

**MAINE YANKEE**

**LTP SECTION 7**

**UPDATE OF SITE- SPECIFIC DECOMMISSIONING COSTS**

## TABLE OF CONTENTS

7.0	UPDATE OF SITE- SPECIFIC DECOMMISSIONING COSTS .....	7-1
7.1	Introduction .....	7-1
7.2	Decommissioning Cost Estimate .....	7-3
7.2.1	Cost Estimate Previously Docketed in Accordance with 10 CFR 50.82 .....	7-3
7.2.2	Radiological Decontamination Costs .....	7-4
7.2.3	Spent Fuel Management Costs .....	7-6
7.2.4	Site Restoration (Remediation) .....	7-6
7.2.5	Summary of Maine Yankee Decommissioning Cost Estimate .....	7-9
7.3	Decommissioning Funding Plan .....	7-9
7.4	Reserve Requirements .....	7-12
7.5	References .....	7-13

### List of Tables

Table 7-1	Maine Yankee Summary of Decommissioning Costs - TLG Site Specific Cost Estimate .....	7-8	
Table 7-2	Maine Yankee Decommissioning Trust Summary for the Current Financial Planning Estimate .....	7-10	
Table 7-3	Maine Yankee Comparison Summary of Decommissioning Costs .....	7-13	

## 7.0 UPDATE OF SITE- SPECIFIC DECOMMISSIONING COSTS

### 7.1 Introduction

In accordance with 10 CFR 50.82(a)(9)(ii)(F) and the guidance of Regulatory Guide 1.179, the site-specific cost estimates and funding plans are provided. Regulatory Guide 1.179 discusses the details of the information to be presented.

#### The License Termination Plan (LTP) must:

Provide an estimate of the remaining decommissioning costs, and compare the estimated costs with the present funds set aside for decommissioning. The financial assurance instrument required by 10 CFR 50.75 must be funded to the amount of the cost estimate. If there is a deficit in the present funding, the LTP must indicate the means for ensuring adequate funds to complete the decommissioning.

Maine Yankee has previously submitted its Site-Specific Decommissioning Cost Estimate (Reference Letter: G. Zinke, Maine Yankee to USNRC; 10 CFR 50.82(a)(8)(iii) Site Specific Decommissioning Cost Estimate and PSDAR Update; MN-98-65, dated November 3, 1998). The report submitted with this letter, "Decommissioning Cost Analysis for the Maine Yankee Atomic Power Station" dated October 1997 provides a detailed analysis of the projected costs for decommissioning activities.

Regulatory Guide 1.179 requires that the decommissioning cost estimate in the LTP should include an evaluation of the following cost elements.

- Cost assumptions used, including a contingency factor
- Major decommissioning activities and tasks
- Unit cost factors
- Estimated costs of decontamination and removal of equipment and structures
- Estimated costs of waste disposal, including applicable disposal site surcharges
- Estimated final site survey costs
- Estimated total costs

The cost estimate should focus on the remaining work, detailed activity by activity including costs of labor, materials, equipment, energy, and services.

MYAPC has docketed a site-specific cost estimate prepared by TLG Services in accordance with 10 CFR 50.82(a)(8)(iii). (Reference Letter: George Zinke, MYAPC to USNRC; 10 CFR 50.82(a)(8)(iii) Site Specific Decommissioning Cost Estimate and PSDAR Update; MN-98-65, dated November 3, 1998). This TLG Cost Estimate focuses on all decommissioning costs from 1997 through 2023, with the assumed final removal of all fuel from the site.

Maine Yankee has received an order from the Federal Energy Regulatory Commission (FERC), dated June 1, 1999 and effective August 1, 1999, concerning the recovery of decommissioning costs.

The Nuclear Regulatory Commission (NRC) staff, in its initial acceptance review of the Maine Yankee License Termination Plan, requested that Maine Yankee provide an updated Site Specific Cost Estimate using the methodology of the 10 CFR 50.82(a)(8)(iii). Maine Yankee declines to expend the financial and schedule resources to provide an updated estimate formatted to the elements discussed above (e.g. unit cost factors, estimated costs of removal of equipment, estimated waste disposal costs for major commodities, etc.) for the following reasons.

