NUCLEAR REGULATORY COMMISSION

Docket No. 50-285

Omaha Public Power District

Fort Calhoun Station, Unit No. 1

Exemption

I. Background.

The Fort Calhoun Station, Unit 1 (FCS) site is located midway between Fort Calhoun and Blair, Nebraska, on the west bank of the Missouri River. The FCS facility includes one Combustion Engineering pressurized water reactor licensed to operate at power levels not to exceed 1500 megawatts thermal. The distance from the reactor containment to the nearest site boundary is approximately 910 meters (.6 miles). Except for the city of Blair and the villages of Fort Calhoun and Kennard, the land use within the 10-mile radius of FCS is devoted to general farming.

Omaha Public Power District (OPPD) is the holder of Renewed Facility Operating License No. DPR-40. The license provides, among other things, that the facility is subject to all rules, regulations, and orders of the NRC now or hereafter in effect.

By letter dated June 24, 2016 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML16176A213), OPPD submitted a certification pursuant to part 50 of title 10 of the *Code of Federal Regulations* (10 CFR) paragraph 50.82(a)(1)(i) to the NRC indicating that it would permanently shut down FCS by December 31, 2016. On October 24, 2016, OPPD permanently ceased power operations at FCS. On November 13, 2016, OPPD submitted a certification pursuant to 10 CFR 50.82(a)(1)(ii) that it had permanently removed all fuel from the FCS reactor vessel and placed the fuel into the FCS spent fuel pool (SFP)

(ADAMS Accession No. ML16319A254). Accordingly, upon docketing the certificates pursuant to 10 CFR 50.82(a)(2), the FCS renewed facility operating license no longer authorized operation of the reactor or emplacement or retention of fuel in the reactor vessel. However, the licensee remains authorized to possess and store irradiated nuclear fuel. Irradiated fuel is currently being stored onsite in a SFP and in independent spent fuel storage installation (ISFSI) dry casks.

II. Request/Action.

Pursuant to 10 CFR 140.8, "Specific exemptions," OPPD has requested an exemption from 10 CFR 140.11(a)(4), by letter dated April 28, 2017 (ADAMS Accession No. ML17118A336). The exemption from 10 CFR 140.11(a)(4) would permit the licensee to reduce the required level of primary financial protection from $450,000,000 to $100,000,000, and to withdraw from participation in the secondary layer of financial protection (also known as the secondary retrospective rating pool for deferred premium charges), no earlier than April 7, 2018.

The regulation in 10 CFR 140.11(a)(4) requires each licensee to have and maintain financial protection. For a single unit reactor site, which has a rated capacity of 100,000 kilowatts electric or more, 10 CFR 140.11(a)(4) requires the licensee to maintain $450 million in primary financial protection. In addition, the licensee is required to participate in a secondary retrospective rating pool (secondary financial protection) that commits each licensee to additional damages that may exceed primary insurance coverage. Participation in the secondary retrospective rating pool could potentially subject OPPD to deferred premium charges up to a maximum total deferred premium of $121,255,000 with respect to any nuclear incident at any operating nuclear power plant, and up to a maximum annual deferred premium of $18,963,000 per incident.

The licensee states that the risk of an offsite radiological release is significantly lower at a nuclear power reactor that has permanently shut down and defueled, when compared to an operating power reactor. Similarly, it states that the associated risk of offsite liability damages is commensurately lower for permanently shut down and defueled plants. The licensee has therefore requested an exemption from 10 CFR 140.11(a)(4) to allow a reduction in offsite liability insurance coverage commensurate with the significantly reduced risks associated with a permanently defueled reactor.

III. Discussion.

Pursuant to 10 CFR 140.8, the Commission may, upon application of any interested person or upon its own initiative, grant such exemptions from the requirements of the regulations in 10 CFR Part 140, when the exemptions are authorized by law and are otherwise in the public interest. The NRC staff has reviewed OPPD's request for an exemption from 10 CFR 140.11(a)(4) and has concluded that the requested exemption is authorized by law and is otherwise in the public interest.

