

Trojan Independent Spent Fuel Storage Installation
Summary of June 28, 2005 telecon regarding a proposed 10 CFR Part 72 license transfer

Participants:

NRC

Randy Hall, NMSS/SFPO
Steven Hom, NRR/DRIP
Brooke Smith, OGC

Applicant

Sam Behrends, LeBoeuf Lamb
Robert (Andy) Andersen, Leboeuf Lamb
Doug Johnson, MidAmerican Energy
John Andreasen, MidAmerican Energy
Jeff Erb, PacifiCorp
Steve Kramer, MilBank

The call was set up in response to a request from Mr. Sam Behrends of Leboeuf Lamb, who is representing MidAmerican Energy, who is buying PacifiCorp, a non-operating, co-owner of the Trojan ISFSI. PacifiCorp holds a 2.5% interest in the Trojan ISFSI. He is preparing a license transfer application in accordance with 72.50 to be submitted to NRC on June 30, 2005. The license transfer will not involve an amendment to the existing Trojan ISFSI license, as PacifiCorp will remain as a co-licensee following its acquisition by MidAmerican.

Mr. Behrends briefly reviewed the relationship of the companies involved in the acquisition of PacifiCorp. NWQ is the company that will acquire PacifiCorp; NWQ is a wholly-owned subsidiary of MidAmerican Holdings Company. MidAmerican Holdings is a subsidiary of MidAmerican Energy, which in turn, is owned by Berkshire Hathaway. MidAmerican Energy is a 1% foreign-owned company (currently, PacifiCorp is 100% foreign-owned) and has a 25% interest in the Quad Cities Nuclear Plant. Because the acquisition of PacifiCorp will be a pure cash transaction with no transfer of shares between companies, the acquisition will have no impact on MidAmerican's interest in Quad Cities.

Relative to the Trojan ISFSI, the license transfer will have no impact on operations. Portland General Electric will remain the majority partner and retain its 67.5% interest and will continue to operate the facility. PacifiCorp's continuing financial obligation toward the operation and decommissioning of the ISFSI is estimated at 5.6 million dollars.

One key issue in the license transfer application will involve the April 25, 2005, NRC exemption granted to the licensees regarding the requirements for financial assurance for ISFSI decommissioning. The NRC staff emphasized the need for the application to demonstrate how the bases for the existing exemption will remain valid following the proposed license transfer. The proposed transfer will not request any relief from the current limitations on PacifiCorp activities due to the foreign ownership interest, even though that interest is essentially being reduced from 100% to 1%.

The application will be submitted on June 30, 2005, with the request for NRC to issue its approval of the license transfer by the end of the year.

(Note: subsequent to the call, NRC staff present had an internal discussion regarding the noticing requirements for the action. 10 CFR Part 2, Subpart M requirements for noticing and opportunity for hearing should be reviewed for applicability to this case. Licensing assistants in NRR (S. Little and M. O'Brien) may have recent boilerplate notices of similar actions.)