

DOCKET NUMBER: 70-1257

LICENSE NUMBER: SNM-1227

LICENSEE: Framatome, Inc.
2101 Horn Rapids Road
Richland, WA 99354-0130

SUBJECT: SAFETY EVALUATION REPORT: TRIENNIAL UPDATE TO
DECOMMISSIONING FUNDING PLAN (ENTERPRISE PROJECT
IDENTIFIER L-2018-DFA-0001)

1.0 BACKGROUND

Nuclear facilities licensed under Title 10 of the *Code of Federal Regulations* (10 CFR), Part 70, are required to provide adequate financial assurance for decommissioning, decontamination and reclamation pursuant to 10 CFR Section 70.25, "Financial Assurance and Recordkeeping for Decommissioning." Framatome, Inc. (Framatome or the licensee) is the holder of Special Nuclear Material License Number SNM-1227. Pursuant to 10 CFR Paragraph 70.25(e)(2), Framatome is required to submit a decommissioning funding plan and financial assurance at least every 3 years for U.S. Nuclear Regulatory Commission's (NRC) review and approval.

By letter dated January 17, 2018 (Agencywide Documents Access Management System [ADAMS] Accession Number ML18019A201), as supplemented by letter dated May 31, 2018 (ADAMS Accession Number ML18159A062), Framatome submitted a revised decommissioning cost estimate (DCE) for its Richland facility.

The NRC utilizes NUREG-1757, Vol. 3, Rev. 1, "Consolidated Decommissioning Guidance Financial Assurance, Recordkeeping, and Timeliness" as guidance to evaluate the decommissioning funding plans submitted by 10 CFR 70 licensees.

2.0 REGULATORY REQUIREMENTS

Framatome remains responsible for the current status and future decommissioning of the licensed site and facility; to abide by all commitments and representations previously made to NRC; and to abide by all constraints, conditions, requirements, representations, and commitments identified in the license. As required by 10 CFR 70.25(e)(2), Framatome must continue to submit an updated cost estimate for decommissioning for NRC's review at intervals not to exceed three years. After resolution of any NRC comments on the estimate, Framatome must submit a signed original of the financial instrument reflecting an amount sufficient to cover the approved cost estimate. Framatome remains liable for any decommissioning costs not covered by the financial instrument referenced above.

Enclosure

3.0 STAFF EVALUATION

Framatome's 2018 decommissioning cost estimate (DCE) is in the amount of \$66,425,800 which is a \$3,845,604 increase over its previously approved cost estimate of \$62,580,196. The last NRC DCE approval was by letter dated August 30, 2016 (ADAMS Accession Number ML16237A112) approving a DCE amount of \$62,580,196.

The staff found the DCE acceptable as it meets the regulatory requirements of 10 CFR 70.25(e). Specifically, Framatome submitted a detailed cost estimate for decommissioning within 3 years of its last approved estimate and the new submittal: 1) reflects the cost of an independent contractor to perform decommissioning activities; 2) is based on unrestricted use; 3) includes an adequate contingency factor; and 4) identifies and provides justification for key assumptions.

Further, the licensee addressed the following events in its submittal and an e-mail dated January 24, 2018 (ADAMS Accession No. ML18031A934):

1. Spills of radioactive material.

Framatome stated, "We have had a couple of very minor unplanned contamination events since the last update, but each was cleaned up to release limits and any contaminated soil or asphalt was packaged into waste drums."

2. Waste inventory increases.

Framatome has updated table 26 in the DCE to reflect current waste inventory.

3. Waste disposal costs increases.

Framatome has updated its disposal costs since the last DCE update to reflect recent quotes. The estimated disposal costs are primarily due to increased disposal and labor costs. The waste volume estimates for decommissioning is unchanged.

4. Facility modifications.

Framatome has stated, no facility modifications were made since the last update that will impact decommissioning costs and that the footprint of contaminated buildings has not changed. Further, Framatome stated, the volume of contaminated piping, duct work, or other equipment has not significantly changed.

5. Changes in authorized possession limits.

Framatome stated there are no changes in the authorized possession limits since the last update.

6. Actual remediation costs that exceed the previous cost estimate.

Framatome stated no actual remediation costs have occurred since the last update.

7. Onsite disposal.

Framatome stated onsite disposal has never been a practice at the site.

8. Use of a settling pond.

Framatome stated no use of settling ponds has occurred since the last update. Framatome has stated previously that the surface impoundment system has been removed from service in accordance with a consent decree and formal closure plan under Washington State Department of Ecology Dangerous Waste Regulations. Certification of completion of the work in accordance with the approved closure plan and associated soil cleanup levels was submitted to the State in September 2006. State concurrence was received on November 14, 2006.

Framatome believes that the surface impoundment area now conservatively meets NRC requirements for unrestricted release and that no additional remediation will be required at the time of final plant decommissioning.

4.0 ENVIRONMENTAL REVIEW

This action involves a change to surety requirements. Pursuant to 10 CFR 51.22(c)(10), this is a category of action that does not individually or cumulatively have a significant effect on the human environment. Therefore, neither an Environmental Assessment nor an Environmental Impact Statement is required for this action.

5.0 CONCLUSION

Based on the review of the May 31, 2018 submittal, the NRC finds the submitted DCE is based on reasonable and documented assumptions, and that it reasonably estimates the cost, at this time, to decommission the facility. Accordingly, the NRC considers Framatome's 2018 DCE satisfies the requirements of 10 CFR 70.25(e) and is consistent with NUREG-1757, Volume 3, Rev. 1. Therefore, the NRC concludes that Framatome's 2018 DCE of \$66,425,800 is acceptable. Framatome shall appropriately revise its financial assurance mechanisms and Certification of Financial Assurance and submit them for NRC review within 30 days from the staff's approval date of the 2018 DCE.

The staff concludes that there is reasonable assurance that the proposed 2018 DCE would continue to provide reasonable protection of public health, safety, safeguards, security, and the protection of the environment. Therefore, the staff finds that the proposed update is acceptable and meets the regulatory requirements to provide financial assurance, as set forth in 10 CFR 70.25(e). The licensee remains liable for any costs not covered by the financial instrument(s).

6.0 PRINCIPAL CONTRIBUTORS

K. Kline, NMSS
K. Ramsey, NMSS