

February 25, 2016

Mr. Stephen M. Quennoz, Vice President  
Nuclear & Power Supply/Generation  
71760 Columbia River Hwy  
Rainier, OR 97048

SUBJECT: NRC'S ANALYSIS OF PORTLAND GENERAL ELECTRIC COMPANY'S  
DECOMMISSIONING FUNDING PLAN FOR TROJAN INDEPENDENT SPENT  
FUEL STORAGE INSTALLATION

Dear Mr. Quennoz:

By letter dated December 13, 2012, Portland General Electric Company (PGE), on behalf of PGE, the City of Eugene, Oregon, and PacifiCorp, submitted, for U.S. Nuclear Regulatory Commission (NRC) staff review and approval, the decommissioning funding plan (DFP) for the Trojan Independent Spent Fuel Storage Installation (ISFSI) (Agencywide Documents Access and Management System (ADAMS) Accession No. ML12355A286).

Pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Section 72.30(b), each holder of, or applicant for, a license under Part 72 must submit for NRC review and approval a DFP containing information on how reasonable assurance will be provided that funds will be available to decommission its ISFSI. The DFP must contain a detailed decommissioning cost estimate (DCE), in an amount reflecting: (1) the cost of an independent contractor to perform all decommissioning activities, (2) an adequate contingency factor, and (3) the cost of meeting the 10 CFR 20.1402 unrestricted use criteria (or the cost of meeting the 10 CFR 20.1403 restricted use criteria, provided the licensee can demonstrate its ability to meet these criteria). The licensee's DFP must also identify and justify using the key assumptions contained in the DCE. Further, the DFP must describe the method of assuring funds for ISFSI decommissioning, including means for adjusting cost estimates and associated funding levels periodically over the life of the ISFSI. Additionally, the DFP must specify the volume of onsite subsurface material containing residual radioactivity that will require remediation to meet the criteria for license termination, and contain a certification that financial assurance for the ISFSI decommissioning has been provided in the amount of the DCE.

The NRC staff reviewed and analyzed the information submitted by PGE on how reasonable assurance will be provided that funds will be available to decommission the ISFSI, including the amount of the DCE and the method of assuring funds for decommissioning.

PGE estimates that the total cost to decommission the Trojan ISFSI for unrestricted use is \$5,720,000. Based on the staff analysis, the staff finds that the submitted DCE is based on reasonable costs of a third party contractor; includes an adequate contingency factor; and is based on reasonable and documented assumptions. Therefore, the NRC finds that the DCE adequately estimates the cost, at this time, to carry out required ISFSI decommissioning activities prior to license termination, and that the DCE is acceptable.

PGE and PacifiCorp currently rely on decommissioning trust fund assets as financial assurance for the ISFSI decommissioning, a method authorized by 10 CFR 72.30(e). The City of Eugene, Oregon, relies on a Statement of Intent from the Eugene Water & Electric Board (EWEB) as financial assurance for the ISFSI decommissioning, a method authorized by 10 CFR 72.30(e). EWEB is a government agency with a contractual agreement with Bonneville Power Administration (BPA), a power marketing agency under the U.S. Department of Energy, obligating BPA to pay costs associated with EWEB's share of Trojan, including the decommissioning costs. The NRC staff finds that the aggregate dollar amount of the licensees' financial instrument provides adequate financial assurance to cover the cost estimate.

Accordingly, the NRC finds that the DFP contains the information required by 10 CFR 72.30(b) and PGE has provided reasonable assurance that funds will be available to decommission the Trojan ISFSI.

On February 8, 2016, the NRC published an Environmental Assessment (EA) and Finding of No Significant Impact (FONSI) in the *Federal Register* (81 FR 6549). The NRC staff determined there were no environmental impacts from the NRC's analysis of PGE's DFP.

If you have any questions regarding this matter, please contact me or Richard Baum at (301) 415-0018.

Sincerely,

/RA/

Steve Ruffin, Acting Branch Chief  
Spent Fuel Licensing Branch  
Division of Spent Fuel Management  
Office of Nuclear Material Safety  
and Safeguards

Docket No.: 72-17

License No. SNM-2509

CAC No: L24818

cc: See attached list

PGE and PacifiCorp currently rely on decommissioning trust fund assets as financial assurance for the ISFSI decommissioning, a method authorized by 10 CFR 72.30(e). The City of Eugene, Oregon, relies on a Statement of Intent from the Eugene Water & Electric Board (EWEB) as financial assurance for the ISFSI decommissioning, a method authorized by 10 CFR 72.30(e). EWEB is a government agency with a contractual agreement with Bonneville Power Administration (BPA), a power marketing agency under the U.S. Department of Energy, obligating BPA to pay costs associated with EWEB's share of Trojan, including the decommissioning costs. The NRC staff finds that the aggregate dollar amount of the licensees' financial instrument provides adequate financial assurance to cover the cost estimate.

Accordingly, the NRC finds that the DFP contains the information required by 10 CFR 72.30(b) and PGE has provided reasonable assurance that funds will be available to decommission the Trojan ISFSI.

On February 8, 2016, the NRC published an Environmental Assessment (EA) and Finding of No Significant Impact (FONSI) in the *Federal Register* (81 FR 6549). The NRC staff determined there were no environmental impacts from the NRC's analysis of PGE's DFP.

If you have any questions regarding this matter, please contact me or Richard Baum at (301) 415-0018.

Sincerely,

/RA/

Steve Ruffin, Acting Branch Chief  
Spent Fuel Licensing Branch  
Division of Spent Fuel Management  
Office of Nuclear Material Safety  
and Safeguards

Docket No.: 72-17

License No. SNM-2509

CAC No: L24818

cc: See attached list

G:\SFST\72.30 Decommissioning Funding Plans\Trojan-First Round\72 30 close-out letter for Trojan.docx

**ADAMS P8 Accession No.: ML16060A364**

<b>OFC</b>	DSFM		DSFM		DSFM		
<b>NAME</b>	RBaum		WWheatley		SRuffin		
<b>DATE</b>	2/12/16		2/17/16		2/25/16		

C = COVER E = COVER & ENCLOSURE N = NO COPY

**OFFICIAL RECORD COPY**

cc:

Bradley Y. Jenkins  
Vice-President, Power Supply generation  
Portland General Electric  
121 SW Salmon  
Portland, OR 97204

Chairman of the Board of County  
Commissioners  
Columbia County  
St. Helens, OR 97501

Mr. Todd Cornett, Siting Division Administrator  
Oregon Department of Energy  
625 Marion Street, NE  
Salem, OR 97301-3742

Regional Administrator, Region IV  
U.S. Nuclear Regulatory Commission  
1600 East Lamar Boulevard  
Arlington, TX 76011-4511

Mark E. Tursa  
PGE Trojan ISFSI Manager  
71760 Columbia River Hwy  
Rainier, OR 97048

Lloyd K. Marbet, Executive Director  
Oregon Conservancy Foundation  
19140 SE Bakers Ferry Road  
Boring, OR 97009

Jay Dudley, Esq.  
Vice President, General Counsel  
and Corporate Compliance Officer  
Portland General Electric  
121 S.W. Salmon Street  
Portland, OR 97204