

February 5, 1998

MEMORANDUM L. Joseph Callan Executive Director for Operations

TO:

FROM: John C. Hoyle, Secretary /s/

SUBJECT: STAFF REQUIREMENTS: SECY-97-251 - PROPOSED RULE ON NUCLEAR POWER REACTOR
DECOMMISSIONING COSTS

The Commission disapproved revision of NRC's financial assurance requirements for the decommissioning of nuclear power reactors. Although the Commission has encouraged the staff to explore allowing site-specific decommissioning funding, the Commission does not support this rulemaking at this time. As stated in SECY 97-251, the staff recognizes that there is a "lack of decommissioning cost data from larger BWRs and PWRs," and the Commission is not convinced that recent generic estimates are accurate or supportable. Therefore, the issues addressed in SECY- 97-251 should be incorporated in the staff's consideration of the generic formula for calculating decommissioning costs contained in 10 CFR 50.75 when the Pacific Northwest Laboratory's study of actual decommissioning cost experience at the Trojan site and data from other plants being decommissioned are available. In formulating its recommendations on this issue, the staff should also evaluate alternatives to the prescriptive formulas for calculating the minimum required decommissioning funding, as requested in the June 30, 1997 SRM, and should consider incorporating language to facilitate the use of site-specific data within the development of the comprehensive rulemaking. In the interim, licensees have the option of seeking an exemption to 10 CFR 50.75 if they believe that the site specific decommissioning cost estimate is lower than that required by the generic formula.

(EDO)

(SECY Suspense: 6/30/99)

cc: Chairman Jackson
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
OGC
CIO
CFO
OCA
OIG
Office Directors, Regions, ACRS, ACNW, ASLBP (by E-mail)
PDR
DCS

SECY NOTE: This SRM, SECY 97-251, and the Commission Voting Record will be made publicly available 5 working days from the date of this SRM.