



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

April 7, 2021

Brent Ridge
President and CEO
Dairyland Power Cooperative
La Crosse Boiling Water Reactor
3200 East Ave. S.
P.O. Box 817
La Crosse, WI 54602-0817

SUBJECT: U.S. NUCLEAR REGULATORY COMMISSION ANALYSIS OF DAIRYLAND POWER COOPERATIVE'S INITIAL AND UPDATED DECOMMISSIONING FUNDING PLANS FOR THE LA CROSSE BOILING WATER REACTOR INDEPENDENT SPENT FUEL STORAGE INSTALLATION

Dear Mr. Ridge:

By letter dated March 12, 2013, Dairyland Power Cooperative (DPC) submitted, for U.S. Nuclear Regulatory Commission (NRC) staff review and approval, an initial decommissioning funding plan (DFP) for the independent spent fuel storage installation (ISFSI) at La Crosse Boiling Water Reactor (LACBWR) (Agencywide Documents Access and Management System (ADAMS) Accession No. ML13100A127).

By letter dated March 14, 2016, DPC submitted, for NRC staff review and approval, an updated decommissioning funding plan (DFP Update) for the ISFSI at LACBWR (ADAMS Accession No. ML16102A101). By letter dated March 21, 2018, DPC provided a supplement to the DFP update in a response to a request for additional information (ADAMS Accession No. ML18102A531).

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR), Sections 72.30(b) and (c), and using NUREG-1757, Vol. 3, Rev. 1, "Consolidated Decommissioning Guidance," the NRC staff reviewed DPC's initial and updated DFPs, including the initial and updated decommissioning cost estimates (DCEs) and the method of assuring funds for decommissioning.

Pursuant to 10 CFR 72.30(b), each holder of, or applicant for, a license under Part 72 must submit for NRC review and approval a DFP containing information on how reasonable assurance will be provided that funds will be available to decommission its ISFSIs. The DFP must contain a detailed DCE, in an amount reflecting: (1) the cost of an independent contractor to perform all decommissioning activities, (2) an adequate contingency factor, and (3) the cost of meeting the 10 CFR 20.1402 unrestricted use criteria (or the cost of meeting the 10 CFR 20.1403 restricted use criteria, provided the licensee can demonstrate its ability to meet these criteria). The licensee's DFP must also identify and justify using the key assumptions contained in the DCE. Further, the DFP must describe the method of assuring funds for ISFSI decommissioning, including means for adjusting cost estimates and associated funding levels periodically over the life of the ISFSI. Additionally, the DFP must specify the volume of onsite subsurface material containing residual radioactivity that will require remediation to meet the

criteria for license termination, and contain a certification that financial assurance for ISFSI decommissioning has been provided in the amount of the DCE.

The NRC staff reviewed and analyzed the information submitted by DPC on how reasonable assurance will be provided that funds will be available to decommission the ISFSI, including the amount of the DCE and the method of assuring funds for decommissioning.

In its 2013 initial DFP, DPC estimated the total costs to decommission the ISFSI to unrestricted use, in 2012 dollars. The DCE provided for LACBWR was \$1,675,129.

Based on its financial analysis of DPC's submittal, the NRC staff finds that the DCE submitted for 2013: (1) is based on reasonable costs of a third-party contractor; (2) include an adequate contingency factor; (3) reflect the cost of meeting the 10 CFR 20.1402 criteria for unrestricted use; and (4) are based on reasonable and documented assumptions. Therefore, the NRC finds that the 2013 DCE adequately estimate the cost, to carry out required ISFSI decommissioning activities prior to license termination, and that the 2013 DCE is acceptable.

In the initial DFP, DPC relied on an external sinking fund as financial assurance for ISFSI decommissioning, a method authorized by 10 CFR 50.75(e)(1)(ii)(A) which is allowed under 10 CFR 72.30(e)(5). This is allowed because the LACBWR ISFSI belongs to a licensee with a power reactor license under part 50. The NRC staff finds that the aggregate dollar amount of the licensee's financial instruments provides adequate financial assurance to cover its cost estimates, and therefore, that these financial instruments are acceptable.

