



HITACHI

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April 21, 2021

Kristina L. Banovac, Project Manager
Storage and Transportation Licensing Branch
Division of Fuel Management
Office of Nuclear Material Safety and Safeguards
US Nuclear Regulatory Commission

Attn: Document Control Desk

Subject: GEH Response to Request for Additional Information for Acceptance Review of the Morris Operation SNM-2500 Decommissioning Funding Plan (DFP)

References:

- (1) NRC License SNM-2500, Docket 72-01
- (2) Letter, S.P. Murray (GEH) to Director, NMSS (NRC), "Updated GEH Morris Operation (MO) Decommissioning Funding Plan" dated 3/6/2020
- (3) NRC Conversation Record of a 4/6/21 Discussion with GEH regarding the MO DFP
- (4) E-mail, K.L. Banovac (NRC) to S.P. Murray (GEH) dated 4/19/21

GE Hitachi Nuclear Energy Americas LLC (GEH) hereby provides responses to NRC's requests for information pertaining to the updated Special Nuclear Material License SNM-2500 Decommissioning Funding Plan (Reference 2).

Attached to this letter are GEH responses to the NRC Conversation Record actions (Reference 3) and NRC's request for a redacted version of the MO DFP that was submitted on March 6, 2020 (Reference 4).

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge. Executed on April 21, 2021.

Please contact me at (910) 819-5950 if there are any additional questions.

Sincerely,


Scott P. Murray, Manager
Facility Licensing

Attachments: 1) GEH Additional Information for Actions 1 and 2
2) GEH Morris Operation DFP, Revision 4 (Redacted – public)

Cc: US NRC Region III Administrator
SPM 21-012

Action 1 Provide information on the change in waste disposal costs

GEH Response

As we discussed on April 6, 2021, the MO DFP cost estimate was reviewed and updated in 2019 by an independent third-party engineering firm experienced in preparing cost estimates and completing decommissioning-related services for the nuclear industry.

Prior MO decommissioning cost estimates contained a significant volume of Class B waste due to potential neutron activation of the spent fuel storage system hardware. During the 2019 review, the engineering firm determined that exposure from the spent fuel would not cause the surrounding hardware to become significantly neutron activated to be classified as Class B waste. Additionally, the slight amount of activation that might have been induced would have been principally Co-60 and with a 5.3-year half-life and would have decayed away. They also pointed out spent fuel racks from nuclear power plants are not classified as greater than Class A waste.

As a result, the engineering firm recommended that the waste volume associated with the spent fuel storage system be re-classified from Class B to Class A waste. This along with other waste packaging, shipping, and disposal cost adjustments resulted in a total waste disposal cost reduction of approximately \$25.3 million.

Action 2 Provide information on the remaining cost variation between the 2018 and 2020 DFPs.

GEH Response

The cost estimate in the previous DFP dated December 14, 2018 was approximately \$100.7 million.

Each year, the entire cost estimate, including the contingency factor required by 10 CFR 72.30(b)(2) is indexed for inflation. As a result, as of December 31, 2018 the estimate was increased to approximately \$104.6 million and the financial surety bond was increased to this amount in March 2019.

As noted in the revised DFP submitted March 6, 2020, as of December 31, 2019 the cost estimate was reduced from approximately \$104.6 million in the current financial surety bond to approximately \$77.9 million for a reduction of approximately \$26.7 million.

Other than waste disposal costs, the additional reduction of approximately \$1.4 million was due to an inflation correction based on updated major cost contributors (including labor, equipment and supplies, laboratory analyses, travel and living, utilities, insurance and NRC fees) and a commensurate reduction in the required contingency factor.