

REQUEST FOR ADDITIONAL INFORMATION

BY THE OFFICE OF NUCLEAR REACTOR REGULATION

2011 DECOMMISSIONING FUNDING STATUS REPORT

FOR FORT CALHOUN STATION, UNIT 1

The requests for additional information (RAIs) provided are in response to the Omaha Public Power District (OPPD) 2011 Decommissioning Funding Status (DFS) report. On March 16, 2011, OPPD submitted to the Nuclear Regulatory Commission (NRC) the 2011 DFS report for the Fort Calhoun Station, Unit 1, as required under Title 10 of the *Code of Federal Regulations* (10 CFR) Part 50.75(f)(1). OPPD should provide a response to all RAIs within 30 days from the date of this letter.

**RAI #1: Current Decommissioning Cost Estimate**

Please provide an explanation as to the differences between OPPD's calculation and the NRC staff's calculation of the amount of decommissioning funds estimated to be required under 10 CFR 50.75(b) and (c) and, if necessary, a corrected submittal for that part of the DFS report. In OPPD's submission, the amount of decommissioning funds estimated to be required under 10 CFR 50.75(b) and (c) differs from the amount calculated by the NRC staff. For determining the Labor Index (Lx), OPPD should follow the formula provided on page 8 of NUREG-1307, Rev. 14. According to 10 CFR 50.75(f)(1), the amount provided in the DFS report should be "the amount of decommissioning funds estimated to be required under 10 CFR 50.75(b) and (c)".

**RAI # 2: Current Decommissioning Cost Estimate**

Please provide the dismantlement period for the site-specific cost estimate. If the site-specific cost estimate is for a longer period of time (e.g. SAFSTOR), then the licensee must provide all expenses for the decommissioning period. Within the DFS report, OPPD provided a site-specific cost estimate for the amount of decommissioning funds estimated to be required. Pursuant to 10 CFR 50.75(e)(1)(ii), unless provided otherwise, the NRC staff assumes the site-specific cost estimate is for an immediate dismantlement decommissioning period.

Also, the NRC staff requests that the licensee provide the site-specific cost estimate to the NRC. The NRC requires an annual schedule of expenses for radiological decommissioning, including the costs to maintain the facility in a safe condition, in order to evaluate the amount of earnings credit available during the decommissioning period. Finally, while providing the site-specific cost estimate in relation to the costs, OPPD did not state the current year dollars for the estimate. Therefore, OPPD should provide the site-specific cost estimate in current year dollars. If the site-specific cost estimate is from a year previous to 2010, then OPPD should escalate the site-specific cost estimate to 2010 and should provide the cost escalation factor(s) used to escalate the site-specific cost estimate.

ENCLOSURE

**RAI #3: Current Decommissioning Fund Balance**

Please provide the trust agreements for both trust accounts: the NRC minimum decommissioning amount outlined in 10 CFR 50.75(c) and the one for other costs. Please provide an explanation as to how the trust account for other costs is managed (e.g. external sinking fund). Specifically, whether the trust fund for other costs is intended to provide an assurance method pursuant to 10 CFR 50.75(e)(1). Also, please provide the information that allows funds accumulated in the trust account for other costs to be available for radiological decommissioning without prior approval by a State regulatory authority and are not subject to disapproval for radiological decommissioning by a State regulatory authority.

Within the OPPD's 2011 DFS report, OPPD states that it:

maintains two separate trust accounts, one for the NRC minimum decommissioning amount outlined in 10 CFR 50.75(c) and one for other costs including additional radiological, site restoration and spent fuel management as determined by the cost study. [ . . . ] The two trust funds are not commingled. The funds accumulated for the additional decommissioning costs including additional radiological, site restoration and spent fuel management are available for radiological decommissioning without prior approval by a State regulatory authority and are not subject to disapproval for radiological decommissioning by a State regulatory authority.

Pursuant to 10 CFR 50.75(e)(1), financial assurance is to be provided by the methods listed under 10 CFR 50.75(e)(1).

**RAI #4: Rates Used to Escalate Decommissioning Cost and Fund Balances**

Please provide the State regulatory authority that allows OPPD's Board of Directors to determine the inflations rates and the earnings rates of OPPD. Also, the NRC requests the OPPD Board of Directors determination that allows for the assumption of the stated rates. Within the DFS report, OPPD states that OPPD is allowed to assume rates used regarding the rate of escalation in decommissioning costs, rates of earnings on decommissioning funds and rates of other actors used in funding projections. OPPD also states that the rates are provided by OPPD's Board of Directors. According to 10 CFR 50.75(f)(1):

the information in [the DFS] report must include [ . . . ] the assumptions used regarding rates of escalation in decommissioning costs, rates of earnings on decommissioning funds, and rates of other factors used in funding projections. . .

Enclosure C of your March 16, 2011, submittal provides a variable inflation rate and earnings rate with the annual collection next to it. Please confirm that the earnings rates are allowed by a regulatory authority over OPPD for both the annual collections as well as the decommissioning trust fund.