

From: Tam, Peter
Sent: Monday, May 09, 2011 10:00 AM
To: 'hletheridge@aep.com'; 'jrwaters@aep.com'; mkscarpello@aep.com
Cc: Lois, Kosmas
Subject: D.C. Cook - Draft request for additional information re. the 2011 decommissioning funding status report (TAC ME5473 and ME5474)

Helen:

On March 30, 2011, Indiana Michigan Power submitted to the NRC its 2011 decommissioning funding status (DFS) report for Donald C. Cook Units 1 and 2, as required under Title 10 of the *Code of Federal Regulations* (10 CFR) Part 50.75(f)(1) (ML110970147). Our review of that submittal is ongoing. Meanwhile, we have developed the following draft request for additional information. You may accept this draft request as formal request and respond within 30 days of the date of this e-mail, or you may request to discuss with us these draft questions and an alternative response date.

RAI #1: 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 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. Your March 30, 2011, report used the following for Cook 1 and 2: a 2 percent real rate of return was applied to the annual balance for future funding projections.

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 #2: Accumulated Amounts

Provide the after-tax amount of funds accumulated through December 31, 2010. Your March 30, 2011, report 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.

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