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JAN 25 1985

MEMORANDUM FOR: Samuel J. Chilk  
 Secretary of the Commission  
  
 FROM: Robert E. Minogue, Director  
 Office of Nuclear Regulatory Research  
  
 SUBJECT: PROPOSED AMENDMENTS TO 10 CFR 30, 40, 50, 51, 70, AND 72  
 DECOMMISSIONING CRITERIA FOR NUCLEAR FACILITIES  
 (AS SUBMITTED IN SECY 84-354)

Enclosed for your signature is the Federal Register Notice containing proposed "Decommissioning Criteria for Nuclear Facilities." The notice has been revised to accommodate the Commission comments on the proposed rule summarized as seven items in the memorandum from J. C. Hoyle to W. J. Dircks, dated January 4, 1985. The following discussion indicates how each item has been addressed.

1. The language on page 61 of the proposed rule should be made more clear that the electric utility licensees have the option to certify financial assurance of \$100M or to justify funding at a different level.

The language referred to has been modified so that this point is clear.

2. The \$100M cost estimates should be clearly identified as 1984 dollars and there should be reference to escalation, inflation, and technological developments as factors to be considered in determining each licensee's future cost estimates. Consideration should be given to incorporating a method to adjust the \$100M value in the future for the above factors without resorting to rulemaking. A possible means of providing for the adjustment in cost is to require that utilities' decommissioning plans undergo periodic evaluations of the adequacy of the decommissioning cost estimates. Guidance for the factors that a utility should use could be provided in a Regulatory Guide or NUREG.

The rule has been modified such that the \$100,000,000 amount of assurance for the decommissioning of power reactors is identified as 1984 dollars and a method is incorporated to adjust the \$100M value in the future. The rule now states that this amount must be adjusted annually assuring an inflation rate twice that indicated by the change in the Consumer Price Index published by the U.S. Department of Labor, Bureau of Labor Statistics. This approach is similar to that which was used in 10 CFR 40, Appendix A, setting the amount of funds necessary for long-term site surveillance of uranium mill sites after license termination. The factor of two is used because this approximates the history of the escalation of decommissioning costs.

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3. Implementation guidance should be issued and it should identify a minimum frequency for review of the funding plan. At a minimum, the plan should be reviewed and in place no later than 5 years prior to the planned end of operating life of the facility. The guidance should also schedule at least a preliminary decommissioning plan some time well before the end of plant operating life in order to ensure inclusion in the licensee's long term strategic plan.

The implementing guidance concerning financial assurance is under development as a regulatory guide and will address the Commission's concerns with regard to frequency of review of the funding plan. With respect to guidance regarding a preliminary decommissioning plan, information of the type needed could be submitted in a licensee's funding plan update. However, an addition to the rule has been necessary since the rule does not require licensees choosing the certification method to submit a funding plan. This addition will require all Part 50 licensees to make an up-to-date assessment of the actions necessary to decommission at 5 years prior to the projected end of operation. For licensees using the funding plan method and adequately following the planned regulatory guidance concerning these plans, this added requirement will not add to the burden.

4. Some minimal standards of acceptability should be developed and implemented to identify specifically those records needed for decommissioning. Specific guidance to material licensees should be included.

The proposed rule contains requirements on what records should be kept, namely incidents of spills and specified pertinent as-built drawings; requirements in Parts 30, 40, 70, and 72 are the same as those in Part 50. The statement of consideration has been modified to state the minimally acceptable requirements for recordkeeping more clearly. Additional guidance will be included in a regulatory guide.

In Item #5 the Commission requested more information concerning plans for dealing with waste disposal capability for decommissioning wastes. This information will be sent to the Commission in a separate paper being prepared by NRS.

Items 6 and 7 have been incorporated exactly as requested in the memo.

Denwood F. Ross, Jr.

Robert P. Minogue, Director  
Office of Nuclear Regulatory Research

Enclosure: as stated

cc: Chairman Palladino  
Commissioner Roberts  
Commissioner Asselstine  
Commissioner Fernthal  
Commissioner Zech

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