

March 14, 2011

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

SUBJECT: CRYSTAL RIVER UNIT 3 - MINOR VIOLATION REGARDING PROGRESS
ENERGY FLORIDA'S 2009 DECOMMISSIONING FUNDING STATUS
REPORT; DOCKET NO. 50-302

Dear Mr. Franke:

On March 25, 2009, Florida Power Corporation, Inc. (Florida Power), on behalf of all owners of Crystal River Unit 3 Nuclear Generating Plant (Crystal River 3), submitted to the Nuclear Regulatory Commission (NRC) the decommissioning funding status (DFS) report for Crystal River 3 (ML090920407). This report was submitted in accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) Part 50.75(f)(1), which requires, in part, that the licensee specify the amount accumulated to the end of the calendar year preceding the date of the report.

A spot-check of Crystal River 3 was performed in January 2010, in accordance with the response to SECY-07-0197, dated January 9, 2008, which stated that the headquarters staff should periodically spot-check the licensee's original statements and related original statements sent to a licensee from its trustee that disclose the trust fund balance. The staff reviewed the original statements and related original documents sent to Florida Power from its trustee, which maintains the trust fund accounts, that disclose the trust fund balance. During the spot-check, the staff discovered that contrary to 10 CFR 50.75(f)(1) a discrepancy between the amount reported to the NRC in the 2009 DFS report and the amount in each of the owners' trust funds, as of December 31, 2008. For each owner, the December 31, 2008, trust fund balance was greater than the amount reported to the NRC by Florida Power in its 2009 DFS report.

On May 21, 2010, the NRC submitted a Request for Additional Information (RAI) to Florida Power describing the potential issue and requesting additional information in relation to the trust funds (ML101380121). Specifically, the NRC requested whether any withdrawals or transfers, other than for administrative fees or taxes, were made between December 31, 2006 and December 31, 2008.

Florida Power responded to the NRC's RAIs on July 1, 2010 (ML101880262). In the response, Florida Power stated that there were no withdrawals or transfers from the decommissioning trust fund, other than for administrative fees and taxes. Based on Florida Power's responses, the staff did not find any additional issues in relation to the licensees' trust funds.

Although the staff did not find any additional issues based on Florida Power's responses, the NRC considers Florida Power's failure to accurately report the amount accumulated to the end of the calendar year preceding the date of the report in the 2009 DFS report a violation of

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10 CFR 50.75(f)(1). Specifically, Florida Power reported less than the amount accumulated to the end of the calendar year preceding the date of the report. The staff has determined that the failure to accurately report the amount accumulated to the end of the calendar year preceding the date of the report is a minor violation and is not subject to enforcement action in accordance with the enforcement policy because the amount in the trust fund was greater than the minimum amount required under 10 CFR 50.75(b) and (c) and greater than the amount report by Florida Power in the 2009 DFS report and Florida Power's responses to the NRC's RAIs.

In the future, Florida Power must report the amount accumulated to the end of the year preceding the date of the report, and not merely the amount that meets the amount of decommissioning funds estimated to be required under 10 CFR 50.75(b) and (c), during the next DFS report submittal to the NRC.

Sincerely,

/RA

Christopher M. Regan, Chief
Financial Analysis and International
Projects Branch
Division of Policy and Rulemaking
Office of Nuclear Reactor Regulation

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Sincerely,

/RA/

Christopher M. Regan, Chief
Financial Analysis and International
Projects Branch
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Office of Nuclear Reactor Regulation

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