The Price Anderson Act of 1957, as amended, (PAA) requires that nuclear power reactor licensees have insurance to compensate the public for damages arising from a nuclear incident. Specifically, the PAA requires licensees of facilities with a "rated capacity of 100,000 electrical kilowatts or more" to maintain the maximum amount of primary offsite liability insurance commercially available (currently, $450,000,000) and a specified amount of secondary financial protection (currently, up to $121,255,000 per reactor). In the event of an accident causing offsite damages in excess of $450,000,000, each licensee would be assessed a prorated share of the excess damages, up to $121,255,000 per reactor, for a total of approximately $13 billion per nuclear incident. The NRC's regulations at 10 CFR 140.11(a)(4) implement these PAA

insurance requirements and set forth the amount of primary and secondary financial protection each power reactor licensee must have.

As noted above, the PAA requirements with respect to primary and secondary financial protection, and the implementing regulations at 10 CFR 140.11(a)(4), apply to licensees of facilities with a "rated capacity of 100,000 electrical kilowatts or more." When the NRC issues a license amendment to a decommissioning licensee to reflect the defueled status of the facility, the license amendment includes removal of the rated capacity of the reactor from the license. Accordingly, a reactor that is undergoing decommissioning has no "rated capacity." Removal of the rated capacity from the facility of a decommissioning licensee, thus, allows the NRC to take the reactor licensee out of the category of reactor licensees that are required to maintain the maximum available insurance and to participate in the secondary retrospective insurance pool under the PAA, subject to a technical finding that lesser potential hazards exist at the facility after termination of operations.

The financial protection limits of 10 CFR 140.11(a)(4) were established to require a licensee to maintain sufficient insurance, as specified under the PAA, to satisfy liability claims by members of the public for personal injury, property damage, and the legal cost associated with lawsuits, as the result of a nuclear incident at an operating reactor with a rated capacity of 100,000 kilowatts electric (or greater). Thus, the insurance levels established by this regulation, as required by the PAA, were associated with the risks and potential consequences of an accident at an operating reactor with a rated capacity of 100,000 kilowatts electric (or greater). The legal and associated technical basis for granting exemptions from 10 CFR Part 140 is set forth in SECY-93-127. The legal analysis underlying SECY-93-127 concluded that, upon a technical finding that lesser potential hazards exist after termination of operations (and removal of the rated capacity), the Commission has the discretion under the PAA to reduce the amount of insurance required of a licensee undergoing decommissioning.

As a technical matter, the fact that a reactor has permanently ceased operation is not itself determinative as to whether a licensee may cease providing the offsite liability coverage required by the PAA and 10 CFR 140.11(a)(4). In light of the presence of freshly discharged irradiated fuel in the SFP at a recently shutdown reactor, the primary consideration is the risk of an offsite radiological release from a zirconium fire. That risk generally remains for about 15 to 18 months of decay time for the fuel used in the last cycle of power operation. After that time, the offsite consequences of an offsite radiological release from a zirconium fire are negligible for shutdown reactors, but the SFP is still operational and an inventory of radioactive materials still exists onsite. Therefore, an evaluation of the potential for offsite damage is necessary to determine the appropriate level of offsite insurance post shutdown, in accordance with the Commission's discretionary authority under the PAA to establish an appropriate level of required financial protection for such shutdown facilities.

