

Topical Areas for Upcoming Interim Staff Guidance on Financial Assurance

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Overview

- Scope
- List of Topics
- Walkthrough Each Topic
- Schedule

Scope

- Financial Assurance Guidance
 - Several audiences and applications
- **NUREG-1757, Vol. 3, Rev. 1** “Consolidated NMSS Decommissioning Guidance: Financial Assurance, Recordkeeping, and Timeliness”
- **Management Directive 8.12** “Decommissioning Financial Assurance Instrument Security Program”
- **NUREG-1556, Volume 15, Rev. 1** “Consolidated Guidance About Materials Licenses: Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, and Special Nuclear Materials Licenses”

List of Topics

- Addressing Inventory (not waste) in Decommissioning Cost Estimates
- Adding efficiency by directly answering the 8 “questions” from the rule
- Use of risk-informed review
- Guidance on submitting originals
- Discussion on Side Letters
- Guidance on developing a ‘sight’ draft

Inventory

- During the last cycle of reviews with Part 70 licensees, RAIs were asked about the key assumption on inventory disposition
- In the a letter to NEI (ML16307A014), NRC discussed some examples of justifications
- These will be expanded on in the text of the ISG

Efficiency

- The 2011 rule changes added 8 factors to consider:
 - Spills
 - Increasing waste inventory
 - Increasing waste disposal costs
 - Facility modifications
 - Changes in authorized possession limits
 - Actual remediation costs that exceed previous cost estimate
 - Onsite disposal
 - Use of a settling pond
- Directly addressing these in a submittal leads to more efficient reviews

Use of Risk-Informed Review

- Evaluating whether staff will create an RAI or observation in SER
- Focus on ensuring total value of decommissioning fund value is appropriate
- Take into account if licensees have purposefully overestimated (compared to guidance) specific costs due to external factors
- Error/uncertainty will not rely on contingency amount

Originals

- Original financial documents – letters of credit, standby trusts, etc. – should be sent to the project manager and a copy to document control.
- To ensure efficiency and effectiveness, repeating and expanding the guidance from MD 8.12
- This is in response to several cases where originals have been sent to document control.

Side Letters

- Recently an issue with a few side letters
- NRC needs to review the side letters
- Ensure they do not change the terms of the Standby Trust or other financial instrument

'Sight' Draft

- Knowledge Management activity
- Only 2nd time NRC has drawn on Letter of Credit
- Document steps and lessons learned
- Provide examples for future

Schedule

- Draft Interim Staff Guidance – February 2018
- Final Interim Staff Guidance – August 2018

QUESTIONS?