The techniques used for projecting future costs of decommissioning in Maine Yankee's 1997 TLG Site Specific Cost Estimate submittal (e.g. unit cost factors) are no longer relevant or meaningful for a project over 50% complete.

Maine Yankee has completed the initial radiological site characterization and an extensive radiologically contaminated asbestos removal program. Funds for these activities have been expended and are included in the expenditures included in Table 7-2, column (2). Extensive radiologically contaminated commodity removal has been accomplished since the start of decommissioning activities, including the removal of the three steam generators, pressurizer and reactor coolant system piping. These and many other components have been shipped to the GTS Duratek facility in Memphis, TN for decontamination and disposal. As with the asbestos removal program, funds for these activities have also been included in the expenditures included in Table 7-2, column (2).

The segmentation of the reactor vessel internals was completed in 2001 and most of the associated costs were expended in 2001. The preparation for the shipment of the reactor vessel with some internal components to the Barnwell facility are currently underway.

The cost of removal, preparation, and disposal of the reactor vessel is fixed by existing contracts. Those internal components classified as greater-than-Class C waste have been packaged and moved to the on-site (ISFSI) storage facility. Shipments of Class A waste to the Envirocare facility in Utah have been ongoing over the last 36 months. Maine Yankee has commissioned an on-site rail loading facility to facilitate the rail shipment of bulk commodities to Utah and of non-radiological bulk waste (primarily concrete) to other disposal facilities.

Because of the progress of the Maine Yankee decommissioning effort to date, the current financial planning cost estimate (dated January 2002) includes actual expenditures to date, expected future expenditures associated with fixed price and other contracts, and estimates based on more detailed knowledge of cost than previously available.

Maine Yankee's current financial planning cost estimate of January 2002 is used to demonstrate financial assurance in Section 7.3. This cost estimate includes costs incurred since 1997 for the above activities plus the projected costs through 2023. The impact of this cost estimate on DTF balances is summarized in Table 7-2.

Finally, Maine Yankee has used its current financial planning cost estimate to test incurred or projected costs against the information presented in the TLG Site Specific Cost Estimate. A recent comparison is summarized in Table 7-3.

## 7.2 Decommissioning Cost Estimate

### 7.2.1 Cost Estimate Previously Docketed in Accordance with 10 CFR 50.82

As stated earlier, Maine Yankee has docketed a site-specific cost estimate prepared by TLG Services in accordance with 10 CFR 50.82(a)(8)(iii).

This section provides the result of and the basis for the 1997 TLG cost estimate. The TLG cost estimate was prepared using unit cost factors and site specific and schedule driven considerations in accordance with the methodology suggested in AIF/NESP-036, "Guidelines to Producing Decommissioning Cost Estimates." PSDAR Page 15, revision 1, summarizes decommissioning costs and is appended to this report as Table 7-1. This table presents costs derived from the TLG estimate but organized to reflect an estimated allocation of components in accordance with Reg. Guide 1.179 guidance.

As stated earlier, Maine Yankee's current financial planning decommissioning cost estimate dated January 2002 is used to demonstrate financial assurance and is

the basis for Table 7-2 (col. 2 and col. 6). This current estimate includes costs to dismantle and decontaminate the plant, plus budgets for contingency, remediation and ISFSI engineering, licensing, construction and operation. These costs, totaling \$705 M, are presented in nominal dollars. \$311.9 M of expenditures have been accrued through 2001 for all decommissioning costs.

The projected costs presented in Table 7-2, and the balances in the Decommissioning trust funds, are updated periodically as actual expenditures are incurred.

Maine Yankee was recently awarded \$44M for settlement of performance and payment bonds in connection with the decommissioning operations contract with Stone & Webster. Maine Yankee deposited the payment in its decommissioning trust fund and the payment is included in the revised Table 7-2 column 5. Maine Yankee is continuing to pursue its claim for damages that was originally filed against Stone & Webster and its parent corporations in August 2000 in the Bankruptcy Court in Delaware.

