

NRR-PMDAPem Resource

From: BLOME, BRADLEY H <bblome@oppd.com>
Sent: Tuesday, May 16, 2017 11:18 AM
To: Kim, James; Dusaniwskyj, Michael
Cc: MATZKE, ERICK P
Subject: [External_Sender] OPPD FCS decommissioning financial reports
Attachments: NRC clarification.pdf

References:

1. Letter from OPPD (M. J. Fisher) to US NRC (Document Control Desk), "Fort Calhoun Station, Unit No. 1, 2017 Biennial Decommissioning Funding Status Report," Dated March 24, 2017 (LIC-17-0021) (ML17083B297)
2. Letter from OPPD (M. J. Fisher) to USNRC (Document Control Desk), "Fort Calhoun Station, Unit No. 1, Post-Shutdown Decommissioning Activities Report," dated March 30, 2017 (LIC-17-0033) (ML 17089A759)
3. Letter from OPPD (M. J. Fisher) to US NRC (Document Control Desk), "Fort Calhoun Station Irradiated Fuel Management Plan," Dated March 31, 2017 (LIC-17-0031) (ML 17093A594)

Based on information from the recent NRC public meeting to "Discuss New Potential Regulations for Power Reactor Decommissioning," Omaha Public Power District (OPPD) is providing the following clarifications in support of the Fort Calhoun Station (FCS) Biennial Decommissioning Funding Status Report (Reference 1), Post-Shutdown Decommissioning Activities Report (PSDAR) and Decommissioning Cost Estimate (DCE) (Reference 2), and Irradiated Fuel Management Plan (IFMP) (Reference 3).

Clarification 1

The cash flows reported in the Biennial Funding Report and in the PSDAR/DCE and IFMP appear to be different but are not. The cash flows included in the PSDAR/DCE and IFMP are based on 2016 dollars as noted in the various table headings (e.g. Table 2 on Page *xx of xxii* of the DCE) and the dollars in the Biennial Funding Report were adjusted for inflation as noted on page 2, section D of the report. The inflation rates used to convert the cash flows are included in Attachment D of Biennial Funding Report.

Clarification 2

Page 2, section C, and Attachment C of Biennial Funding Report and Table 4 of the IFMP contain information on Annual Decommissioning Fund Collections. The reports note the collections are a combination of District Funds ("cost of service" electric rates) and Department of Energy (DOE) reimbursement of spent fuel costs. It is OPPD's intention to fund the collections from District Funds. If OPPD would receive any DOE reimbursements, those amounts would be used by OPPD to supplement the District funds. The DCE clearly delineates this basis as stated in Footnote 4 on page *viii of xxii* as follows:

"Projected expenditures for spent fuel management identified in the cost analyses do not consider the outcome of the litigation (including compensation for damages) with the DOE with regard to the delays incurred by the OPPD in the timely removal of spent fuel from the site. As such, this analysis takes no credit for collection of damages, even though utilities are now routinely being awarded such damages in the courts. Collection of spent fuel damages from the DOE is expected to provide the majority of funds needed for spent fuel management."

The above clarifications should resolve any potential confusion between the three referenced submittals.

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