Based on its financial analyses, the NRC staff finds that the initial DFP contains the information required by 10 CFR 72.30(b) and that DPC has provided reasonable assurance that funds will be available to decommission the ISFSI at LACBWR.

Pursuant to 10 CFR 72.30(c), at the time of license renewal and at intervals not to exceed 3 years, the decommissioning funding plan (DFP) required to be submitted by 10 CFR 72.30(b) must be resubmitted with adjustments as necessary to account for changes in costs and the extent of contamination in an updated DFP. The updated DFP must update the information submitted with the original or prior approved plan. In addition, the DFP must also specifically consider the effect of the following events on decommissioning costs, as required by 10 CFR 72.30(c)(1)–(4): (1) spills of radioactive material producing additional residual radioactivity in onsite subsurface material, (2) facility modifications, (3) changes in authorized possession limits, and (4) actual remediation costs that exceed the previous cost estimate.

In its 2016 updated DFP, DPC provided estimates of the total cost to decommission its ISFSI for unrestricted use in 2015 dollars. DPC estimated that the total costs to decommission the ISFSI at LACBWR (\$994,103) for unrestricted use, in 2015 dollars.

DPC's updated DCE and its March 21, 2018, RAI response (ADAMS Accession No. ML18102A531) provided narratives on each of the requirements of 10 CFR 72.30(c)(1)–(4). Specifically, the licensee explained there were no changes in the factors listed in 10 CFR 72.30(c)(1)–(4). Based on its review of DPC's 2016 submittal and the 2018 supplement, the NRC staff finds that the updated DCE: is based on reasonable costs of a third-party contractor; include an adequate contingency factor; reflect the cost of meeting the 10 CFR 20.1402 criteria for unrestricted use; and is based on reasonable and documented assumptions. Therefore, the NRC staff finds that the 2016 updated DCE adequately estimates the cost, at this time, to carry

out required ISFSI decommissioning activities prior to license termination, and that the DCE is reasonable.

In the updated DFP for the LACBWR ISFSI, DPC relied on an external sinking fund in the form of a trust as financial assurance for its ISFSI decommissioning, a method authorized by 10 CFR 50.75(e)(1)(ii)(A) which is allowed under 10 CFR 72.30(e)(5). This is allowed because the LACBWR ISFSI belongs to a licensee with a power reactor license under part 50. The NRC staff reviewed the licensee's updated DFPs and finds that the aggregate dollar amount of the licensee's financial instruments provides adequate financial assurance to cover its cost estimates. Therefore, the NRC staff finds these financial instruments are acceptable.

The NRC staff reviewed DPC's updated DFP submissions, including the updated DCE and the method of assuring funds for decommissioning, in accordance with 10 CFR 72.30(c) and NUREG-1757, Vol. 3, Rev. 1, "Consolidated Decommissioning Guidance." Based on its review, the NRC staff finds that the updated DFP contain the information required by 10 CFR 72.30(c). The NRC staff finds that DPC provided reasonable assurance that funds will be available to decommission the ISFSI at LACBWR.

In addition to the NRC staff's review of DPC's initial and updated DFPs, the NRC staff completed an environmental review. The NRC staff published a summary of the results of the environmental review in the *Federal Register* in April 2021 for the ISFSI at LACBWR. The environmental assessment and finding of no significant impact for this ISFSI is available in <https://www.regulations.gov> under the Docket ID: NRC-2021-0059. The NRC staff determined there were no environmental impacts from the NRC staff's review and approval of DPC's initial and updated DFPs.

If you have any questions regarding this matter, please contact me at (301) 415-5722 or John.McKirgan@nrc.gov.

Sincerely,

John McKirgan, Chief
Storage and Transportation Licensing
Branch
Division of Fuel Management
Office of Nuclear Material Safety
and Safeguards

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EPID No.: L-2017-FPR-0037

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*** concurrence via email**

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