

Honeywell Metropolis Works (Honeywell)
2021 Triennial Decommissioning Funding Plan (DFP)
Update to Request for Additional Information
Docket Number 4003392
License Number SUB-526

MTW Responses to NRC Additional Information Request for RAI-1 and RAI-2

RAI-1: Justify key assumptions in the DCE related to the disposition of inventory

The NRC staff noted that MTW's response to this RAI was inadequate and that, in its July 16, 2019, response (ADAMS Accession No. ML19200A031) to the NRC staff request for supplemental information regarding its review of the 2019 DFP update (ADAMS Accession No. ML19101A141) on inventory disposition, Honeywell stated the following:

"...MTW assumes that all the inventory has been dispositioned and removed from the plant site prior to the start of decommissioning. Therefore, the costs of removing inventory from the site was not considered in any of the cost estimates. MTW current contracts require that the customer is responsible for packing, loading, and shipping the material to their NRC controlled site."

This information was later supplemented by email dated April 17, 2020 (ADAMS Accession No. ML20177A150), stating that "The uranium inventory stored at Honeywell is owned by our customers and those customers are responsible for the retrieval of the material."

During the call you stated that this information is still valid, that it is partially included in the first bullet of section 1.5, "Assumptions and Bases," of the 2022 DFP as follows: "The uranium inventory stored at Honeywell is customer owned and the customers are responsible for the retrieval of the material." To address this issue, Honeywell stated that it will supplement its response by revising this section to clarify that current contracts require that customers are responsible for packing, loading, and shipping the material to their sites, and that, therefore, these costs were not considered by Honeywell in updating the DCE.

MTW Response:

The following statement will be included in the Assumptions and Basis section 1.5 of the DCE – "The uranium inventory stored at Honeywell is customer owned. The current customer contracts require that the customer is responsible for the packing, loading, and shipping the material to their NRC controlled site. The inventory will be dispositioned and removed from the plant site prior to the start of decommissioning. Therefore, the cost of removing inventory from the site was not included in this cost estimate".

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RAI-2: Update the basis for the cost estimates in the DCE

Equipment Costs

During the August 30th, 2022, call the NRC staff stated that MTW's response does not provide sufficient detail about their equipment costs calculations presented in Appendix A1 (like unit cost factors (UCF) consumables, UCF materials, and level of effort (LOE) materials equipment costs) and that this information breakdown is needed to confirm the reasonableness of those calculations.

In response, MTW stated that it will provide this detailed, broken-down calculations to the NRC staff to clarify their response to this RAI.

Subcontract Costs

The NRC staff stated that Honeywell's response does not fully address the question on subcontract costs, specifically for asbestos removal and disposal and final status surveys and samples, because it appears that Honeywell did not reflect the current costs for completing these activities and did not confirm that these costs were updated to 2021 dollars. The NRC staff also stated that this information needs clarification.

In response, MTW stated that it will submit the additional information to clarify its response to this RAI.

MTW Response:

Equipment

No changes to overall cost are expected based on the RAI, but revisions to Section 1.5 and a new Appendix A-7 is expected. The following are the MTW Responses to the NRC additional questions concerning UCF consumables, UCF materials, and LOE materials:

- UCF Consumables
 - UCF consumables used on a decommissioning project include items that are one-time use or have a limited-use capability due to their use in contaminated systems and areas. Estimating the costs of consumable products has proven to be difficult when developing a decommissioning cost estimate (DCE). ENERCON provides a basis and method to determine consumable costs to be added to unit cost factors (UCF) that can be applied to decommissioning labor costs and person-hours to better estimate the costs for consumable materials in a project estimate. Using industry standards, ENERCON has developed a \$5.33 cost factor as a multiplier on labor hours to determine total cost for UCF consumables. Appendix A-7 has been created to show UCF consumable cost and a statement

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regarding this new appendix will be added to Section 1.5, Assumptions and Bases. Appendix A-7 will also be added to the DCE document.

- UCF Materials
 - UCF materials is found in WBS 1.3.4, Outfall 002 in Appendix A. The total cost is \$103,601 and is determined by the following:

Item	Units (yd ³)	Rate	Total
Crushed or screened bank run gravel	2,902	\$35.70	\$103,601

- LOE Materials
 - LOE materials is found in WBS 1.11.2, Lockdown in Appendix A. The total cost is \$485,000 and is determined by the following:

Item	Units	Quantity	Rate	Total
Spray encapsulant	5-gal pail	1,600	\$300.00	\$480,000
Meter (lead)	Day	10	\$500.00	\$ 5,000

Subcontract Costs

Changes to overall cost is expected as a response to this RAI. These costs will be reflected based on the changes presented below.

The initiating event for decommissioning is to remediate all the asbestos sitewide utilizing the services of an asbestos abatement contractor licensed to perform work in the State of Illinois. The asbestos subcontract costs from 2018 were \$1,084,559.70 (Removal) and \$1,602,000.00 (Disposal). Annual rates of inflation are calculated using 12-month selections of the Consumer Price Index which is published monthly by the Labor Department's Bureau of Labor Statistics (BLS). Annual rates were 1.8% on 2019, 1.2% in 2020, and 4.7% in 2021. The three-year rise is calculated at 7.9%; therefore, the 2021 asbestos subcontract costs will be \$1,169,845.30 (Removal) and \$1,727,975.12 (Disposal).

Final status survey and samples were calculated in 2018 as 3,666 samples at \$90 per sample; for a total of \$329,940.00. Using the same inflationary rise, the same 3,666 samples now have a total of \$355,885.21 in 2021.

This will increase subcontract costs on the 2021 DCE by \$237,205.93 or 0.1% of the total DCE cost, and the costs will be revised in the appropriate tables and appendices of the DCE.