The current financial planning cost estimate of \$635M in 2001 dollars, summarized in Table 7-2 (\$705M nominal dollars (col. 2 and col. 6)), is consistent with the 1997 TLG report of \$508M in mid-1997 dollars or \$589M in 2001 dollars when escalated at 3.8%, as shown in Table 7-1.

Therefore, Maine Yankee continues to rely on the TLG cost estimate for this submittal since it meets the requirements for format and methodology discussed in AIF/NESP-036, and will continue to monitor future estimates to ensure that costs are within 20% of the TLG estimate.

Maine Yankee recognizes that certain assumptions of the TLG estimate are no longer applicable, but has continually affirmed that the overall costs of decommissioning remain within the margin of the estimate and within the contingency assumed in the estimate.

The balance of information for this section provides the result of and basis for the 1997 TLG Site Specific Cost Estimate.

#### 7.2.2 Radiological Decontamination Costs

Based on the TLG estimate, the costs for radiological decontamination activities are estimated to be \$343.3M in mid-1997 dollars or \$398.5M in 2001 dollars

when escalated at 3.8%, and are summarized in Table 7-1. Consistent with current NRC policy, Maine Yankee decontamination costs consider only those costs that are associated with normal decommissioning activities necessary for termination of the Part 50 license and release of the site for unrestricted use. This cost estimate remains valid for the enhanced state clean-up standards which are more restrictive than 10 CFR 20.1402 and the use of MARSSIM methodology for performing Final Status Surveys. It does not include costs associated with spent fuel management or the disposal of non-radioactive materials and structures beyond that necessary to terminate the Part 50 license.

Concrete demolition debris is classified as special waste in accordance with Maine's Hazardous Waste, Seepage, and Solid Waste Management Act (38 MRSA, section 1301. et. seq.). A percentage of the concrete to be removed may be slightly contaminated with radioactive nuclides. Radiologically contaminated concrete materials will be shipped off site for disposal at a LLRW disposal facility or other appropriate disposal facility. Consequently the waste volumes estimated in Table 5.1 of the TLG Report, "Decommissioning Cost Analysis for the Maine Yankee Atomic Power Station", would be increased. The incremental cost increase associated with additional burial volumes is tempered by the reduction in the Final Status Survey scope of work, the expanded use of an existing rail line servicing the site for bulk shipments, the use of the volume reduction technology by Duratek's facility in Memphis, and the use of the Envirocare disposal facility for the disposal of the bulk of Class A low level waste rather than the use of the Barnwell facility for all Class A waste.

Maine Yankee projects the resulting incremental cost of increased waste disposal which supports site decontamination to the enhanced state of Maine cleanup standards will be within the costs and contingency identified in Table 7-1.

For comparison purposes, Table 7-3 summarizes actual costs through 2001 and remaining projected Radiological Decommissioning costs. The format of Table 7-3 and 7-1 are reflective of the definition of decommissioning activities defined in 10 CFR 50.2 and is based on an estimated allocation of such components.

### 7.2.3 Spent Fuel Management Costs

Maine Yankee acknowledges that the costs to construct and operate an independent spent fuel storage installation (ISFSI) and other spent fuel related costs are not considered by the NRC staff as part of decommissioning costs. Nevertheless a presentation of those costs is required because other stakeholders, recognized by the NRC as legitimate participants in the decommissioning and license termination proceedings, do not subscribe to the definition of “decommissioning costs” delineated in 10 CFR 50.75(c) with footnote. Also the staff recognized, as discussed in 10 CFR 50.75(a), that funding for the decommissioning of power reactors may be subject to the jurisdiction of other Federal and State agencies.

In order to satisfy other stakeholders in the decommissioning process, spent fuel management costs, based on the TLG estimate, are separately summarized in Table 7-1 and estimated to be \$128.7M in 1997 dollars or \$149.4M in 2001 dollars when escalated at 3.8%. These costs include ISFSI engineering, licensing, construction, and operation until possession of the spent fuel is transferred to the Department of Energy (DOE) which is assumed in this estimate to begin in 2018. The cost of decommissioning the ISFSI facility is included in the fuel management costs.

