

# **Regulatory Basis for Discounting a Parent Company Guarantee**

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# Regulatory Basis Regulation & Guidance

- 10 CFR 50.75(e)(1)(iii)(B) A parent company guarantee of funds for decommissioning costs based on a financial test may be used if the guarantee and test are as contained in appendix A to 10 CFR part 30.
- No regulatory guidance states a discount may be taken
- *Federal Register* states amount needed is difference between cost estimate and trust fund balance, no mention of discounts (63 FR 50465, 50471)
- LIC-109 permits rejection of applications with insufficient information

# Regulatory Basis Discussion Topics

- What are the pros & cons:
  - Rulemaking
  - Exemption (§ 50.12)
  - Equivalency & special circumstances (§ 50.75(e)(1)(vi))
- License transfer cases
  - What did NRC approve?
  - What basis supported approval?

# Regulatory Basis Discussion Topics

- NEI Position – Commission declined to prescribe the frequency of funding adjustments by rule (ML092590127, Enclosure p.5)
  - Adjustment frequency only in guidance, therefore not requirements