



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

PDR
016

MAY 09 1985

Joseph Van Eaton, Esquire
Spiegel & McDiarmid
1350 New York Avenue, NW
Washington, DC 20005-4798

IN RESPONSE REFER
TO FOIA-85-270

Dear Mr. Van Eaton:

This is in partial response to your letter dated April 12, 1985, in which you requested, pursuant to the Freedom of Information Act (FOIA), three categories of documents concerning the proposed rule published on February 11, 1985, by the NRC entitled "Decommissioning Criteria for Nuclear Facilities" (50 FR 5600).

We are placing the following documents in the NRC Public Document Room (PDR), 1717 H Street, NW, Washington, DC 20555, for your inspection and copying:

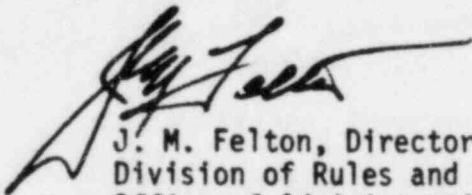
1. In response to Category 1, which requests materials other than NUREG reports related to NRC setting a value of \$100 million for the cost of decommissioning, a letter from R. I. Smith, PNL, to C. Feldman, NRC, dated May 15, 1984.
2. In response to Category 2, which requests materials related to escalation of decommissioning costs, a memorandum to the file from the decommissioning staff and a handwritten calculation dated April 23, 1985.
3. In response to Category 3, which requests materials related to work performed or advice given by outside consultants (other than listed in the references of the proposed rule), a document entitled "The Impact of NRC Estimates of Decommissioning Costs on Ratepayers and the Regulatory Process," dated May 14, 1984."

You may obtain access to these records by presenting a copy of this letter to the PDR staff or by requesting PDR folder FOIA-85-270 under your name.

There is no charge for inspecting records maintained at the PDR. We are enclosing a copy of a notice that provides charges and procedures for obtaining copies of records from the PDR.

The search for and review of additional records subject to your FOIA request have not been completed. We will notify you upon completion of the search and review.

Sincerely,

A handwritten signature in black ink, appearing to read "J. M. Felton", with a long horizontal flourish extending to the right.

J. M. Felton, Director
Division of Rules and Records
Office of Administration

Enclosure: As stated



Battelle
1515 Broadway
Columbus, Ohio 43260
Telephone (614) 497-1000
Telex 15-2014

May 15, 1984

Dr. Carl Feldman
Chemical Engineering Branch
Division of Engineering Technology
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Dr. Feldman:

In response to your recent request, I have performed a limited-scope reestimation of the cost of DECON for the reference PWR and BWR power stations. The principal categories reevaluated were staff labor, waste disposal, and energy costs, since these three categories constitute about 85% of the total cost.

Disposal costs were reestimated in detail, using the January 15, 1984 Schedule of Charges from U.S. Ecology, Inc., and the January 1984 tariff from Tri-State Motor Transit Co. Labor costs were escalated based on the January 1984 Hardy-Whitman Index of Public Utility Construction Costs, and energy costs were escalated based on a national average value from the publication Producer Price and Price Indexes issued by the U.S. Department of Labor.

The costs of DECON for the reference PWR and BWR power stations, estimated in early 1984 dollars, are summarized in Table 1, broken down into major cost categories. These costs include a 25% contingency. The prime contractor's incremental cost is based on the development of the additional cost associated with the utility hiring a contractor to be the prime contractor, as given in Section 6 of NUREG/OR-0130 ADDENDUM. The mobilization/demobilization value is escalated from the value given in the reference. The pre-DECON engineering estimate is estimated based on the work done by Burns and Roe on preparing for decommissioning the Shippingport reactor.

The wage scales used in the reference studies were based on Pacific Northwest/Hanford data. I have a 1983 comparison of construction wage scales at Hanford and at Oak Ridge which shows the labor costs around Oak Ridge to be only about 60% that of Hanford. Thus, staff labor and contractor services costs could be reduced by about \$9 Million and \$17 Million for the PWR and BWR respectively for decommissioning actions taking place in the South-east. It is unlikely that labor costs elsewhere in the U.S. are significantly higher than at Hanford.

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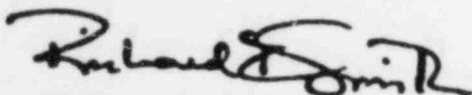
May 11, 1967
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analysis of this effect has been carried out, as yet, since this would require a significant effort on our part.

The cost of transporting radioactive materials to a disposal site is such a small (~ 5%) fraction of the total DECON cost that wide variations in transport costs would have a relatively minor impact on the total DECON cost.

I hope the information given above is adequate for your purposes. If you have questions about any of this information or need additional information on this topic, please call me.

Sincerely,



Richard I. Smith
Staff Engineer

RIS:tsn