### 7.2.4 Site Restoration (Remediation)

As discussed in Section 7.2.3, Maine Yankee recognizes that site restoration costs, including the treatment of non-radiological wastes (primarily concrete and structural materials) may be considered outside the scope of 10 CFR 50.75 and 10 CFR 50.82(a)(9)(ii)(F). The following information is provided in deference to other stakeholder requirements.

The cost of site restoration, based on the TLG estimate, is estimated to be \$35.7M in mid-1997 dollars or \$41.4M in 2001 dollars when escalated at 3.8% and as shown in Table 7-1. This cost includes demolition of non-radiological affected buildings and costs associated with non-radiological remediation required by Federal and State agencies, e.g., Resource Conservation and Recovery Act (RCRA) closure, asbestos disposal, etc..

Based on extensive input from State regulatory agencies, the Community Advisory Panel, and other key Stakeholders, the concrete waste from plant areas outside of the radiologically controlled area will be disposed of at commercial



facilities licensed or permitted to handle special waste as defined by the State of Maine or to out of state facilities, provided out-of-State disposal is cost effective relative to other disposal options. This waste form also is to be shipped primarily by rail.

**Table 7-1**  
**Maine Yankee Summary of Decommissioning Costs <sup>(1)</sup>**  
**TLG Site Specific Cost Estimate**

<b>Plant Radiological Decontamination</b>	<b><u>1997 Dollars</u></b>	<b><u>2001 Dollars<sup>(4)</sup></u></b>
Staffing	\$91,128	\$105,789
LLW Burial	\$64,816	\$75,244
Equipment Removal	\$44,310	\$51,439
LLW Packaging and Shipping	\$16,663	\$19,344
Decontamination Activities	\$ 6,376	\$ 7,402
Contingency	\$60,265	\$69,961
Other Costs <sup>(2)</sup>	\$59,719	\$69,327
<b>Subtotal</b>	<b><u>\$343,279</u> <sup>(3) (5)</sup></b>	<b><u>\$398,505</u> <sup>(3)</sup></b>
<b>Spent Fuel Management</b>		
Staffing and Security	\$33,189	\$38,529
Property Taxes	\$25,445	\$29,539
Construction Costs	\$52,249	\$60,655
NRC and State Fees	\$10,093	\$11,717
Insurance	\$ 3,018	\$3,504
Other Costs <sup>(2)</sup>	\$ 4,683	\$5,436
<b>Subtotal</b>	<b><u>\$128,677</u> <sup>(3) (5)</sup></b>	<b><u>\$149,379</u> <sup>(3)</sup></b>
<b>Site Restoration (Remediation)</b>		
Licensing Termination Survey	\$10,701	\$12,423
Major Component Removal	\$10,805	\$12,543
Close-out activities	\$ 3,222	\$3,740
Demolition of site buildings	\$10,973	\$12,738
<b>Subtotal</b>	<b><u>\$35,701</u> <sup>(3) (5)</sup></b>	<b><u>\$41,445</u> <sup>(3)</sup></b>
<b>Total Decommissioning Costs Estimate</b>	<b><u>\$508,000</u> <sup>(3) (5)</sup></b>	<b><u>\$589,329</u> <sup>(3)</sup></b>

Notes:

- (1) Prompt Decommissioning Technique (DECON), costs in thousands of dollars. Components estimated to reflect allocation of cost categories to conform with NRC definition.
- (2) Other costs include insurance, property taxes, energy, NRC and State fees, etc.
- (3) Sums may not be exact due to rounding to nearest thousand
- (4) Escalation rate of 3.8% used
- (5) All values derived from the TLG Site Specific Cost Estimate as discussed in LTP Section 7.2

### 7.2.5 Summary of Maine Yankee Decommissioning Cost Estimate

The “Decommissioning Cost Analysis for the Maine Yankee Atomic Power Station”(Site Specific Decommissioning Cost Estimate prepared by TLG Services), is the basis for the company’s decommissioning cost estimate and was provided in a format consistent with regulatory guidance with additional detail. Maine Yankee will continue to monitor actual costs to ensure future financial planning cost estimates, which include a significant portion of fixed costs and contain a greater scope than the TLG cost estimate, continue to be within 20% of the TLG estimate.

