

From: [Nicholas Capik](#)
To: [Smith, Ted](#)
Subject: [External_Sender] Draft report on decommissioning financial assurance
Date: Tuesday, April 21, 2020 4:48:12 PM

Mr. Smith:

Four Points Group, Inc. offers the following comments on the draft report:

1. Page 11 of the draft report notes that existing regulations require that Limited Liability Companies (LLCs) cover shortfalls in decommissioning funding. Beyond additional fund growth and voiding exemptions concerning use of fund assets, how does the NRC anticipate enforcing these regulations with an LLC that has no assets beyond the decommissioning trust funds (DTFs) such as the current LLCs performing decommissioning?
2. Page 12 of the draft report notes that the NRC could void an exemption to use the DTF for spent fuel management (SFM) costs in the event that it was determined that the DTF balance was not sufficient to fund both license termination (LT) activities and SFM. In this scenario, how would a licensee without additional assets (similar to the current Limited Liability Corporations (LLCs) performing decommissioning) fund SFM? What obligation would exist for the licensee to identify to the NRC how SFM would be funded in this situation?
3. Page 12 of the draft report notes that bankruptcy would not relieve a licensee of the obligation to comply with NRC regulations and make up shortfalls. How would a bankrupt LLC with no assets outside of the DTF make up shortfalls?
4. Page 12 of the draft report notes that if a licensee were to go bankrupt during decommissioning a work stoppage would likely result thus allowing time for funds to accumulate to accommodate completion of decommissioning. What analysis has the NRC performed that considers a bankrupt licensee during decommissioning, and does this analysis evaluate continuing SFM costs and costs to place the partially decommissioning facility in a stable condition for a potentially extended interval. Additionally, would such a scenario facilitate the completion of decommissioning activities within 60 years of shutdown?

Thank you for consideration of these comments.

Sincerely,
Nick Capik

Nicholas J. Capik

Managing Director
(703) 636-1151

www.fourpointsgroupinc.com •