

SAFETY EVALUATION REPORT

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LICENSE: SNM-1107

LICENSEE: Westinghouse Electric Company, LLC

SUBJECT: SAFETY EVALUATION REPORT: COLUMBIA FUEL FABRICATION FACILITY
DECOMMISSIONING FINANCIAL ASSURANCE

1.0 BACKGROUND

On July 25, 2019, Westinghouse Electric Company LLC (Westinghouse) submitted a Decommissioning Cost Estimate (DCE) for the Columbia Fuel Fabrication Facility (Agencywide Documents Access and Management System [ADAMS] Accession No. ML19206A043). On February 6, 2020 (ADAMS Accession No. ML20029D839), the U.S. Nuclear Regulatory Commission (NRC) approved the DCE.

On March 4, 2020, Westinghouse submitted two surety bonds and revised trust fund to cover the DCE. The NRC previously approved the standby trust agreement (STA) (ADAMS Accession No. ML17019A385) by letter dated, February 24, 2017 (ADAMS Accession No. ML17039A556). On June 21, 2017, Westinghouse funded the STA, which is still in place. As a result of the standby trust fund being funded, it was amended by Amendment No. 2 to reflect the appropriate name change, from standby trust fund to trust fund in the March 2020 submittal.

2.0 REGULATORY REQUIREMENTS

The contents of two surety bonds and the certification of financial assurance included in the March 4, 2020, submission was evaluated based on the regulatory requirements in 10 CFR 70.25, "Financial assurance and recordkeeping for decommissioning," and the guidance in NUREG-1757, Volume 3, Revision 1, "Consolidated Decommissioning Guidance Financial Assurance, Recordkeeping, and Timeliness".

3.0 STAFF EVALUATION

As mentioned above, the updated DCE was reviewed and approved previously in a letter dated February 6, 2020. The February 6th letter requested that the licensee submit financial instruments that guarantee funds in the amount of the cost estimate. On March 4, 2020 (ADAMS Accession No. ML20065G921), Westinghouse submitted two surety bonds and certification of financial assurance to cover the remaining decommissioning costs above the trust fund balance. The NRC staff reviewed the submittal, including two surety bonds and certification of financial assurance, and finds that the submission properly addressed the following:

1. The language included in the two surety bonds and the certification of financial assurance is consistent with the model language in NUREG-1757, Volume 1, Revision 1, Section A.2.4 and Section A.5.4.

2. The issuers of the two surety bonds satisfy the issuer qualifications described in NUREG-1757, Volume 3, Revision 1, Section 4.3.2.2. Specifically, the issuers of both surety bonds are listed in the most recent edition of the U.S. Department of the Treasury's Circular 570 for South Carolina, and have underwriting limitations greater or equal to the coverage level specified.
3. The submission includes the required copy of the broker's power of attorney authorizing the broker to issue bonds.
4. The surety bonds and the certification of financial assurance include a corporate seal (NUREG-1757, Volume 3, Revision 1, Appendix A, Section A.2.4 and Section A.5.4).

3.0 CONCLUSION

Based on the review of the March 4, 2020 submittal, the NRC staff finds the submitted surety bonds and the certification of financial assurance, coupled with the previously approved trust fund, satisfies the requirements to provide financial assurance as set forth in 10 CFR 70.25(e), and consistent with NUREG-1757, Volume 3, Rev. 1. The licensee remains liable for any costs not covered by the financial instrument(s).

4.0 PRINCIPAL CONTRIBUTORS

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