The NRC staff has conducted an evaluation and concluded that, aside from the handling, storage, and transportation of spent fuel and radioactive materials for a permanently shut down and defueled reactor, and hypothetical rupture of a large liquid radioactive waste tank, no reasonably conceivable potential accident exists that could cause significant offsite radiological release. During normal power reactor operations, the forced flow of water through the Reactor Coolant System (RCS) removes heat generated by the reactor. The RCS, operating at high temperature and pressure, transfers this heat through the steam generator tubes converting non-radioactive feedwater to steam, which then flows to the main turbine generator to produce electricity. Most of the accident scenarios postulated for operating power reactors involve failures or malfunctions of systems that could affect the fuel in the reactor core, which in the most severe postulated accidents, would involve the release of large quantities of fission products. With the permanent cessation of reactor operations at FCS and the permanent removal of the fuel from the reactor core, such accidents are no longer possible. The reactor, RCS, and supporting systems no longer operate and have no function related to the storage of

the irradiated fuel. Therefore, postulated accidents involving failure or malfunction of the reactor, RCS, or supporting systems are no longer applicable.

During reactor decommissioning, the principal radiological risks are associated with the storage of spent fuel onsite. On a case-by-case basis, licensees undergoing decommissioning have been granted permission to reduce the required amount of primary offsite liability insurance coverage from $450,000,000 to $100,000,000 and to withdraw from the secondary insurance pool.[1] The technical criteria for granting the exemption are that the possibility of both design-basis event and beyond design-basis event that could cause significant offsite radiological release have been eliminated. In its December 16, 2016 (ADAMS Accession No. ML16356A578), exemption request, OPPD describes both design-basis and beyond-design-basis events involving irradiated fuel stored in the SFP. The staff independently evaluated the offsite consequences associated with various decommissioning activities, design basis accidents, and beyond design basis accidents at FCS, in consideration of its permanently shut down and defueled status. The possible design-basis and beyond design basis accident scenarios at FCS show that the radiological consequences of these accidents are greatly reduced at a permanently shut down and defueled reactor, in comparison to a fueled reactor. Further, the staff has used the offsite radiological release limits established by the U.S. Environmental Protection Agency (EPA) early-phase Protective Action Guidelines (PAGs) of one roentgen equivalent man (rem) at the exclusion area boundary in determining that any possible radiological releases would be minimal and would not require precautionary protective actions (e.g., sheltering in place or evacuation), which could result in offsite liability.

The only design-basis accidents that could potentially result in an offsite radiological release at FCS, following its permanent shutdown and defueling, are the Fuel Handling Accident (FHA) and rupture of a large liquid radioactive waste tank. OPPD performed an analysis

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1 *See* Memorandum from William D. Travers, Executive Director for Operations, to the Commission (August 16, 2002) (ADAMS Accession No. ML030550706).

demonstrating that 10 days after shutdown, the radiological consequences of a FHA would not exceed the limits established by the EPA PAGs at the exclusion area boundary. In case of a rupture of a large liquid radioactive waste tank in the December 16, 2016 letter, the FCS radioactive waste disposal system is designed such that any spillage or leakage of radioactive waste would be retained within the facility. After 18 months of decay, the only isotope remaining in significant amounts, among those postulated to be released from the gaseous release associated with a liquid waste tank failure (LWTF), would be Krypton 85. The resulting skin dose from the release of Krypton 85 would make an insignificant contribution to the total effective dose equivalent, which is the parameter of interest in the determination of EPA PAGs for sheltering or evacuation. Accordingly, based on the time that FCS has been permanently shutdown (approximately 18 months), the staff has determined that the possibility of an offsite radiological release from design-basis accidents that could exceed the EPA PAGs has been eliminated. Therefore, any offsite consequence from a design basis radiological release is unlikely.

The only beyond design-basis event that has the potential to lead to a significant radiological release at a permanently shut down and defueled (decommissioning) reactor is a zirconium fire. The zirconium fire scenario is a postulated, but highly unlikely, accident scenario that involves the loss of water inventory from the SFP, resulting in a significant heat-up of the spent fuel and culminating in substantial zirconium cladding oxidation and fuel damage. The probability of a zirconium fire scenario is related to the decay heat of the irradiated fuel stored in the SFP. Therefore, the risks from a zirconium fire scenario continue to decrease as a function of the time that FCS has been permanently shut down.

