory Programs
15760 W. Power Line Street
Crystal River, Florida 34428-6708

SUBJECT: CRYSTAL RIVER UNIT 3 - REQUEST FOR ADDITIONAL INFORMATION
REGARDING DECOMMISSIONING FINANCIAL ASSURANCE PLANS 2009
BIENNIAL DECOMMISSIONING REVIEW (TAC NO. ME3710)

Dear Mr. Franke:

By letter dated March 25, 2009, Progress Energy (PE) on behalf of Florida Power Corporation (the licensee) provided the decommissioning funding status report for the Crystal River Unit 3 Nuclear Generating Plant. According to SECY-07-0197, "Reactor Decommissioning Trust Fund Oversight by Other Agencies and Recommendations Regarding Further Commission Action," the Nuclear Regulatory Commission (NRC) is required to do "spot-checks" on licensees to verify that the amount the licensees are reporting to the NRC is the same amount the licensees have on their bank statements. The Commission paper requires that the NRC financial analyst audit the original records where they are kept by each licensee.

The enclosed request for additional information is based on information reported to the NRC in the decommissioning funding status report, dated March 25, 2009, and the NRC's spot check audit conducted on January 13, 2010. During a conference call on April 15, 2010, the NRC staff discussed the draft questions with the PE staff. As a result, the NRC revised the questions and sent them electronically to Mr. Bryan Miller of PE on May 05, 2010. The PE staff agreed that a response to the enclosed RAI would be submitted to the NRC within 45 days from the date of this letter.

Please contact me at 301-415-1447, if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Farideh E. Saba".

Farideh E. Saba, Senior Project Manager
Plant Licensing Branch II-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-302

Enclosure: Request for Additional Information

cc w/encl: Distribution via Listserv

REQUEST FOR ADDITIONAL INFORMATION
CRYSTAL RIVER UNIT 3 NUCLEAR GENERATING PLANT
REGARDING DECOMMISSIONING FINANCIAL ASSURANCE PLANS 2009
BIENNIAL DECOMMISSIONING REVIEW
DOCKET NO. 50-302

Background

Based on the results of a spot check review, in January 2010, of bank statements for the co-owners of Crystal River Unit 3 (CR-3), the Nuclear Regulatory Commission (NRC) staff identified differences between the bank statements of the respective trustees and the decommissioning trust fund balances reported to the NRC in March 2009 as part of the Decommissioning Funding Status Report. The differences summarized in the attached table are totaled of approximately 81.4 million dollars of overfunding.

On the basis that Progress Energy (PE) holds the majority of the decommission funds (91.78 percent) for CR-3, the NRC staff requests that the licensee respond to the following request for additional information (RAI) regarding PE decommissioning trust funds.

RAI 1

Please provide the name and address of the fund manager or managers who provided investment oversight for the trust fund for CR-3. Also provide the year end asset allocation of your decommissioning trust fund, including a general description of each asset class and the percentage of the fund allocated to that class for Calendar Years 2006, 2007, and 2008.

RAI 2

Please clarify whether any withdrawals, other than for administrative fees or taxes, were made from the decommissioning trust funds for the period of December 31, 2006, to December 31, 2008, with or without prior written notice to the NRC, per Title 10, *Code of Federal Regulations* (10 CFR) Section 50.75(h)(2). If so, provide the date, amount, and purpose of the withdrawal.

RAI 3

Please explain whether transfers were made from any of the decommissioning trust funds for the period of December 31, 2006, to December 31, 2008. If so, provide the date, amount and purpose of the transfer.

RAI 4

Regarding the structure of the overall decommissioning trust fund: 1) clarify whether funds for decommissioning required under 10 CFR 50.75 are commingled with other funds, 2) explain how funds are divided into subfunds or subaccounts, if any, and explain which funds are for radiological and nonradiological decommissioning purposes, 3) explain how the funds collected are allocated to any subfund or subaccount, and 4) provide any other information relevant to ascertaining the overall structure of the decommissioning trust fund.

RAI 5

Please provide documentation from the state regulatory authority that authorized collections for decommissioning, particularly with respect to the purposes for which the funds were collected (such as NRC decommissioning requirements, spent fuel management, site restoration, and others as recognized by the state authority) and the amounts authorized for each of those purposes.

Summary of Nuclear Regulatory Commission Spot Check Audit for Crystal River Unit 3

Audit Dates: January 9, 2010 - January 12, 2010

Owner	Percent Ownership	Reported to NRC \$K	Audited Balance \$K	Difference
Progress Energy Florida	91.78	352,000	416,000	64,000
City of Alachua	0.078	299	493	194
Orlando Utilities Commission	1.6015	6,100	11,100	5,000
Seminole Electric Coop	1.6994	6,500	7,300	800
New Smyrna Beach Utilities Commission	0.5608	2,150	3,600	1,450
Ocala Utilities Division	1.3333	5,110	8,170	3,060
Leesburg Municipal Electric	0.8244	3,160	5,090	1,930
Kissimmee Utilities	0.6754	2,590	4,200	1,610
Gainesville Regional Utilities	1.4079	5,400	8,650	3,250
Bushnell Utility Department	0.03889	149	247	98
TOTAL	100%	383,458	464,850	81,392

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/RA/

Farideh E. Saba, Senior Project Manager
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