

Gaskins, Kimberly

From: Cuadrado, Leira
Sent: Tuesday, April 26, 2016 4:51 PM
To: Johnson, Robert
Cc: Baker, Merritt
Subject: Conference Call Summary between NRC and AREVA Inc. Regarding Decommissioning Funding Plan

Robert,

On April 5, 2016, staff held a conference call with representatives from AREVA, Inc. (AREVA) to discuss additional information needed for the review of AREVA's triennial submission of their Decommissioning Funding Plan (DFP). Staff explained the following bulleted points:

- Additional information is needed to find response to RAI 1 acceptable. RAI 1 relates to revising the DFP to account for the impact of a possession limit increase on decommissioning costs. Title 10 of the *Code of Federal Regulations* (10 CFR) paragraph 70.25(e)(2)(v) requires that licensees specifically consider the effect that changes in authorized possession limit have on decommissioning costs.
- The Decommissioning Cost Estimate (DCE) needs to account for any increase in possession limits and the total amount of material on site.
- 10 CFR 70.25(e)(1)(i)(A) requires that the decommissioning cost estimate reflect "the cost of an independent contractor to perform all decommissioning activities."
- NUREG-1757, Volume 3, Rev. 1, Section A.3.1 states that the cost estimate should reflect "all direct and indirect costs of decommissioning its facility under routine facility conditions."
- AREVA's working stock inventory of UF6 needs to be addressed in the DCE unless they can justify and describe a viable pathway for the destination of the 10-13 cylinders that AREVA usually owns.
- For the inventory that is owned by AREVA's customers, AREVA needs to provide a supporting documentation or statement that the owner is legally responsible for packaging, loading, and transportation of its material to its end destination or reflect this cost in the DCE
- For the inventory that is owned by USEC customers (storage only), AREVA needs to provide a supporting documentation or statement that the owner is legally responsible for packaging, loading, and transportation of its material to its end destination or reflect this cost in the DCE
- Additionally, NRC staff requested AREVA to explain the path-way for the end destination for material that is in processing. For example, how long it takes for material to be processed into fuel assemblies and also who is responsible for the cost for packaging, loading, and transportation of the assemblies and any incidental waste of this process. This request was not part of the formal RAIs sent but it became a focus area during the DFP review of similar facilities. To increase public confidence in NRC findings and for consistency purposes, the NRC will be addressing this area in the Safety Evaluation Report for the AREVA DFP.

This discussion was followed by questions and answers between staff and AREVA to obtain mutual understanding of the aforementioned points. Below the highlights of the discussion.

- AREVA described their understanding of “routine facility condition” in light of the DFP. AREVA argues that an orderly shut-down is likely for this fuel fabrication facility and that material in process, inventory, finished product, and any waste will be returned to its owner or dispositioned appropriately in a timely manner and prior to entering decommissioning. This is due to the need of expertise and highly qualified staff needed to perform shut-down activities, especially for the material in processing. For AREVA, handling all the inventory is part of routine facility operations and therefore justifies the key assumption that all the inventory will be removed prior to entering decommissioning.
- AREVA will evaluate different scenarios that may explain viable pathway for each of the category of material described above; as an example, explain the final destination for the inventory in case AREVA encounters financial hardship.
- NRC staff indicated the DCE doesn't needs to account for the total possession limit but for average inventory at the facility.
- AREVA requested the background/rationale for the recent decommissioning planning rule of 2012. Staff will provide this rationale together with the FRN for the final rule and any related documentation.

Participants:

- Calvin Manning, AREVA Inc.
- Loren Maas, AREVA, Inc.
- Tim Tate, AREVA Inc.

- Chris McKenney, NRC
- Ken Kline, NRC
- Robert Johnson, NRC
- Leira Cuadrado, NRC

This conference call summary will be docketed and available to the public in ADAMS.
Thanks,

Leira Cuadrado

Project Manager
NMSS/FCSE/FMB