



**Portland General Electric Company**

James E. Cross  
Vice President and Chief Nuclear Officer

February 17, 1994

Trojan Nuclear Plant  
Docket 50-344  
License NPF-1

U.S. Nuclear Regulatory Commission  
Attn: Document Control Desk  
Washington DC 20555

Dear Sirs:

Additional Information Regarding  
Property Insurance Coverage for Trojan Nuclear Plant

The purpose of this letter is to inform the Nuclear Regulatory Commission (NRC) that Portland General Electric Company (PGE) has revised the original Trojan Property Loss Study supporting PGE's exemption from the requirements of 10 CFR 50.54(w), which was granted by the NRC on November 17, 1993. Consistent with the original study, Revision 1 of the Trojan Property Loss Study continues to provide the basis for the \$5 million minimum coverage required to be maintained at Trojan for on-site stabilization and decontamination.

By letter dated July 8, 1993, PGE submitted to the NRC a request for exemption from the property insurance requirements of 10 CFR 50.54(w). PGE's exemption request was based on an evaluation of the remaining credible scenarios applicable to Trojan in the permanently defueled condition. The three scenarios determined to be credible were a fire in the Radwaste Annex, fuel handling accident, and rupture of the Refueling Water Storage Tank (RWST). Cost evaluations were performed to determine the estimated decontamination cost for the first two scenarios. The RWST rupture scenario was not evaluated for cost in PGE's exemption request because the tank was to be drained prior to implementation of the proposed exemption. However, PGE subsequently determined the need to maintain sufficient RWST level to provide shielding against various radionuclides deposited on the floor of the tank. An analysis of the acceptability of leaving up to 18 inches of water in the RWST was incorporated into Revision 1 of the Trojan Property Loss Study. This revision indicates that with up to 18 inches of water remaining in the RWST, the worst case credible event scenario from the perspective of costs associated with site stabilization and decontamination continues to be the Radwaste Annex fire scenario.

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The Property Loss Study revision also refines the assumptions and details costs associated with the Radwaste Annex fire scenario, demonstrating additional margin, with respect to the original property loss study, between the worst-case site stabilization and decontamination costs and the minimum \$5 million decontamination protection required to be maintained at Trojan. The revised study arrives at a conservative estimated cost of less than \$2.9 million for stabilization and decontamination following the worst-case Radwaste Annex fire scenario.

After reducing Trojan's property insurance coverage from the \$1.06 billion currently being maintained, PGE will either maintain decontamination insurance or demonstrate an equivalent level of protective coverage in the amount of at least \$5 million.

Sincerely,



S. M. Quennoz for  
J. E. Cross

c: Mr. H. D. Chaney  
Region V Project Manager  
U. S. Nuclear Regulatory Commission

Mr. Ken Perkins  
Acting Regional Administrator, Region V  
U. S. Nuclear Regulatory Commission

Mr. David Stewart-Smith  
State of Oregon  
Department of Energy