

MAINE YANKEE ATOMIC POWER COMPANY

CONNECTICUT YANKEE ATOMIC POWER COMPANY

YANKEE ATOMIC ELECTRIC COMPANY

DOCKET NOS. 50-309, 50-213, 50-029, 72-30, 72-39, AND 72-31

THIRD REQUEST FOR ADDITIONAL INFORMATION

RELATED TO APPLICATION FOR NRC CONSENT/THRESHOLD DETERMINATION FOR

INDIRECT LICENSE TRANSFER RELATED TO MERGER

OF NORTHEAST UTILITIES AND NSTAR

Request for Additional Information:

1. Trust Funds for Radiological Decommissioning vs. Spent Fuel

For Maine Yankee Atomic Power Company, Connecticut Yankee Atomic Power Company (CY) and Yankee Atomic Electric Company (Yankee Rowe (YR)), indicate if funds for spent fuel maintenance and storage (as required by 10 CFR 50.54(bb)) are included in the decommissioning trust fund, or if funds for spent fuel maintenance and storage are maintained in a separate trust fund.

Per Reg. Guide 1.184, *Decommissioning of Nuclear Power Reactors*, amounts set aside for radiological decommissioning, as required by Title 10 of the *Code of Federal Regulations* (10 CFR) 50.75, should not be used for: the maintenance and storage of spent fuel in the spent fuel pool; the design or construction of spent fuel dry storage facilities; or other activities not directly related to the long-term storage, radiological decontamination or dismantlement of the facility, or decontamination of the site.

Per 10 CFR 50.82(a)(8), expenditures from the decommissioning trust fund are allowed for decommissioning as currently defined in 10 CFR 50.2.

Withdrawals from decommissioning trust funds under 10 CFR 50.82(a)(8)(i)(A) are limited to legitimate decommissioning activities consistent with the definition of decommissioning.

Pursuant to 10 CFR 50.75(b)(2), the NRC reserves the right to review the accumulation of decommissioning funds.

2. Connecticut Yankee – Withdrawals from the Decommissioning Trust Fund

Explain how the following expenditures from the decommissioning trust fund meet the definition of decommissioning as defined in 10 CFR 50.2. These expenses were listed in Attachment A,

Enclosure

pgs. 1-4, of the request for additional information (RAI) response dated June 8, 2011 (ML11166A124), as follows:

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Row	Description	Annual Cost
14	Morris Spent Fuel	1,755,089
11	Travel Expenses	42,666
50	Community Relations	26,300
58	DOE Litigation	1,096,000
69	Consulting Services	64,170
115	Vehicles Corporate	43,429

In Attachment A, Page 1, of the RAI response dated June 8, 2011, the licensee provided a table of annual decommissioning costs for 2010 for a total of \$11.7 million. The licensee then provided a line item breakdown of each cost in part 2 of Attachment A, pages 1-4.

Reg. Guide 1.184, *Decommissioning of Nuclear Power Reactors*, states that funds set aside for radiological decommissioning, as required by 10 CFR 50.75, should not be used for: the maintenance and storage of spent fuel in the spent fuel pool; the design or construction of spent fuel dry storage facilities; or other activities not directly related to the long-term storage, radiological decontamination or dismantlement of the facility, or decontamination of the site.

Per 10 CFR 50.82(a)(8), expenditures from the decommissioning trust fund are allowed for decommissioning as currently defined in 10 CFR 50.2.

Withdrawals from decommissioning trust funds under 10 CFR 50.82(a)(8)(i)(A) are limited to legitimate decommissioning activities consistent with the definition of decommissioning.

Pursuant to 10 CFR 50.75(b)(2), the NRC reserves the right to review the accumulation of decommissioning funds.

This information is required to evaluate compliance with 10 CFR 50.75(b)(2).

3. Connecticut Yankee – Summary of Expenses

Provide the supporting calculations and further clarification for the end of year balance listed for the year 2011 for spreadsheet 1 on page 2 of Enclosure 1, of the RAI response dated June 8, 2011. The total shown for the end of year balance is \$206.4 million. Based on your March 15, 2011 submission (ML110810111), the end of year 2010 balance for the CY decommissioning trust fund was \$197.2 million. However, the staff notes a discrepancy between the 2011 end of year balance reported (\$206.4M) and the 2011 end of year balance based on the values submitted (\$235.7M).

Please clarify the end of year 2011 fund balance.

Description	Total (\$ millions)
Fund balance Dec. 31, 2010	197.2
Less Spent Fuel Expense	(10.8)
Earnings on Trust Fund	8.3
Collections deposited in trust fund	40.9
Total End of Year 2011	235.7

Per 10 CFR 50.82(a)(8), expenditures from the decommissioning trust fund are allowed for decommissioning as currently defined in 10 CFR 50.2.

Withdrawals from decommissioning trust funds under 10 CFR 50.82(a)(8)(i)(A) are limited to legitimate decommissioning activities consistent with the definition of decommissioning.

Pursuant to 10 CFR 50.75(b)(2), the NRC reserves the right to review the accumulation of decommissioning funds.

This information is required to evaluate compliance with 10 CFR 50.75(b)(2).

4. Connecticut Yankee – Decommissioning Funding Assurance

Based on the information submitted by the licensee, in the RAI response dated June 8, 2011, CY has a potential shortfall in decommissioning funding of \$5.66 million, beginning in 2023, listed on spreadsheet 1 on page 2 of Enclosure 1. Provide further information regarding total expenses from the decommissioning trust and projected future collections in sufficient detail for the staff to determine if there is reasonable assurance that sufficient funds will be available for decommissioning.

Per 10 CFR 50.82(a)(8)(i)(C), withdrawals are not permitted if they would inhibit the ability of the licensee to complete funding of any shortfalls in the decommissioning trust needed to ensure the availability of funds to ultimately release the site and terminate the license.

This information is required to evaluate compliance with 10 CFR 50.82(a)(8)(i)(C) and 10 CFR 50.75(b)(2).

5. Yankee Rowe – Summary of Expenses

Provide the supporting calculations and further clarification for the end of year balance listed for the year 2011 for spreadsheet 2 on page 2 of Enclosure 1, in the RAI response dated June 8, 2011. The total shown for the end of year balance for 2011 is \$46.1 million. Based on your March 15, 2011 submission (ML110810115), the end of year 2010 balance for the YR decommissioning trust fund was \$95.6 million. However, the staff notes a discrepancy between the 2011 end of year balance reported (\$46M) and the 2011 end of year balance based on the values submitted (\$102.1M).

Please clarify the end of year balance for 2011.

Description	Total (\$ millions)
Fund balance Dec. 31, 2010	95.6
Less Spent Fuel Expense	(7.1)
Earnings on Trust Fund	1.8
Collections deposited in trust fund	11.8
Total End of Year 2011	102.1

Per 10 CFR 50.82(a)(8), expenditures from the decommissioning trust fund are allowed for decommissioning as currently defined in 10 CFR 50.2.

Withdrawals from decommissioning trust funds under 10 CFR 50.82(a)(8)(i)(A) are limited to legitimate decommissioning activities consistent with the definition of decommissioning.

Pursuant to 10 CFR 50.75(b)(2), the NRC reserves the right to review the accumulation of decommissioning funds.

This information is required to evaluate compliance with 10 CFR 50.75(b)(2).

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