The licensee's analyses referenced in its exemption request demonstrate that under conditions where the SFP water inventory has drained and only air-cooling of the stored irradiated fuel is available, there is reasonable assurance as of April 7, 2018, that the FCS spent fuel will remain at temperatures far below those associated with a significant radiological

release. In addition, the licensee's adiabatic heat-up analyses demonstrate that as of April 7, 2018, there would be at least 10 hours after the loss of all means of cooling (both air and/or water), before the spent fuel cladding would reach a temperature where the potential for a significant offsite radiological release could occur. The licensee maintains strategies and equipment to cool the spent fuel in the unlikely event coolant is lost, and the 10-hour adiabatic heating time would provide sufficient time for personnel to respond with on-site equipment to restore a means of spent fuel cooling. In OPPD's letter dated December 16, 2016, the licensee furnished information concerning its SFP inventory makeup strategies, in the event of a loss of SFP coolant inventory. The multiple strategies for providing makeup to the SFP include: using existing plant systems for inventory makeup; an internal strategy that relies on the fire protection system with redundant pumps (one diesel-driven and electric motor-driven); and onsite diesel fire truck that can take suction from the Missouri River. These strategies are maintained by a license condition. The licensee also stated that, considering the very low-probability of beyond design-basis accidents affecting the SFP, these diverse strategies provide defense-in-depth and time to mitigate and prevent a zirconium fire, using makeup or spray into the SFP before the onset of zirconium cladding rapid oxidation.

By letter dated October 4, 2017 (ADAMS Accession No. ML17277B665), OPPD provided a response to the NRC staff's request to address air-cooling of fuel in a drained pool. In the attachment to this letter, the licensee compared FCS fuel storage parameters with those used in NRC generic evaluations of fuel cooling included in the following documents:

- NUREG/CR-4982, "Severe Accidents in Spent Fuel Pools in Support of Generic Safety Issue 82," June 1987; and
- NUREG/CR-6451, "A Safety and Regulatory Assessment of Generic BWR [Boiling-Water Reactor] and PWR [Pressurized-Water Reactor] Permanently Shutdown Nuclear Power Plants," April 1997 (ADAMS Accession No. ML082260098).

The analysis described in NUREG/CR-6451 determined that natural air circulation would adequately cool fuel that has decayed for 17 months after operation in a typical PWR. The licensee found that the FCS fuel assemblies have a 20 percent lower power density during operation at power, a 10 percent lower peak burnup, and lower uranium enrichment, resulting in a much lower decay heat rate per assembly than those used in the analysis described in NUREG/CR-6451. The licensee determined that the FCS spent fuel storage racks have a higher storage density than those used in the NUREG/CR-6451 analysis. However, the licensee's analysis demonstrated that the lower decay heat will be sufficient to offset the higher storage density compared to the benchmark. The NRC staff reviewed this information and determined that the conclusion that the analysis presented in NUREG/CR-6451 would bound the fuel storage conditions at FCS was reasonable. Therefore, at 18 months after permanent shutdown, which will be reached by the requested effective date of April 7, 2018, the fuel stored at the FCS SFP would be adequately air-cooled in the unlikely event the pool completely drained.

In this regard, one technical criterion for relieving decommissioning reactor licensees from the insurance obligations applicable to an operating reactor is a finding that the heat generated by the SFP has decayed to the point where the possibility of a zirconium fire is highly unlikely. This was addressed in SECY-93-127, where the NRC staff concluded that there was a low likelihood and reduced short-term public health consequences of a zirconium fire once a decommissioning plant's spent fuel has sufficiently decayed. In its Staff Requirements Memorandum "Financial Protection Required of Licensees of Large Nuclear Power Plants during Decommissioning," dated July 13, 1993 (ADAMS Accession No. ML003760936), the Commission approved a policy that authorized, through the exemption process, withdrawal from participation in the secondary insurance layer and a reduction in commercial liability insurance coverage to $100 million, when a licensee is able to demonstrate that the spent fuel could be air-cooled if the SFP was drained of water. The staff has used this technical criterion to grant

