

**TECHNICAL EVALUATION REPORT FOR THE DEPARTMENT OF THE ARMY'S
PROPOSED 2014 STATEMENT OF INTENT AND DECOMMISSIONING FUNDING PLAN
FOR ITS SCHOFIELD BARRACKS AND POHAKULOA TRAINING AREA SITES**

Docket No.: 040-09083 **License No.:** SUA-1593

DATE: March 31, 2014

FACILITY: Department of the Army – Schofield Barracks and Pohakuloa Training Area
Sites, Hawaii

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SUMMARY AND CONCLUSIONS

U.S. Nuclear Regulatory Commission (NRC) license SUA-1593, License Condition 15, requires the Department of the Army (Army) to submit to NRC for review and approval, site-specific financial assurance instruments and decommissioning cost estimates for installations at the Schofield Barracks and Pohakuloa Training Area within 90 days of the effective date of the license (i.e.,October 23, 2013). By letter dated January 17, 2014 [ML14042A306, ML14057A372, ML14057A366, ML14057A363, ML14057A369, and ML14057A365], the Army submitted its Statement of Intent (SOI) and Decommissioning Funding Plan (DFP) for 2014 for its Schofield Barracks and Pohakuloa Training Area sites in Hawaii. The NRC staff reviewed the SOI and DFP and has determined that both meet the regulatory requirements in 10 CFR Part 40.

BACKGROUND:

The Schofield Barracks and Pohakuloa Training Area sites are located in Hawaii. The sites are United States Department of the Army installations. The license is for possession only. The licensed material is residual depleted uranium (DU) remaining from Atomic Energy Commission authorized firing in the 1960s. The firing ranges are open areas with no habitable structures but may contain training materials, such as targets and associated supporting materials. DU contamination is present in the radiation controlled areas (RCAs) at both installations. Because of the presence of unexploded ordnance (UXO), ordnance and explosives safety staff support is required for activities within the RCAs, except for UXO-cleared areas.

TECHNICAL EVALUATION

The NRC staff evaluated the DFP and SOI pursuant to the regulations in Title 10 of the Code of Federal Regulations (10 CFR) section 40.36. The evaluation also considered the guidance in NUREG-1757, Vol. 3, Rev. 1, Appendix A.

Enclosure

Decommissioning Funding Plan

In the decommissioning cost estimate calculations, the licensee includes costs for decommissioning and decontamination, reclamation of sites, structures, and equipment used in conjunction with site operation. The Army estimates the cost to decommission and decontaminate the Schofield Barracks and Pohakuloa Training Area sites by an independent party at \$42,470,781 and \$66,864,608 respectively. The staff finds that the cost estimate is: based on the costs of a third party contractor; does not take credit for salvage value; identifies key assumptions contained in the cost estimate; and includes an adequate contingency factor of 25%. Therefore, the staff finds that the DFP is acceptable.

Planning and Preparation

The licensee estimates the planning and preparation activities at the Schofield Barracks and Pohakuloa Training Area sites to be \$204,234 and \$208,706 respectively. The staff finds that these costs reasonably include all appropriate labor categories consistent with guidance in NUREG-1757, Vol. 3, Rev.1, Appendix A.3.6.

Decontamination and/or Dismantling of Radioactive Facility Components

The licensee estimates the decontamination of radioactive facility components at the Schofield Barracks and Pohakuloa Training Area sites to be \$4,074,463 and \$723,473 respectively. The staff finds that these costs reasonably include the number of workdays for all labor categories for areas at the site consistent with guidance in NUREG-1757, Vol. 3., Rev. 1, Appendix A.3.7.

Final Radiation Survey

The licensee estimates the final radiation survey at the Schofield Barracks and Pohakuloa Training Area sites to be \$13,707,774 and \$26,864,959 respectively. The staff finds that these costs reasonably include an estimated number of workdays, by specific labor category, that are required to conduct the final radiation survey consistent with guidance in NUREG-1757, Vol. 3., Rev. 1, Appendix A.3.9.

Site Stabilization and Long-Term Surveillance

The licensee estimates the site stabilization and long-term surveillance at the Schofield Barracks and Pohakuloa Training Area sites to be \$34,437 and \$34,437 respectively. The staff finds that these costs reasonably include the number of workdays, by specific labor categories that are required to complete site stabilization and long-term surveillance activities consistent with guidance in NUREG-1757, Vol. 3., Rev. 1, Appendix A.3.10.

Packaging, Shipping, and Disposal of Radioactive Wastes

The licensee estimates the aggregate costs for packaging, shipping, and disposal of radioactive wastes at the Schofield Barracks and Pohakuloa Training Area sites to be \$394,207 and \$136,591 respectively. The staff finds that these costs reasonably include the types and volumes of waste, types of containers, number of truckloads of waste to be shipped, and the volume of waste to be disposed consistent with guidance in NUREG-1757, Vol. 3., Rev. 1, Appendix A.3.14.

Equipment/Supply Costs

The licensee estimates the equipment/supply costs at the Schofield Barracks and Pohakuloa Training Area sites to be \$1,350,000 and \$2,640,000 respectively. The staff finds that these reasonably include the quantity of equipment and supplies consistent with guidance in NUREG-1757, Vol 3., Rev. 1, Appendix A.3.15.

Miscellaneous costs

The licensee estimates the aggregate costs of license fees, government contract acquisition, air fare, per diem, and contractor fee at the Schofield Barracks and Pohakuloa Training Area sites to be \$11,761,316 and \$17,021,308 respectively. The staff finds that these reasonably include the estimated costs for all applicable miscellaneous costs consistent with the guidance in NUREG-1757, Vol 3., Rev. 1, Appendix A.3.17.

Statement of Intent

The Army is using a SOI to provide financial assurance for decommissioning pursuant to 10 CFR 40.36(e)4. The SOI includes language that indicates sufficient funds will be obtained when necessary for decommissioning. In addition, the SOI describes the qualifications of the issuer and presents a model statement of intent that is acceptable to the NRC per guidance in NUREG-1757, Vol. 3, Appendix A.11. Therefore, the staff finds that the SOI financial assurance mechanism is acceptable.

CONCLUSION

Based on the information provided in the submission and the detailed review conducted of the DFP and SOI for the Army's Schofield Barracks and Pohakuloa Training Area sites in Hawaii, the NRC staff concludes that the current decommissioning cost estimate reasonably includes funds sufficient to cover the estimated costs of site decommissioning and that the financial assurance mechanism is adequate to cover the decommissioning costs. Therefore, the staff finds that the submission is acceptable.