

UNITED STATES
NUCLEAR REGULATORY COMMISSION
OFFICE OF NUCLEAR REACTOR REGULATION
OFFICE OF NEW REACTORS
WASHINGTON, DC 20555-0001

October 21, 2014

**NRC REGULATORY ISSUE SUMMARY 2014-12:
DECOMMISSIONING FUND STATUS REPORT CALCULATIONS—UPDATE TO
LOW-LEVEL WASTE BURIAL CHARGE INFORMATION**

ADDRESSEES

All holders of an operating license for a nuclear power reactor under Title 10 of the *Code of Federal Regulations* (10 CFR) Part 50, "Domestic Licensing of Production and Utilization Facilities," including those who have certified that they have permanently ceased operations and fuel has been permanently removed from the reactor vessel.

All holders of and applicants for a power reactor combined license under 10 CFR Part 52, "Licenses, Certifications, and Approvals for Nuclear Power Reactors."

INTENT

The U.S. Nuclear Regulatory Commission (NRC) is issuing this regulatory issue summary (RIS) to inform licensees that they may use low-level waste (LLW) burial charge data contained in Revision 15 of NUREG-1307, "Report on Waste Burial Charges: Changes in Decommissioning Waste Disposal Costs at Low-Level Waste Burial Facilities," dated January 2013, when preparing their periodic decommissioning fund status (DFS) report. The next decommissioning funding status reports are due to the NRC by March 31, 2015. This is an administrative RIS and requires no action or written response from licensees.

BACKGROUND INFORMATION

Nuclear power reactor licensees are required by 10 CFR 50.75, "Reporting and Recordkeeping for Decommissioning Planning," to determine the minimum decommissioning funding amount required for their facility. Licensees provide this information to the NRC in the form of a DFS report due once every 2 years or once a year (reflecting operating versus active decommissioning status, respectively). The funding formula that licensees use to calculate the minimum decommissioning funding amount considers changes to three factors: (1) labor rates, (2) energy costs, and (3) the cost of LLW burial charges.

The U.S. Department of Labor's Bureau of Labor and Statistics calculates and reports changes in the first two factors: labor rates and energy costs. Every 2 years, NRC (through a contract with Pacific Northwest National Laboratories (PNNL)) calculates changes in the third factor: LLW burial costs. The NRC provides the updated information in NUREG-1307, usually through a revision published in December of every even-numbered year.

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Due to funding constraints in fiscal year 2014, the NRC was unable to fund the PNNL contract and consequently there will NOT be a December 2014 revision to NUREG-1307. This means that the NRC will NOT be publishing revised LLW burial charge data for licensees' March 2015 DFS reports.

SUMMARY OF ISSUE

Under 10 CFR 50.75(f), the NRC requires each operating nuclear power reactor licensee to report on a biennial basis on the status of decommissioning funding for each reactor or part of a reactor that it owns. Licensees with reactors within 5 years of shutdown, or that are shutdown, submit their DFS reports annually. Section 50.75(c) of the NRC regulations provides a table of minimum amounts, by reactor type and power level, including escalation factors, required to demonstrate reasonable assurance of adequate funds for decommissioning. This table is often referred to as the "minimum decommissioning funding formula." By showing in their DFS reports that they have or will have funds at least equal to the minimum amount required by § 50.75(c), licensees provide reasonable assurance of adequate funding for decommissioning. One of the escalation factors from 10 CFR 50.75(c) is for waste burial costs. Section 50.75(c)(2) references NUREG-1307 as the appropriate source for obtaining the escalation factor for LLW burial and disposition costs.

The table of minimum amounts required to demonstrate reasonable assurance of funds for decommissioning in § 50.75(c) is also applicable to reactor licensees in decommissioning. Nuclear power reactor licensees in active decommissioning are required by 10 CFR 50.82(a)(8)(v) to report to the NRC annually on the status of decommissioning funding. Licensees must submit the amount spent on decommissioning, both cumulative and over the previous calendar year, the remaining balance of any decommissioning funds, and the amount provided by other financial assurance methods being relied upon, as well as an estimate of the costs to complete decommissioning, reflecting any difference between actual and estimated costs for work performed during the year, and the decommissioning criteria upon which the estimate is based. Under Regulatory Guide 1.202 "Standard Format and Content of Decommissioning Cost Estimates for Nuclear Power Reactors," dated February 2005 (ADAMS Accession No. ML 050230008), in its annual submittal, a licensee should compare its site-specific decommissioning cost estimate with the minimum formula amount that is specified in 10 CFR 50.75(c).

Every 2 years, the NRC, in contract with PNNL, calculates a new adjustment factor for LLW burial and disposition costs. The agency publishes this information in a revision of NUREG-1307. Because of budget constraints, the NRC was not able to fund the contract with PNNL for the latest revision cycle of NUREG-1307, which would have produced Revision 16. For the DFS report due March 31, 2015, licensees should refer to the current revision to NUREG-1307 (Revision 15), published in January 2013. It contains the LLW burial and disposition cost adjustment that licensees can use to calculate their minimum decommissioning funding amount. Please find NUREG-1307, Revision 15, at <http://pbadupws.nrc.gov/docs/ML1302/ML13023A030.pdf>.

Revision 15 of NUREG-1307 provided current waste burial costs at the time of its publication in January 2013, for the Washington and South Carolina disposal sites. Licensees can factor these numbers into the adjustment formula, as specified in 10 CFR 50.75(c)(2), to determine the minimum decommissioning fund requirement for their nuclear facilities.

With LLW burial information from NUREG-1307, Revision 15, and with the most recent energy and labor data from the Bureau of Labor and Statistics, licensees will be able to perform their analyses and meet the NRC reporting requirements by March 31, 2015, under 10 CFR 50.75, for reporting minimum decommissioning costs of their nuclear facilities.

BACKFITTING AND ISSUE FINALITY DISCUSSION

This RIS informs the addressees that they can use Revision 15 of NUREG-1307 when preparing their DFS reports due to the NRC by March 31, 2015, because a newer version of NUREG-1307 will not be issued in 2014. The RIS requires no action or written response. Therefore, this RIS does not represent backfitting as defined in 10 CFR 50.109(a)(1), nor is it otherwise inconsistent with any issue finality provision in 10 CFR Part 52. Consequently, for this RIS, the NRC staff did not perform a backfit analysis or further address the issue finality criteria in Part 52.

FEDERAL REGISTER NOTIFICATION

The NRC did not publish a notice of opportunity for public comment on this RIS in the *Federal Register* because it pertains to an administrative aspect of the regulatory process that involves the voluntary submission of information on the part of addressees.

CONGRESSIONAL REVIEW ACT

This RIS is not a rule as defined in the Congressional Review Act (5 U.S.C. §§ 801–808).

PAPERWORK REDUCTION ACT STATEMENT

This RIS does not contain new or amended information collection requirements that are subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.). Existing requirements were approved by the Office of Management and Budget under approval number 3150-0011.

Public Protection Notification

The NRC may not conduct or sponsor, and a person is not required to respond to, an information collection unless the requesting document displays a currently valid Office of Management and Budget control number.

CONTACT

Please direct any questions about this matter to the technical contact listed below.

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Note: NRC generic communications may be found on the NRC public Web site,
<http://www.nrc.gov>, under NRC Library/Document Collections.

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