similar exemptions to other decommissioning reactors (e.g., Maine Yankee Atomic Power Station, published in the Federal Register on January 19, 1999 (64 FR 2920); Zion Nuclear Power Station, published in the Federal Register on December 28, 1999 (64 FR 72700); Kewaunee Power Station, published in the *Federal Register* on March 24, 2015 (80 FR 15638); Crystal River Unit 3 Nuclear Generation Plant, published in the *Federal Register* on May 6, 2015 (80 FR 26100); and Vermont Yankee Nuclear Power Station, published in the *Federal Register* on April 25, 2016 (81 FR 24141)). Additional discussions of other decommissioning reactor licensees that have received exemptions to reduce their primary insurance level to $100 million are provided in SECY-96-256, "Changes to the Financial Protection Requirements for Permanently Shutdown Nuclear Power Reactors, 10 CFR 50.54(w) and 10 CFR 140.11," dated December 17, 1996 (ADAMS Accession No. ML15062A483). These prior exemptions were based on the licensee demonstrating that the SFP could be air-cooled, consistent with the technical criterion discussed above.

In SECY-00-0145, "Integrated Rulemaking Plan for Nuclear Power Plant Decommissioning," dated June 28, 2000, and SECY-01-0100, "Policy Issues Related to Safeguards, Insurance, and Emergency Preparedness Regulations at Decommissioning Nuclear Power Plants Storing Fuel in Spent Fuel Pools," dated June 4, 2001 (ADAMS Accession Nos. ML003721626 and ML011450420, respectively), the staff discussed additional information concerning SFP zirconium fire risks at decommissioning reactors and associated implications for offsite insurance. Analyzing when the spent fuel stored in the SFP is capable of adequate air-cooling is one measure that demonstrates when the probability of a zirconium fire would be exceedingly low.

In the NRC staff's safety evaluation of the licensee's request for exemptions from certain emergency planning requirements dated December 11, 2017 (ADAMS Accession No. ML17263B198), the NRC staff assessed the OPPD accident analyses associated with the radiological risks from a zirconium fire at the permanently shut down and defueled FCS site.

For the very unlikely beyond design-basis accident scenario where the SFP coolant inventory is lost in such a manner that all methods of heat removal from the spent fuel are no longer available, the staff found there will be a minimum of 10 hours from the initiation of the accident until the cladding reaches a temperature where offsite radiological release might occur. The staff finds that 10 hours is sufficient time to support deployment of mitigation equipment, consistent with plant conditions, to prevent the zirconium cladding from reaching a point of rapid oxidation.

The staff has determined that the licensee's proposed reduction in primary offsite liability coverage to a level of $100 million, and the licensee's proposed withdrawal from participation in the secondary insurance pool for offsite financial protection, are consistent with the policy established in SECY-93-127 and subsequent insurance considerations resulting from zirconium fire risks, as discussed in SECY-00-0145 and SECY-01-0100. In addition, the NRC staff notes that similar exemptions from these insurance requirements have been granted, to other permanently shutdown and defueled power reactors, upon satisfactory demonstration that zirconium fire risk from the irradiated fuel stored in the SFP is of negligible concern.

A. Authorized by Law.

The PAA, and its implementing regulations in 10 CFR 140.11(a)(4), require licensees of nuclear reactors that have a rated capacity of 100,000 kilowatts electric or more to have and maintain $450 million in primary financial protection and to participate in a secondary retrospective insurance pool. In accordance with 10 CFR 140.8, the Commission may grant exemptions from the regulations in 10 CFR Part 140, as the Commission determines are authorized by law. The legal and associated technical basis for granting exemptions from 10 CFR Part 140 is set forth in SECY-93-127. The legal analysis underlying SECY-93-127 concluded that, upon a technical finding that lesser potential hazards exist after termination of

operations, the Commission has the discretion under the PAA to reduce the amount of insurance required of a licensee undergoing decommissioning.