Finally, Maine Yankee has used its current January 2002 financial planning cost estimate of \$635M in 2001 dollars (which exceeds the formal TLG cost estimate of \$589 M in 2001\$), which includes dismantlement and decommissioning, spent fuel construction and management costs, site restoration, and remaining Maine Yankee projected decommissioning costs through 2023, to project Decommissioning Trust Fund (DTF) balances and to demonstrate financial assurance. The projections are presented in Table 7-2.

The projections presented in Table 7-2 include the expenditures for waste disposal and decontamination in accordance with the enhanced state clean-up standards that are more restrictive than 10 CFR 20.1402.

### 7.3 Decommissioning Funding Plan

As stated above, Maine Yankee has used its January 2002 financial planning estimate of \$635M (2001\$) and projections of decommissioning collections which consider the 1999 FERC rate case settlement to project DTF balances and to evidence financial assurance along with other funding avenues available to the Company as described below. (See Table 7-2.).

Table 7-2 column 2 combines the annual projections for the costs specifically associated with plant (radiological) dismantlement, spent fuel management, and site-restoration as “Escalated Expenditures.”

Maine Yankee is currently collecting decommissioning funds through its Power Contracts and Amendatory Agreements under FERC regulation. These contracts have been filed with the FERC. Table 7-2 column 1 identifies the decommissioning funds currently being collected and those projected to be collected under the contracts and includes the funding of radiological decommissioning, spent fuel management, and remediation.

**Table 7-2**  
**Maine Yankee Decommissioning Trust Summary for the Current Financial Planning Estimate**  
Decommissioning Cost \$635M (2001\$) @ 3.8%: Assumed New Rate Filing 1/1/04  
(Dollars in Thousands)

Year	DECOMMISSIONING TRUST					(Col. 6) ISFSI Expenditures From SPENT FUEL DISPOSAL TRUST
	(Col. 1) Annual Decommissioning Accrued Contributions	(Col. 2) Escalated Expenditures*	(Col. 3) After-Tax Trust Earnings and Adjustments	(Col. 4) Funding Per Section 7.4	(Col. 5) Accrued Decommissioning Trust Balance	
1997		\$1,965			\$199,457	\$0
1998	33,901	40,441	19,746		212,664	0
1999	34,051	64,568	5,561		187,708	6,613
2000	27,709	70,669	11,489		156,236	22,355
2001	69,577	77,242	8,521		153,887	28,019
2002	25,577	93,875	3,737		89,326	15,973
2003	25,577	61,954	2,163	0	55,112	4,407
2004	21,627	36,149	1,455	0	42,045	0
2005	21,627	22,758	1,261	0	42,174	0
2006	21,627	6,492	2,238	0	59,548	0
2007	21,627	6,261	3,025		77,939	0
2008	18,022	6,477	3,767		93,251	0
2009	0	5,385	4,075		91,940	
2010	0	5,585	4,012		90,367	
2011	0	5,792	3,936		88,512	
2012	0	6,007	3,848		86,353	
2013	0	6,230	3,746		83,868	
2014	0	6,462	3,629		81,034	
2015	0	6,703	3,496		77,827	
2016	0	6,953	3,346		74,220	
2017	0	7,213	3,178		70,184	
2018	0	8,432	2,969		64,721	
2019	0	9,726	2,694		57,689	
2020	0	10,092	2,369		49,966	
2021	0	9,206	2,041		42,802	
2022	0	18,598	1,508		25,711	
2023	0	26,277	566		0	
Total	\$320,923	\$627,512	\$108,373			\$77,368

\* Excludes ISFSI-related expenditures

Notes:

- Expenditures (columns 2 and 6) represent the current financial planning decommissioning cost estimate as of January 2002. Balances (columns 1, 2, and 5) include amounts for site restoration and long term spent fuel storage management.
- (1) The Decommissioning Trust Fund Balance as of December 31, 2001 was \$ 157.1M which included a \$44 million accrual for settlement of performance and payment bonds and a \$3.2 million accrual for unrealized gains. As of December 31, 2001, \$311.9M had been expended for all decommissioning costs.
  - (2) The Spent Fuel Disposal Trust Fund Balance as of December 31, 2001 was \$88.7M.
  - (3) Includes a reserve for SAFSTOR as discussed in Section 7.4
  - (4) Assumes annual decommissioning collections decrease from \$25.6M to \$21.6M with approval effective 1/1/04. Tax Billing Change (Column 3) where Trust pays for all decommissioning income taxes commencing 1/1/04.

