


NRC FORM 699 (9-2003)		U.S. NUCLEAR REGULATORY COMMISSION		DATE
CONVERSATION RECORD				08/01/2011
				TIME
NAME OF PERSON(S) CONTACTED OR IN CONTACT WITH YOU		TELEPHONE NO.		TYPE OF CONVERSATION
See below.				<input type="checkbox"/> VISIT
ORGANIZATION				<input checked="" type="checkbox"/> CONFERENCE
Representatives of Yankee Companies, Northeast Utilities (NU), NSTAR				<input type="checkbox"/> TELEPHONE
SUBJECT				<input type="checkbox"/> INCOMING
Discuss NRC draft RAI #3 re: indirect license transfer request				<input type="checkbox"/> OUTGOING
SUMMARY (Continue on Page 2)				
NRC attendees: Kristina Banovac, Anneliese Simmons, JoAnn Simpson, Larry Pittiglio, Beth Mizuno				
Yankee Companies/NU/NSTAR attendees: Joe Fay, Wayne Norton, Carla Pizzella, David Repka, Tim Matthews, Larry Chandler, Gerald Garfield				
The purpose of the call was to discuss: (1) the draft requests for additional information (RAIs) related to the request for indirect license transfer related to the pending merger of NU and NSTAR, to make sure the questions are clear and to ensure a common understanding of the RAIs; and (2) establish a date in which the Yankees will respond to the RAI.				
The draft RAIs were emailed to the meeting participants before the call to facilitate the discussion.				
Background				
On May 27, 2011, NRC sent RAI 2, Part 2, related to the application for NRC consent to indirect license transfer, related to the Northeast Utilities and NSTAR merger. This RAI addressed questions on decommissioning funding.				
The Yankees responded to the RAI on June 8, 2011. The staff has reviewed the RAI response and has additional questions, including needed clarifications of information included in the June 8, 2011, response.				
This information is required for staff to complete its review of the license transfer request. Specifically, staff needs to understand the current status or baseline of decommissioning funding to be able to determine whether the proposed transfer will have an adverse impact on the licensees' decommissioning financial assurance.				
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ACTION REQUIRED				
NRC will clarify RAIs #1 and 2.				
The licensees will respond to the RAIs within 30 days.				
NAME OF PERSON DOCUMENTING CONVERSATION	SIGNATURE		DATE	
Kristina Banovac			08/15/2011	
ACTION TAKEN				
TITLE OF PERSON TAKING ACTION	SIGNATURE OF PERSON TAKING ACTION		DATE	

CONVERSATION RECORD (Continued)

SUMMARY (Continue on Page 3)

Discussion

NRC staff discussed the draft RAIs related to decommissioning funding.

RAI #1 - Staff is requesting whether funds for spent fuel management and operations are maintained in a fund that is separate from the decommissioning trust fund. Staff will clarify the RAI.

RAI #2 - Staff is requesting clarification on whether the actual and projected expenditures from the decommissioning trust fund (that are included in the June 8, 2011, response) are for legitimate decommissioning expenses. Staff will clarify the RAI, so it is clear that we are generally asking about the actual and projected expenditures reported throughout the June 8, 2011, response, for all three of the Yankee licensees (Connecticut Yankee, Yankee Rowe, and Maine Yankee).

RAI #3 - Staff is requesting clarification for the numbers in the table in Enclosure 1 of the June 8, 2011, response, as we are unable to follow the numbers. There is no reported end-of-year 2010 balance in the table. We need to understand the 2010 end-of-year balance, as our calculations using the balance reported in a separate March 15, 2011, submittal (decommissioning funding assurance status report) do not coincide with the beginning 2011 balance in Enclosure 1. Staff noted that if there are differences in the information in the FERC filing and the March 15, 2011, submittal, it would be helpful if the licensees could provide a narrative explanation of any differences.

RAI #4 - Staff needs to understand any decommissioning funding shortfall that may currently exist. Note that the licensee could discuss any options they have for pursuing rate relief to collect additional monies to fund the shortfall.

RAI #5 - Same as RAI #3, except RAI #5 is specific to Yankee Rowe.

The Yankees representative questioned how they should address potential settlements from a lawsuit with DOE, in their response. NRC staff mentioned that we don't need details on the potential settlements. Staff just needs to understand whether spent fuel management costs are coming or have come out of the decommissioning trust fund.

It was mentioned that a future meeting before the applicant responded to the RAIs could be beneficial. [Note: This would need to be an open and noticed meeting.]

The attorneys for NU and NSTAR asked about the linkage between these RAIs and the indirect license transfer request. They claimed that the RAIs seem to be involved more with compliance with 10 CFR 50.75, rather than a reasonable assurance finding that the transfer won't impact decommissioning funding; therefore, they feel there is no link between these questions and the indirect license transfer.

NRC staff noted that the information is needed for staff to understand the baseline or current status of decommissioning financial assurance. Staff must have an understanding of the baseline/current status of decommissioning funding, before staff can determine whether the transfer would have an impact on decommissioning funding.

The Yankees representative noted that they will respond to the RAIs within 30 days.

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