Based on its review of OPPD's exemption request, the staff concludes that the technical criteria for relieving OPPD from its existing primary and secondary insurance obligations have been met. As explained above, the staff has concluded that no reasonably conceivable design-basis accident exists that could cause an offsite release greater than the EPA PAGs, and therefore, that any offsite consequence from a design basis radiological release is unlikely, and the need for a significant amount of offsite liability insurance coverage is unwarranted. Additionally, the staff determined that, after 18 months decay, which will be reached by the requested effective date of April 7, 2018, the fuel stored in the FCS SFP will be adequately cooled by air in the unlikely event of pool drainage. Moreover, in the very unlikely beyond design-basis accident scenario where the SFP coolant inventory is lost in such a manner that all methods of heat removal from the spent fuel are no longer available, the staff has determined that 10 hours would be available and is sufficient time to support deployment of mitigation equipment, consistent with plant conditions, to prevent the zirconium cladding from reaching a point of rapid oxidation. Thus, the staff concludes that the fuel stored in the FCS SFP will have decayed sufficiently by the requested effective exemption date of April 7, 2018, to support a reduction in the required insurance consistent with SECY-00-0145.

The NRC staff has determined that granting of the licensee's proposed exemption will not result in a violation of the Atomic Energy Act of 1954, Section 170, or other laws, as amended, which require licensees to maintain adequate financial protection. Accordingly, consistent with the legal standard presented in SECY-93-127, under which decommissioning reactor licensees may be relieved of the requirements to carry the maximum amount of insurance available and to participate in the secondary retrospective premium pool where there is sufficient technical justification, the NRC staff concludes that the requested exemption is authorized by law.

B. Otherwise in the Public Interest

The financial protection limits of 10 CFR 140.11 were established to require licensees to maintain sufficient offsite liability insurance to ensure adequate funding for offsite liability claims, following an accident at an operating reactor. However, the regulation does not consider the reduced potential for and consequence of nuclear incidents at permanently shutdown and decommissioning reactors.

SECY-93-127 provides a basis for allowing licensees of decommissioning plants to reduce their primary offsite liability insurance and to withdraw from participation in the retrospective rating pool for deferred premium charges. As discussed in these documents, once the zirconium fire concern is determined to be negligible, possible accident scenario risks at permanently shutdown and defueled reactors are greatly reduced, when compared to the risks at operating reactors, and the associated potential for offsite financial liabilities from an accident are commensurately less. The licensee has analyzed and the staff has confirmed that the risks of accidents that could result in an offsite radiological risk are minimal, thereby justifying the proposed reductions in offsite primary liability insurance and withdrawal from participation in the secondary retrospective rating pool for deferred premium charges.

Additionally, participation in the secondary retrospective rating pool could potentially have adverse consequences on the safe and timely completion of decommissioning. If a nuclear incident sufficient to trigger the secondary insurance layer occurred at another nuclear power plant, the licensee could incur financial liability of up to $121,255,000. However, because FCS is permanently shut down, it cannot produce revenue from electricity generation sales to cover such a liability. Therefore, such liability if subsequently incurred, could significantly affect the ability of the facility to conduct and complete timely radiological decontamination and decommissioning activities. In addition, as SECY-93-127 concluded, the

shared financial risk exposure to OPPD is greatly disproportionate to the radiological risk posed by FCS, when compared to operating reactors.

