



May 13, 2016

To: Kenneth Kline, U.S. Nuclear Regulatory Commission

From: Ken Rock, Liz Gormsen, and Paul Bailey, ICF International

Subject: Update of ICF's April 8, 2015, Decommissioning Cost Estimate for FMRI's Site in Muskogee, Oklahoma

In response to a May 10, 2016, request from the NRC, ICF reviewed its April 2015 decommissioning cost estimate for the FMRI site in Muskogee, Oklahoma to identify areas where anticipated costs may have changed. ICF also reviewed available information provided by the NRC about progress that has occurred on site over the last year.

Summary

- 1) Based on the information provided by the NRC, it is ICF's opinion that the work accomplished at the FMRI site over the last year has been limited to shipment of a portion of the Work in Process (WIP) remaining at the site.
- 2) The maximum cost of all this work, including all possible costs for labor, and the documented costs for transportation, and disposal of the material at an offsite location, is approximately \$500,000.
- 3) This maximum cost is less than 1 percent of the total estimated reclamation costs, excluding the 25 percent contingency, identified in ICF's April 2015 cost estimate for the site.
- 4) Thus, ICF's 2015 cost estimate for decommissioning the FMRI site has not changed in any material way over the last year. The small amount of progress made from shipping WIP material offsite for disposal is inconsequential relative to the uncertainties inherent in the estimate.

Information Reviewed

- Summary of WIP shipped from June 2015 to April 2016 (total of 1,859 tons).
- Invoice from American Waste Management Services, Inc. (dated 4/20/2016) for transportation of 11 loads of WIP material (total cost of \$57,266).
- Two invoices from Energy Fuels Resources (USA) Inc. (dated 3/30/16 and 4/15/16) for disposal of WIP material received during February and March 2016 (total cost of \$59,269).
- Accounting of transferred funds during April 2016 in accordance with FMRI's Forbearance Agreement dated 8/17/15 (total of \$80,000 expended).

- Summary of decommissioning work performed by three full-time employees during April 2016.
- Statement of rental income received during April 2016 (\$4,500).
- Statement summarizing checks issued from 2/25/16 through 4/22/16 greater than \$5,000 (total of \$63,484) and cumulative payments to one entity totaling \$25,000 or more from 8/1/15 through 4/30/16 (total of \$208,386).

Findings

Based on ICF's review of this information, the demonstrated progress in the decommissioning effort appears to be limited to the ongoing shipments of newly excavated and older, stored WIP present at the site. Information provided by FMRI to the NRC shows that from June 2015 to April 2016, a total of 1,859 tons of WIP was shipped from the site to the White Mesa Mill near Blanding, Utah. This total amount shipped represents approximately 23 percent of the total 8,138 tons of WIP estimated to be present on site in ICF's April 2015 cost estimate, or 23 percent of the total.

There is no indication that there has been progress in removing any of the CaF₂ material from Ponds 5-9, transportation and disposal of additional contaminated soils, decontamination of buildings and equipment, or groundwater collection and treatment.