As a result of the FERC order dated June 1, 1999 and effective August 1, 1999, Maine Yankee has agreed to file with the FERC no later than January 1, 2004 for the purpose of examining any further rate adjustments specifically, although not limited to the future cost of spent fuel storage management. Maine Yankee expects that case to determine any adjustments to decommissioning collections. Based on Maine Yankee's current financial planning estimate dated January 2002, the Company plans to fully fund all decommissioning costs and spent fuel storage costs by 2008 and would require a decrease in annual decommissioning collections from approximately \$26M to approximately \$22M given current assumptions. Maine Yankee will evaluate its revenue requirements for the appropriate rate adjustment prior to the 2004 filing.

As a result of State of Maine Legislative action effective September 18, 1999, Maine Yankee has access to its state-mandated Spent Fuel Disposal Trust (SFDT). As of December 31, 2001 the SFDT balance was \$88,748,000. This Trust is separate and distinct from the DTF pursuant to 10 CFR 50.75 and 10 CFR 50.82. Effective October 1, 1999, Maine Yankee is permitted by State law to withdraw funds from the SFDT to meet expenditures for interim spent fuel storage costs and to offset those interim spent fuel storage costs already incurred by Maine Yankee. Expenditures from the SFDT are incorporated in the FERC Rate Settlement. Table 7-2 column 6 identifies the estimated costs associated with the construction and placing into service of an ISFSI which will be funded from the SFDT.

As of December 31, 2001, the accrued MY Decommissioning Trust Balance was \$157.1 million. This balance includes amounts in the trust for all decommissioning costs including remediation and long term spent fuel management as well as decommissioning as defined in 10 CFR 50.75 and the PSDAR. The balance also includes an accrual for the performance and payment bonds settlement of \$44 million.

Note that as of December 31, 2001, Maine Yankee had incurred \$311.9 million of decommissioning expenditures, which includes \$59M accrued for ISFSI construction.

Maine Yankee recognizes that the staff does not consider the cost to construct and operate the ISFSI and other spent fuel-related costs as part of the decommissioning cost, nor does it consider the cost to complete all environmental restoration activities at the site as part of the decommissioning cost estimate. However, Table 7-2 includes all such costs, including contingency.

As indicated in Table 7-2, column 5, the DTF pursuant to 10 CFR 50.75 is sufficient, together with current FERC-approved collections and an assumed rate decrease in 2004, to cover all of the expenditures related to decommissioning. Refer to Section 7.4 for a description of additional financing options, if necessary, available to Maine Yankee.

#### 7.4 Reserve Requirements

10 CFR 50.82(8)(i)(B) and 10 CFR 50.82(8)(i)(C) require that a reserve be maintained in the DTF to accommodate a sudden unexpected delay in decommissioning activities.

All spent fuel is expected to have been transferred to the completed ISFSI and the existing Spent Fuel Building (SFB) is expected to be decommissioned by the end of 2004. Fuel management costs will consist of operational costs until 2023 (assuming DOE has completed all HLW removal from the site by that date) and decommissioning costs associated with the ISFSI.

All D&D activities are scheduled for completion by year end 2004. Assuming a SAFSTOR condition, DTF expenditures would be minimized to D&D activities only. Maine Yankee forecasts sufficient DTF balances should a SAFSTOR condition occur during the period between 2001 and 2004.

After 2004, the majority of expenditures from the DTF are related to the ISFSI. As shown in Table 7-2 column 5, sufficient funding will exist, based on Maine Yankee's assumption that the DOE will meet its responsibility for Spent Fuel disposal by 2023.