The reduced overall risk to the public at decommissioning power plants does not warrant that OPPD be required to carry full operating reactor insurance coverage, after the requisite spent fuel cooling period has elapsed following final reactor shutdown. The licensee's proposed financial protection limits will maintain a level of liability insurance coverage commensurate with the risk to the public. These changes are consistent with previous NRC bases and exemptions approved for other decommissioning reactors. Thus, the underlying purpose of the regulations will not be adversely affected by the reductions in insurance coverage. Accordingly, an exemption from participation in the secondary insurance pool and a reduction in the primary insurance to $100 million, a value more in line with the potential consequences of accidents, would be in the public interest in that this assures there will be adequate funds to address any of those consequences and helps to assure the safe and timely decommissioning of the reactor.

Therefore, the NRC staff has concluded that an exemption from 10 CFR 140.11(a)(4), which would permit OPPD to lower the FCS primary insurance levels and to withdraw from the secondary retrospective premium pool at the requested effective date of April 7, 2018, is in the public interest.

C. Environmental Considerations.

The requested exemption includes surety, insurance, or indemnity requirements, and belongs to a category of actions that the Commission, by rule or regulation, has declared to be a categorical exclusion, after first finding that the category of actions does not individually or cumulatively have a significant effect on the human environment. Specifically, the exemption is categorically excluded under 10 CFR 51.22(c)(25)(vi)(H). In addition, the NRC staff has determined that there would be no significant impacts to biota, water resources, historic properties, cultural resources, or socioeconomic conditions in the region. As such, there are no

extraordinary circumstances present that would preclude reliance on this categorical exclusion. Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement need be prepared in connection with the approval of this exemption request.

Under 10 CFR 51.22(c)(25), granting of an exemption from the requirements of any regulation of Chapter I to 10 CFR is a categorical exclusion provided that (i) there is no significant hazards consideration; (ii) there is no significant change in the types or significant increase in the amounts of any effluents that may be released offsite; (iii) there is no significant increase in individual or cumulative public or occupational radiation exposure; (iv) there is no significant construction impact; (v) there is no significant increase in the potential for or consequences from radiological accidents; and (vi) the requirements from which an exemption is sought involve: surety, insurance, or indemnity requirements.

The Director, Division of Operating Reactor Licensing, Office of Nuclear Reactor Regulation, has determined that approval of the exemption request involves no significant hazards consideration because reducing the licensee's onsite property damage insurance for FCS does not 1) involve a significant increase in the probability or consequences of an accident previously evaluated; or 2) create the possibility of a new or different kind of accident from any accident previously evaluated; or 3) involve a significant reduction in a margin of safety. The exempted financial protection regulation is unrelated to the operation of FCS. Accordingly, there is no significant change in the types or significant increase in the amounts of any effluents that may be released offsite; and no significant increase in individual or cumulative public or occupational radiation exposure. The exempted regulation is not associated with construction, so there is no significant construction impact. The exempted regulation does not concern the source term (i.e., potential amount of radiation in an accident), nor mitigation. Therefore, there is no significant increase in the potential for, or consequences of, a radiological accident. In addition, there would be no significant impacts to biota, water resources, historic properties, cultural resources, or socioeconomic conditions in the region. The requirement for onsite

property damage insurance involves surety, insurance, and indemnity matters. Therefore, pursuant to 10 CFR 51.22(b) and 51.22(c)(25), no environmental impact statement or environmental assessment need be prepared in connection with the approval of this exemption request.

IV. Conclusions.

Accordingly, the Commission has determined that, pursuant to 10 CFR 140.8, the exemption is authorized by law and is otherwise in the public interest. Therefore, the Commission hereby grants OPPD an exemption from the requirements of 10 CFR 140.11(a)(4) to permit the licensee to reduce the required level of primary financial protection to $100 million, and to withdraw from participation in the secondary layer of financial protection.

The exemption is effective beginning April 7, 2018.

Dated at Rockville, Maryland, this 29th day of March, 2018.

For the Nuclear Regulatory Commission.

/RA/

Joseph G. Giitter, Director,
Division of Operating Reactor Licensing,
Office of Nuclear Reactor Regulation.