

Comments on Petition to Revise Rules on Decommissioning Trusts

The agency is asking for responses to four specific questions:

- 1) What are the pluses and minuses of the current regulatory situation, under which NRC licensees can employ operating funds for pre-shutdown removal of major radioactive components or wait until decommissioning begins to use a trust;

Plus: trust fund preservation, consistent with the intention of the current regulatory framework. The formula used for generic calculation of trust funds amounts did not contemplate licensee storage and deferment of large volumes of operational wastes. Operators should use operational funds for operational wastes, including large component replacement. These costs should be considered at the time of decision to replace the components and included in planning. If the decommissioning trust fund has funds in excess of cost estimates, NRC could allow operators to reallocate for operational expenses, as part of the biannual/annual reporting process, instead of opening a direct tap into the decommissioning fund during operations—that is, it's a two-step process: 1) excess funds identified and returned from holder, 2) operator uses returned funds to manage operational expenses, including disposal of large components.

Minus: Operators are making a business decision to store large components and dispose w/ decommissioning to access funds, despite storage and monitoring costs. There is a potential for loss of control of radiological material, if improperly stored/monitored.

- 2) Should decommissioning trusts be allowed for pre-closure major parts removal;

Not directly, but possibly by two-step reallocation, see discussion elsewhere in this response. It would be good, but not necessary, to encourage operators to manage large component wastes earlier, and not leave them sitting. The fact that storage and monitoring incur expenses seems to me to be an appropriate incentive for their business decision. I'd rather see more of this type of incentive—even after shutdown, limit the amount of decommissioning trust fund that can be used for disposal of operational wastes—say 50%. This would create additional financial incentive for licensees to manage these wastes in a timelier manner.

- 3) what criteria the NRC should consider for licensees' early use of decommissioning trusts; Only in two cases: INDIRECTLY-if decommissioning trusts were determined to be in excess, and excess was returned to operator for this purpose, or if the disposal costs are SPECIFICALLY INCLUDED in the cost estimate. This could be achieved either by the operator preparing a site-specific cost estimate which includes these items, such that costs and expenses can be tracked, or by NRC revising its generic formula for trust fund calculation to require additional funds to account for these waste volumes, effectively increased the estimated waste volume factor of the formula. The second approach is problematic, because you would need some basis for reducing the estimated volume based on operational disposal activities, which could be ongoing, or repeated during the operational life a facility.

- 4) If other "innovative financial approaches" could provide for early removal of large parts and sustain sufficient levels in decommissioning trusts.

As discussed in #1 above, establish a process whereby a licensee can have excess trust fund (excess should consider spent fuel management funds, whether commingled or not) which can only be used for specific purposes by the licensee, such as management of large component/operational wastes or other items which will contribute to the ultimate decommissioning of the facility.