

December 9, 2015

Ms. Barbara A. Nick
President and Chief Executive Officer
Dairyland Power Cooperative
3200 East Avenue South
P.O. Box 817
La Crosse, WI 54602-0817

SUBJECT: LA CROSSE BOILING WATER REACTOR (LACBWR) – REQUEST
FOR AMENDMENT TO THE INDEMNITY AGREEMENT TO REFLECT
ADDITION OF THE INDEPENDENT SPENT FUEL STORAGE
INSTALLATION (CAC NO. L53060)

Dear Ms. Nick:

By letter dated May 21, 2015 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML15175A141), Dairyland Power Cooperative (DPC) submitted a request to the U.S. Nuclear Regulatory Commission (NRC) to implement an amendment to Indemnity Agreement B-62 for the La Crosse Boiling Water Reactor (LACBWR). The basis for this request was to ensure that the indemnity coverage at the facility extended to the recently constructed LACBWR Independent Spent Fuel Storage Installation (ISFSI).

In response to DPC's request, the NRC staff conducted a review to determine if an indemnity amendment should have been created during the initial construction of the LACBWR ISFSI, which entered operation in 2012. During the course of its review, the NRC staff noted that previous correspondence between DPC and the NRC had already concluded that the area where the LACBWR ISFSI was constructed was part of the NRC-licensed site under Facility Operating License DPR-45 (see letter dated May 8, 2008, at ADAMS Accession No. ML081120634). Even though the site configuration may have changed with construction of the ISFSI, the actual reactor site boundary did not change, and thus, the entire site licensed under DPR-45 in 1973 has continued to be indemnified.

Government indemnity provides liability coverage for a reactor site, regardless of the structures that are erected on the site. Thus, the property description contained in the indemnity agreement did not need to be changed as a result of the ISFSI construction. While the property and liability insurance coverages would have been updated to reflect the new ISFSI, the indemnity agreement would not have been revised.

Given the above discussion, the NRC staff has concluded that an amendment to LACBWR's indemnity agreement does not need to be drafted to account for construction of the ISFSI. LACBWR's entire 163.5 acre site was, and continues to be, indemnified under the current agreement. This completes the NRC staff's efforts in response to LACBWR's request and will close the subject review.

B. Nick

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In accordance with 10 CFR 2.390, "Public inspections, exemptions, requests for withholding," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component in ADAMS. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Should you have any questions regarding this action please contact me at 301-415-3178 or Marlayna.Vaaler@nrc.gov.

Sincerely,

/RA/

Marlayna Vaaler, Project Manager
Reactor Decommissioning Branch
Division of Decommissioning, Uranium Recovery,
and Waste Programs
Office of Nuclear Material Safety
and Safeguards

Docket Nos.: 50-409 and 72-046

License No.: DPR-45

cc: La Crosse Boiling Water
Reactor Service List

B. Nick

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Should you have any questions regarding this action please contact me at 301-415-3178 or Marlayna.Vaaler@nrc.gov.

Sincerely,

/RA/

Marlayna Vaaler, Project Manager
Reactor Decommissioning Branch
Division of Decommissioning, Uranium Recovery,
and Waste Programs
Office of Nuclear Material Safety
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NAME	M. Vaaler	C. Holston	A. Bowers	G. Kim	B. Watson
DATE	11/13/2015	11/18/2015	12/4/15	12/01/15	12/9/15

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