



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
WASHINGTON, D.C. 20555-0001

March 18, 2019

Ms. Nancy Parr, EH&S License Manager
Westinghouse Electric Company, LLC
Nuclear Fuel Division
5801 Bluff Road
Hopkins, SC 29061-9121

**SUBJECT: CANCEL REQUEST FOR RELEASE OF FUNDS FROM THE WESTINGHOUSE
COLUMBIA FUEL FABRICATION FACILITY STANDBY TRUST AGREEMENT**

Dear Ms. Parr:

By letter (LTR-NRC-18-70) dated October 10, 2018 (Agencywide Documents Access and Management System [ADAMS] Accession Number ML18346A601), Westinghouse Electric Company, LLC (WEC) requested the U.S. Nuclear Regulatory Commission (NRC) staff to release the funds held in the Standby Trust Agreement dated January 17, 2017 (ADAMS ML17019A396), that are in excess of the Decommissioning Cost Estimate (DCE) for the WEC Columbia Fuel Fabrication Facility (CFFF). The NRC staff previously approved the release of financial assurance funds held for decommissioning the Westinghouse Hematite facility, including principle and income. This request was approved because the Hematite license was terminated in 2018 (ADAMS ML18344A476) after the facility was successfully decommissioned.

The NRC staff sent an email to WEC on January 29, 2019 (ADAMS ML19057A175), to obtain clarification on the CFFF's letter LTR-NRC-18-70. The email requested WEC to clarify the following three questions:

1. Is WEC requesting the NRC staff to release funds held in the Standby Trust for CFFF in excess of the DCE approved in 2016? The NRC staff is aware that CFFF plans to submit an updated Decommissioning Funding Plan in May of 2019 which is likely to change the DCE due to inflation, additional site characterization to support the environmental program, changes in remediation costs, etc.
2. What amount is WEC requesting to be released from the CFFF Standby Trust? The October 10, 2018, letter mentions release of funds in excess of the 2016 DCE (which could be interpreted to mean the income earned on the principle since 2016 or some other amount). However, the October 10, 2018, letter only specifically requests funds previously held as financial assurance for the Hematite facility. Therefore the NRC staff needs clarification on what funds are being requested.
3. What is the basis (i.e., updated DCE) for WEC's request to release funds from the CFFF Standby Trust? The NRC staff observes that the CFFF Standby Trust Agreement, Section 6, "Trust Management," (ADAMS ML17019A396) states, "The Trustee shall invest and reinvest the principal and income of the Fund and keep the Fund invested as a single fund, without distinction between principal and income"

In February 2019, the WEC licensing manager for the CFFF telephoned the NRC staff to clarify that WEC wished to cancel its request for income earned on the CFFF Standby Trust. The decision was made based on WEC's plans to submit the triennial update for the DCE in May 2019 which will rebaseline the funds required for the Standby Trust Agreement. Westinghouse Electric Company, LLC anticipates the DCE will increase by an amount greater than the income on the Standby Trust Agreement.

Based on this feedback, the NRC is terminating its review of the request to refund income on the CFFF Standby Trust Agreement. Work for this task was conducted under the project management (PM) Enterprise Project Identifier (EPID) L-2017-PMP-0001. This EPID remains open for future PM work.

In accordance with Title 10 of the *Code of Federal Regulations* Section 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of the NRC's ADAMS. ADAMS is accessible from the NRC Web site at: <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If you have any questions regarding this matter, please contact Matt Bartlett at (301) 415-7154, or via e-mail to Matthew.Bartlett@nrc.gov.

Sincerely,

/RA/

Jacob I. Zimmerman, Chief
Fuel Facility Licensing Branch
Division of Fuel Cycle Safety, Safeguards,
and Environmental Review
Office of Nuclear Material Safety
and Safeguards

Docket No. 70-1151
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DATED: March 18, 2019

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