

Lost Creek ISR, LLC

Request for Additional Information (RAI) for Lost Creek's ISR Facility Annual Reclamation Surety Estimate

April 16, 2013

Item 1: Modify the submission language to meet acceptance criteria to comply with regulation (NUREG-1569; 10 CFR 40, Appendix A, Criterion 9).

NUREG-1569, Section 6.5.3, recommends that licensees include certain statements in the cost estimate submission. The licensee should insert additional commitments in the surety to meet acceptance criterion in NUREG-1569, Section 6.5.3, as follows:

- Update the surety value annually “in response to changes in closure or decommissioning plans, and as necessitated by changes in the facility and its operations.” NUREG-1569, Section 6.5.3.7.
- Extend “the surety for an additional year if the U.S. Nuclear Regulatory Commission (NRC) has not approved a proposed revision thirty (30) days prior to the surety expiration date.” NUREG-1569, Section 6.5.3.8.
- Revise “the surety arrangement within three (3) months of the NRC approval of a revised closure (decommissioning) plan if estimated costs exceed the amount of the existing financial surety.” NUREG-1569, Section 6.5.3.9.
- Submit “for NRC approval an updated surety to cover any planned expansion or operational change not included in the annual surety update at least ninety (90) days prior to the beginning associated construction.” NUREG-1569, 6.5.3.11.
- Provide the “NRC with copies of surety-related correspondence submitted to a State, a copy of the State’s surety review, and the final approved surety arrangement.” If the surety is authorized to be held by the State, all appropriate costs are covered by the surety. NUREG-1569, Section 6.5.3.12.

Item 2: Clarify that the surety amount includes adjustments for inflation and that a basis for changes in plans is provided. (NUREG-1569, Appendix C10 CFR 40, Appendix A, Criterion 9).

NUREG-1569, Appendix C, Section VIII, states that “[t]he licensee is required by 10 CFR Part 40, Appendix A, Criterion 9, to adjust cost estimates annually to account for inflation and changes in reclamation plans.” Many of the licensee’s unit costs in the cost estimate are identical to last year’s submittal. In addition, unit costs related to cost per kilogallon have decreased while the overall surety has increased significantly. No basis appears to be given for the unit cost reduction in the estimate.

The NRC staff requests that the licensee clarify that the surety amount includes adjustments for inflation and a basis for the reduction in unit costs related to cost per kilogallon.

ENCLOSURE