

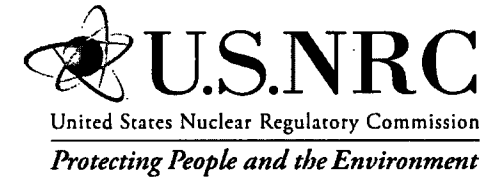
NUCLEAR DECOMMISSIONING FUNDING

**Presented to 2011 NDT Conference
May 16, 2010**

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Office of Nuclear Reactor Regulation
United States Nuclear Regulatory Commission**



Overview

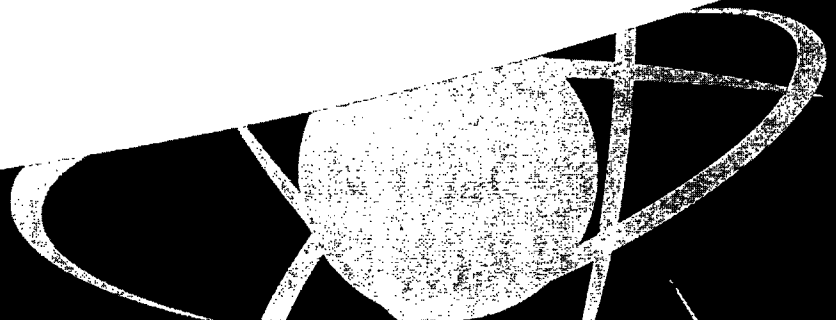


- NRC mission
- 2011 fund status reports
- March 2, 2011 Workshop
- General Interest - Fukushima

NRC's Mission



The mission of the NRC is to ensure adequate protection of the public health and safety, the common defense and security, and the environment in the civilian use of radioactive material in the United States. (*NRC's primary mission is not financial regulation.*)



2011 Fund Status Reports



- Greater detail in submittals
- NRC focus
 - After-tax fund balance
 - Assumptions used for escalation, earnings, other rates
 - Accuracy of minimum amount estimated
- Summary expected September 2011

March 2, 2011 Workshop



- Decommissioning funding issues
- Successful exchange of viewpoints
- Distinguished speakers
- Informative financial presentations
 - Monte Carlo techniques
 - Investment expectations
 - Historical trust fund performance
 - Credit rating methodology

March 2, 2011 Workshop (continued)

- 10 CFR 50.75 formula assessment
 - Compare with actual costs of decommissioning power reactors
 - Address costs not included in formula
 - Taxes
 - Soil contamination
 - Increasing LLW disposal costs
 - May result in rulemaking

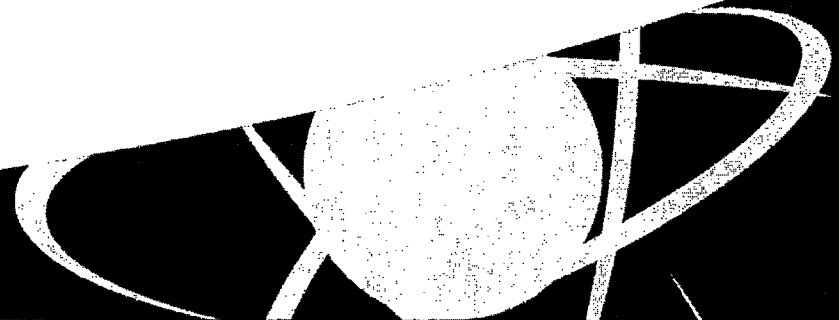
March 2, 2011 Workshop (continued)



- NUREG-1307, “Report on Waste Burial Charges”
 - Proposed change in waste vendor option
 - Recognize licensee data in site-specific cost estimates
 - Likely increase in minimum requirement
 - Issue early for comment to be ready for 2013 fund status reporting

March 2, 2011 Workshop (continued)

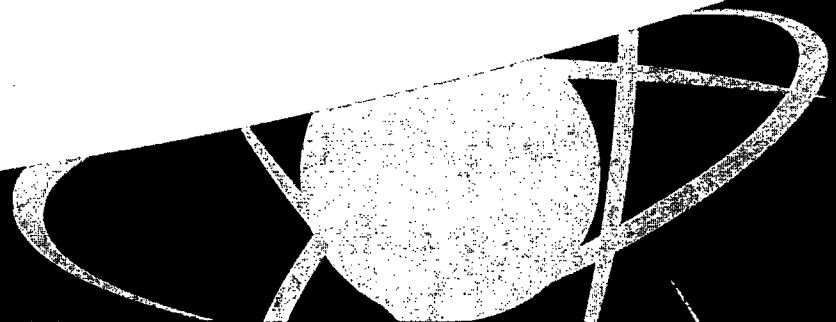
- Comments to date
 - NEI submitted 2 comment letters
 - Opposed staff positions
 - State of New York
 - Supported staff positions
 - Cautioned against risk shifting
- Still time to submit comments



General Interest

Fukushima

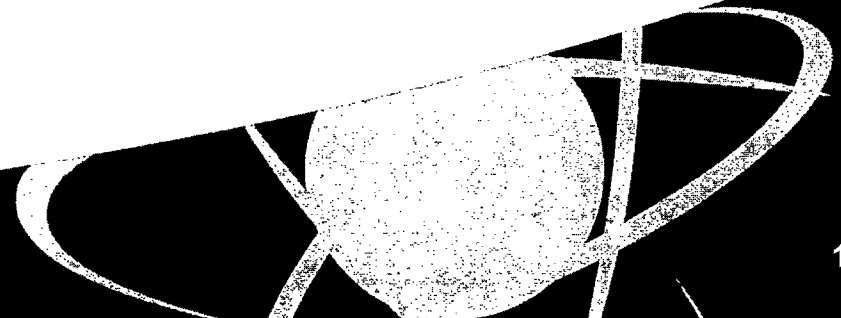
- Friday March 11 at 2:36 pm local time
 - Magnitude 9.0 earthquake – fifth largest in world since 1900
 - 15 meter tsunami at plant (much higher in other locations in Japan) wipes out emergency power
- Station blackout



General Interest

Fukushima (continued)

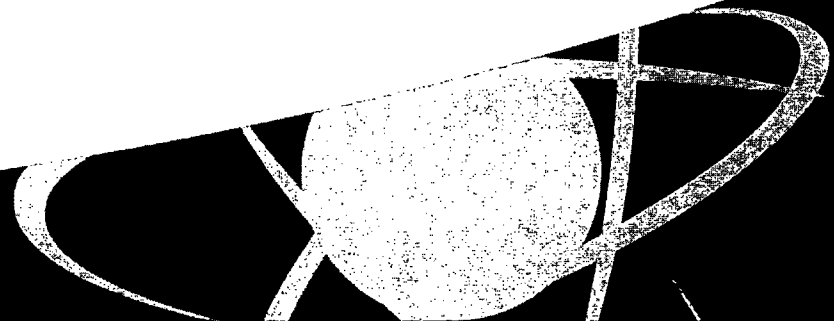
- Units 1, 2, 3 core damage estimated at 75, 30, and 25 percent, respectively
- Hydrogen explosion units 1, 3, 4 reactor buildings



General Interest

Fukushima (continued)

- US Response
 - Assistance and communication with Japan in aftermath
 - Near term - review of US plants due in mid-June
 - Longer term – apply lessons learned to US plants



Finale



Questions?

