

From: [Ramsey, Kevin](#)
To: [Wheeler, Jennifer K](#); [Morie, Amaryl A](#); [Droke, Rik P](#); [Kline, Kenneth](#); [McKenney, Christopher](#)
Subject: Final Summary of 7/28 Call w/NFS
Date: Monday, August 08, 2016 10:33:00 AM

A conference call was conducted on July 28, 2016, between NRC staff and Nuclear Fuel Services (NFS) regarding the update to the decommissioning cost estimate. The following individuals participated:

Kevin Ramsey, NRC
Ken Kline, NRC
Chris McKenney, NRC
Amaryl Morie, NFS
Jennifer Wheeler, NFS
Rik Droke, NFS

NRC noted that the recent response to its request for additional information (RAI) provided enough information to close RAI-1, RAI, 2 and RAI-3. The purpose of the call is to gather some additional information to close RAI-4 (cost of security) and RAI-5 (cost of inventory disposal).

RAI-5:

- Additional information is needed for the NRC staff to find that there is a reasonable basis for excluding the cost of inventory disposal from the decommissioning cost estimate. The written response already submitted states that the U.S. Government retains title to all high-enriched uranium (HEU), even the HEU declared surplus and authorized for downblending to commercial fuel. NRC staff asked when the title of downblended material transfers to the customer – immediately after downblending, or only upon delivery of the final product. NFS stated that they would need to check on the title transfer. However, the title is either held by the supplier (U.S. Government) or the customer. It is never held by NFS.
- The additional information should note that the HEU is a National Security Concern and it can only be transported by the DOE Office of Secure Transport. NFS may wish to note that it is exempted from the requirement for a transportation security plan because the HEU is only transported by the DOE transportation system.
- The additional information should state that NFS has spoken with its customers/contract partners and they have indicated that they intend to come pick-up their material if NFS has to shut down. If there are existing contract commitments to pick-up material, that information would be useful to the NRC. Where no contract commitments exist, a commitment to pursue such commitments in future contracts would be useful also.

RAI-4:

- Additional information is needed for NRC to find that the cost estimate covers miscellaneous expenses such as security and regulatory fees. The written response already submitted states that such items are covered by labor overhead rates. NRC staff asked if NFS could provide a breakdown of the overhead costs showing how much money goes towards security and other items. NFS said a breakdown wasn't available and it may be difficult to provide one. NRC acknowledged that the cost of high-level security wouldn't apply if we assume that

the HEU inventory has been removed before decommissioning starts. However, the cost of lower-level security still needs to be addressed.

- In addition, the cost of regulatory fees needs to be addressed. NFS noted that the overhead labor rates used currently are based on its current, high-level security program and its current regulatory fees for HEU processing. The security costs and regulatory fees will be much lower when the site is decommissioning and no longer processing HEU. NRC staff agreed and noted that any dollar figures, even ball park figures, would help it make a finding that the labor overhead rates were sufficient to cover miscellaneous costs.

Follow-up action: NFS stated that it could have a draft of the additional information ready by next week. It was agreed that another call could be conducted to verify that the information resolved NRC concerns before it was formally submitted.