

February 12, 2016

NOTE

FROM: Christopher Ryder, Licensing Project Manager

SUBJECT: Conference Call: Westinghouse Triennial Update Of The Decommissioning Funding Plan - Expectations of Response to Request for Additional Information

INTRODUCTION

On November 30, 2015, the staff at the U.S. Nuclear Regulatory Commission (NRC) had a conference call with staff at the Westinghouse Electric Company LLC, Columbia Fuel Fabrication Facility (Ref. 1). The discussion continued on December 15, 2015, to discuss the expectation of the NRC staff as Westinghouse responds to a request for additional information (RAI) (Ref. 2), and in particular, RAI 3.

DATE AND TIME

December 15, 2015, at 1:30 PM (eastern)

PARTICIPANTS

<u>NRC</u>	<u>Westinghouse</u>
Christopher McKenney <sup>(a)</sup>	Douglas Weaver <sup>(d)</sup>
Kenneth Kline <sup>(b)</sup>	Nancy Parr <sup>(e)</sup>
Christopher Ryder <sup>(c)</sup>	Camille Zozula <sup>(f)</sup>

Notes

- a. Chief, Performance Assessment Branch, Division of Decommissioning, Uranium Recovery and Waste Programs, Office of Nuclear Material Safety and Safeguards
- b. Financial Technical Reviewer
- c. Licensing Project Manager
- d. Vice President, Nuclear Regulatory Affairs
- e. Licensing Manager
- f. Westinghouse

DISCUSSION

Draft Response to RAI 3

The NRC staff reviewed a draft of the Westinghouse response to RAI 3 and explained that it needs more detail to justify the key assumption of the disposition of SNM. The delineation between operations and decommissioning, and the location of SNM is unclear. The subject SNM takes the forms of UF<sub>6</sub> in 30B cylinders, powders, pellets, and fuel assemblies. Residual SNM is addressed by the DFP in work breakdown structure 1.3.

The NRC staff suggested that the discussion focus on topics of UF<sub>6</sub> cylinders owned by customers, UF<sub>6</sub> cylinders owned by Westinghouse, and other forms of SNM.

### 1. UF<sub>6</sub> Cylinders Owned by Entities Other Than Westinghouse

Westinghouse stated that pre-existing contracts are in place to have the customers claim their own UF<sub>6</sub> cylinders. The customers would assume the costs of retrieval. The NRC staff stated that they would expect an example of such contract language that is representative of all such contracts. Alternatively, Westinghouse could paraphrase or provide key elements and attributes such agreements. Enough information is needed for the NRC staff to understand what is in place and that the information submitted bounds all contracts. Westinghouse stated that they have deliverable management agreements. At the time of decommissioning, be it planned or sudden, the enrichers and the customers would have to negotiate the end-destination of the 30B cylinders and the SNM.

### 2. UF<sub>6</sub> Cylinders Owned By Westinghouse

Westinghouse has about 120 of their own UF<sub>6</sub> cylinders for leveling production. At the time of decommissioning, Westinghouse would make arrangements to have the UF<sub>6</sub> cylinders removed from the site. The NRC staff stated that they expect a definitive plan in place, just as there is in the DFP for removing residual contamination. The plan has to specify an end-destination. If decommissioning were to occur suddenly, time to make such arrangements may be unavailable. If no arrangements have been made as such, costs have to be accounted in the DFP.

Westinghouse stated that there are optional places to send the Westinghouse-owned UF<sub>6</sub> cylinders. It is not uncommon for Westinghouse to exchange UF<sub>6</sub> cylinders with GNFA and AREVA for business purposes. Also, Westinghouse has fuel fabrication facilities in places such as Sweden and England, where the material could be sent. The SNM inside the 30B cylinder does not "belong" to Westinghouse, but to DOE. The NRC staff stated that documentation is expected to demonstrate that DOE holds title to the SNM and would take the UF<sub>6</sub> cylinders from the site. If plans are to send the UF<sub>6</sub> cylinder to foreign Westinghouse facilities, then supporting documentation is expected to demonstrate that this can be done.

### 3. Other Forms of SNM

Westinghouse stated that utilities would retrieve their fuel assemblies. Utilities and enrichers are not authorized to take UO<sub>2</sub> powder and pellets. UO<sub>2</sub> powder, pellets and fuel rods would be processed into assemblies for removal from the site. This would be done prior to decommissioning.

#### Basis for Sudden Decommissioning Scenario

Westinghouse asked about the basis, be it regulatory or guidance, for a concept by the NRC staff of allowances being necessary for sudden shutdown. Westinghouse is required to notify the NRC if the company is in financial distress. Westinghouse has disaster recovery plans and insurance for these unlikely circumstances. The NRC staff stated that guidance is for decommissioning under routine conditions.

The NRC staff explained that stated "sudden" should be taken as a "snapshot" of the state of the facility. The rule (Ref. 3) states that decommissioning is to be based on average conditions. While long term planning is preferable, circumstance may arise, such as an accident, which may preclude planning in the long term.

## Information Additional To The Subject Conference Call

Page 4-11 of Reference 2 states that the cost estimate should not take credit for any salvage value that might be realized from the sale of potential assets during or after decommissioning or reduced taxes that might result from payment of decommissioning costs or site control and maintenance costs. Page A-22 states that the site-specific cost estimate must assume that the decommissioning work should represent the licensee's best approximation of all direct and indirect costs of decommissioning its facilities under routine facility conditions. The assumption that routine facility conditions will prevail at the time of decommissioning implies that the cost estimate need not consider a worst-case decommissioning scenario. Inventories of materials and wastes at the time of decommissioning will be in amounts that are consistent with routine facility conditions.

### FOLLOW-UP ACTIONS

Westinghouse will articulate its plan in writing and submit it to NRC. This requires preplanning, not just waiting until the time of decommissioning as decommissioning may occur for various reasons including unforeseen reasons.

Westinghouse will submit a revised draft of their response to RAI 3 by mid-January 2016. Westinghouse will submit their responses to the remaining RAIs by the end of December 2015 so that the NRC staff can continue with their review of the DFP. At the request of the NRC staff, Westinghouse will send an e-mail to the NRC stating that additional time is needed to address RAI 3 so that the NRC staff has a basis for extending the review schedule beyond the 150-day metric of a routine review.

### REFERENCES

1. Note from C. Ryder, U.S. Nuclear Regulatory Commission, "Summary of Conference Call — Westinghouse Triennial Update Of The Decommissioning Funding Plan", January 8, 2016. ADAMS accession number ML16011A206.
2. Letter to N. Parr, Westinghouse Electric Company LLC, "Request For Additional Information: Triennial Update Of The Decommissioning Funding Plan (Technical Assignment Control Number L33376)", November 17, 2015. ADAMS accession number ML15264B004.
3. Federal Register, Vol. 76, No. 117, page 35512 to 35575, June 17, 2011.
4. U.S. NRC, "Consolidated Decommissioning Guidance: Financial Assurance, Recordkeeping, and Timeliness, Final Report" NUREG-1757, Vol. 3, Rev. 1, February 2012. ADAMS accession number ML12048A683.