As demonstrated in Table 7-2, Maine Yankee will maintain adequate DTF balances for ALL \$635M of decommissioning expenditures. To further strengthen this position, Maine Yankee has identified additional funding options, if necessary, as listed below:

- Maine Yankee is projecting decommissioning trust fund balances above projected minimum requirements and therefore has the capacity to incur costs greater than assumed in the current financial planning cost estimate dated January 2002.
- Any proceeds resulting from a favorable outcome in litigation against Stone and Webster and its parent corporations.
- Lower expenditures than estimated due to successfully managing the use of unallocated contingency.
- Maine Yankee has projected corporate cash which could be used to fund decommissioning.
- Agreements with FERC to file no later than January 1, 2004 for further rate adjustments.
- Maine Yankee's ability to defer decommissioning activities in order to reduce DTF expenditures.

Pursuant to 10 CFR 50.75 and 10 CFR 50.82 regulations, we believe we have demonstrated a financial plan, which includes adequate reserves for the entire decommissioning and ISFSI-related costs and therefore, meets the requirements for costs associated with decommissioning and dismantlement as defined by these regulations and, in fact, have

demonstrated capability beyond the required NRC definition of decommissioning.

Table 7-3  
Maine Yankee Comparison Summary of Decommissioning Costs

Plant Radiological Decontamination	TLG Site Specific Cost Estimate <sup>(1)(2)</sup>	Maine Yankee Financial Planning Estimate <sup>(1)</sup>		
		Expended <sup>(3)(4)</sup>	Projected	Total
Staffing	\$105,789	\$72,433	\$59,162	\$131,595 <sup>(7)</sup>
LLW Burial	\$ 75,244	\$52,463	\$29,136	\$ 81,599
Equipment Removal	\$ 51,439	\$34,427	\$ 4,354	\$ 38,781
LLW Packaging and Shipping	\$ 19,344	\$20,959	\$ 5,934	\$ 26,893
Decontamination Activities	\$ 7,402	\$21,328	\$10,606	\$ 31,934
Contingency	\$ 69,961	\$ 135	\$19,118	\$ 19,253
Other Costs <sup>(5)</sup>	\$ 69,327	\$41,318	\$23,566	\$ 64,884
<b>Subtotal</b>		<b>\$243,063</b>	<b>\$151,876</b>	
<b>Total<sup>(6)</sup></b>	<b>\$398,505</b>			<b>\$394,939</b>

Notes:

- (1) Reported in thousands (000's) of 2001 dollars. Allocation of costs based on Maine Yankee's estimate of grouping the cost categories per Reg. Guide 1.179.
- (2) Estimate as shown on Table 7-1
- (3) Expended through December 2001
- (4) Until May 2000, Maine Yankee maintained a fixed price contract for Decommissioning Services. Amounts reported as expended include identifiable contract costs, and in some cases, a prorated distribution based on the best information available to Maine Yankee.
- (5) Other Costs include insurance, property taxes, energy, NRC and State fees, etc.
- (6) Amounts are based on activities related to the definition of "Decommissioning" in 10 CFR 50.2 and do not include the cost of removal and disposal of spent fuel or of non-radioactive structures and materials beyond that necessary to terminate the license.
- (7) This value includes License Termination Survey costs of approximately \$7M previously included under Site Restoration in the TLG Site Specific Cost Estimate (Table 7-1). Termination survey (FSS) costs are dominated by staffing expenses. Because of the decision to demolish above grade structures in the industrial area, the final status survey scope has been reduced, and the associated costs are now lower than that determined by TLG in 1997. (See Table 7-1.)

7.5    References

- 7.5.1 NRC Regulatory Guide 1.179, "Standard Format and Content of License Termination Plans for Nuclear Power Reactors
- 7.5.2 Maine Yankee letter to NRC MN-98-65, November 3, 1998, Site Specific Decommissioning Cost Estimate and PSDAR Update
- 7.5.3 Decommissioning Cost Analysis for the Maine Yankee Atomic Power Station, October 1997 TLG Services Inc.

7.5.4 Federal Energy Regulatory Commission Order, June 1, 1999

7.5.5 Guidelines to Producing Decommissioning Cost Estimates, AIF/NESP-036