

DOCKET NUMBER: 70-1257
LICENSE NUMBER: SNM-1227
LICENSEE: AREVA NP, INC.'s
RICHLAND FUEL FABRICATION FACILITY
SUBJECT: SAFETY EVALUATION REPORT REGARDING
DECOMMISSIONING COST ESTIMATE SUBMITTED ON
JANUARY 26, 2012 (TAC L33240)

BACKGROUND

By letter dated January 26, 2012 (Agencywide Documents Access and Management System Accession No. ML12032A068), AREVA NP, Inc. (AREVA) submitted a decommissioning cost estimate (DCE) for its Richland Fuel Fabrication Facility. In its submissions, including supplemental information, AREVA proposes a DCE of approximately \$38,875,393 which is approximately a \$4 million increase over its previous cost estimate (previous cost estimate \$34,836,169, July 9, 2009).

NRC FINANCIAL ASSURANCE REQUIREMENTS

Pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Part 70.25 (e)(1), AREVA, as the Part 70 licensee, must submit a Decommissioning Funding Plan (DFP) for review and approval including a detailed cost estimate for decommissioning.

U.S. Nuclear Regulatory Commission (NRC) staff utilizes NUREG-1757, Vol. 3, "Consolidated Decommissioning Guidance Financial Assurance, Recordkeeping, and Timeliness" as guidance to evaluate the DFPs submitted by Part 70 licensees.

DISCUSSION AND NRC STAFF EVALUATION

By letter dated February 12, 2013 (Accession No. ML13037A376), the staff sent a request for additional information (RAI) pertaining to the January 26, 2012, DCE. By letter dated March 12, 2013 (Accession No. ML13086A102), AREVA responded to the staff's RAIs. Additionally, AREVA provided supplemental information by e-mail dated April 22, 2013 (Accession No. ML13169A287), and June 20, 2013. Upon review of the licensees responses, the staff found the DCE acceptable as it meets the regulatory requirements of 10 CFR Part 70.25 (e)(1). Specifically, AREVA submitted a detailed cost estimate for decommissioning which: 1) reflects the cost of an independent contractor to perform decommissioning activities, 2) is based on unrestricted use, 3) includes an adequate contingency factor, 4) identifies and provides justification for key assumptions, and 5) provides a description of method of assuring funds for decommissioning.

ENVIRONMENTAL REVIEW

Approval of the requested changes is subject to the categorical exclusion provided in 10 CFR 51.22(c)(19). The NRC has previously found, as stated in 10 CFR 51.22(a), that this is a category of action that does not individually or cumulatively have a significant effect on the

human environment. Therefore, in accordance with 10 CFR 51.22(b), neither an Environmental Assessment nor an Environmental Impact Statement is required for the proposed action.

CONCLUSION

Based on its review, the NRC staff finds that AREVA has demonstrated that its DCE of \$38,875,393 is reasonable in accordance with the 10 CFR Part 70.25 requirements.

More specifically, based on the review of the January 26, 2012, submittal and AREVA's responses to RAIs, the NRC staff concludes that the submitted DCE is based on reasonable and documented assumptions, and that it reasonably estimates the cost, at this time, to decommission the facility. The staff also concludes that there is reasonable assurance that the proposed revisions to DCE once covered by the appropriate level of financial assurance will continue to provide adequate protection of public health, safety and protection of the environment. Accordingly, the staff concludes that the DCE meets the requirements of 10 CFR Part 70.25.