

Fermi 2
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Detroit Edison



April 29, 1999
NRC-99-0059

U. S. Nuclear Regulatory Commission
Attn.: Document Control Desk
Washington, D. C. 20555

- References:
- 1) Fermi 1
NRC Docket No. 50-16
NRC License No. DPR-9
 - 2) Detroit Edison letter, NRC-97-0110, "Notification of Changes in Fermi 1 Schedule and Activities", dated October 2, 1997
 - 3) Detroit Edison letter, NRC-99-0030, "Decommissioning Funding Status Report for Fermi 1 and Fermi 2", dated March 26, 1999.

Subject: Notification of Changes in Fermi 1 Decommissioning Cost

This letter provides the notification required by 10 CFR 50.82(a)(7) of changes to the Fermi 1 decommissioning cost estimate.

Fermi 1 is a permanently shutdown experimental sodium cooled breeder reactor, which last operated in 1972. It is in the SAFSTOR status and its possession only license expires in 2025. As discussed in Reference 2, an Industrial Safety Improvement Project is underway. Major activities of this project include removing asbestos, remaining sodium residuals, and NaK (a sodium-potassium mixture) from the plant, some of which contain radioactive contamination. The project is currently scheduled through the end of the year 2000.

The cost estimate previously submitted in Reference 2 covered only DECON costs. Recently, an evaluation of SAFSTOR costs was performed. These are the costs which need to be expended to maintain the Fermi 1 facility in a safe condition. The evaluation concluded that it is appropriate to fund SAFSTOR costs from the Fermi 1 Nuclear

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Decommissioning Trust Fund. The cost of the SAFSTOR option of decommissioning is the final DECON cost plus the cost of maintaining and overseeing the facility during the SAFSTOR years.

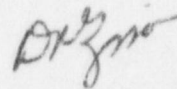
Fermi 1 SAFSTOR costs are estimated at approximately \$100K per year in 1998 dollars. This does not include the Industrial Safety Improvement Project activities.

The current remaining estimate of decommissioning costs in 1998 dollars is \$28 - \$31 million, as recently reported in Reference 3. This estimate includes the SAFSTOR costs through 2025. Reference 3 also reported a trust fund balance of \$32 million at the end of 1998. Fund performance will continue to be monitored.

Note that if the recently proposed revision to 10 CFR 171.15 is approved as proposed, the Fermi 1 SAFSTOR cost will substantially increase.

If you have any questions, please contact Lynne S. Goodman, Director Fermi 1 at 734-586-1205.

Sincerely,



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Information Management (116 NOC) - Fermi 1 Records
NRR Chron File (Licensing)
NRC Notebook (Fermi 1)