

From: Thadani, Mohan
Sent: Tuesday, May 03, 2011 2:14 PM
To: Williams, Lisa L.; dwgregoire@energy-northwest.com
Cc: Thadani, Mohan; Lent, Susan
Subject: Request for Additional Information

Don/Lisa:

On March 22, 2011, Energy Northwest submitted to Nuclear Regulatory Commission its 2011 Decommissioning Funding Status report, pertaining to license NPF-21, for Columbia Generating Station, as required by Code of *Federal Regulations* 50.75(f)(1). The NRC staff has reviewed the report, and has determined that additional information is needed to complete its detailed review of the report. The NRC staff's request for additional information (RAI) is attached below. Please provide your response to the RAI within 30 days from the date of this email. If any clarification is required, please contact me at (301) 415-1476 or email mohan.thadani@nrc.gov.

Thank you for your support.

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REQUEST FOR ADDITIONAL INFORMATION
BY THE OFFICE OF NUCLEAR REACTOR REGULATION
2011 DECOMMISSIONING FUNDING STATUS REPORT
FOR ENERGY NORTHWEST

The requests for additional information (RAIs) provided are in response to Energy Northwest's 2011 Decommissioning Funding Status (DFS) report. On March 22, 2011, Energy Northwest submitted to the Nuclear Regulatory Commission (NRC) the 2011 DFS report for Columbia Generating Station (Columbia), as required under Title 10 of the *Code of Federal Regulations* (10 CFR) Part 50.75(f)(1) [ML110880356] Energy Northwest should provide a response within 30 days from the date of this letter.

RAI #1: Minimum DFA calculation:

Provide the labor, energy, and burial factors used in your calculation of the minimum requirement for decommissioning financial assurance and, if necessary, a corrected submittal for that part of the DFS report.

On March 22, 2011, Energy Northwest reported, using June 30, 2010, factors an amount of decommissioning funds estimated to be required under 10 CFR 50.75(b) and (c) greater than from the amount calculated by the NRC staff.

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)”. The escalation factors should be the most recent available regional data from the U.S. Department of Labor Bureau of Labor Statistics, as stated in NUREG-1307, Rev. 14, “Report on Waste Burial Charges.”

The formulas for the factors used by the staff can be found using NUREG-1307, Rev. 14. For example, the calculations for the Labor and Energy Adjustment Factors can be found on pages 7 and 8 of NUREG-1307, Rev. 14.

RAI #2: Citation for real rate of returns:

Provide the citation (e.g, an Order by the rate-regulatory authority) by the regulatory entity that allows for the for the assumptions used regarding rates of escalation in decommissioning costs, rate of earnings on decommissioning funds and rates of other factors assumed in your DFS report.

On March 22, 2011, Energy Northwest reported the following:

4 percent rate of escalation in decommissioning costs;
6 percent rates of earnings on decommissioning funds.

As stated in 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. . .

RAI #3

Provide the after-tax amount of funds accumulated through December 31, 2010.

Energy Northwest did not provide the after-tax amount of funds accumulated through December 31, 2010.

The provisions of 10 CFR 50.75(f)(1) and (2) require the licensee to report the amount of funds accumulated to the end of the calendar year preceding the report.