

The Department of Public Service: Vermont Yankee Decommissioning Status Update

Prepared for the Vermont Nuclear Decommissioning Citizens Advisory Panel

May 9, 2022

The Department of Public Service's Continuing Role

▶ Financial

- ▶ Review financial performance of the project, including cash flow;
- ▶ Analyze the financial health of NorthStar; and
- ▶ Assess the viability of financial assurances.

▶ Technical

- ▶ Confirm work performed is reasonable and consistent with SRT & NDT withdrawals; and
- ▶ Evaluate project to identify risks or concerns that could challenge successful completion.

▶ Department Activities

- ▶ Review monthly summaries of expenditures;
- ▶ Review requests for disbursement from Site Restoration Trust (“SRT”);
- ▶ Monthly meetings with NorthStar to follow-up with reporting;
- ▶ Department consultant conducts regular site visits to verify work completed; and
- ▶ Upload publicly available information to the Department’s VY Decommissioning Page.

Annual Reporting Requirements

- ▶ The March 2, 2018 Memorandum of Understanding (“MOU”) requires NorthStar to file (i) an annual public certification and (ii) financial disclosures by March 31st of each calendar year;
 - ▶ MOU § 2(h) - Annual Public Certification - submitted to the Department of Public Service, the Agency of Natural Resources, the Department of Health, and the Vermont Office of Attorney General;
 - ▶ Mou § 2(i) - Annual Financial Disclosures - submitted only to the Department.

MOU § 2(h) - Annual Public Certification

- ▶ § 2(h)(1): A detailed description of all work completed as of that date pursuant to corrective action plans approved by ANR pursuant to Subchapter 5 of the I-Rule;
 - ▶ There are three corrective action plans approved by ANR to date, with anticipation of two additional corrective action plans to be submitted in 2021.
- ▶ § 2(h)(2): A detailed description and schedule of remaining corrective actions and site restoration work;
 - ▶ Submitted within the public certification and to ANR.
- ▶ § 2(h)(3): The amount of funds available for site restoration as of the end of the calendar year preceding the date of the report; and
 - ▶ The balance of the SRT as of December 31, 2021 was \$56,890,048.16;
 - ▶ The balance of the SRT as of April 30, 2022 was \$52,228,265.25.
- ▶ § 2(h)(4): The amount of funds estimated to be required to complete site restoration;
 - ▶ Approximately \$18.135 million required to complete site restoration.

MOU § 2(i): Financial Disclosures and Reports

- ▶ § 2(i)(1): Audited financials for NorthStar Group Holdings, LLC and NorthStar Group Services, Inc. for the preceding calendar year
 - ▶ Audited financials were received;
- ▶ § 2(i)(2): Audited statements of NDT and SRT fund balances (with current investment mix), and an accounting of all disbursements;
 - ▶ Audited statements of fund balances were received;
- ▶ § 2(i)(3): A schedule of both cumulative historic. . . And project fund activity for NDT and SRT funds . . . Including an updated “pay item disbursement schedule” and . . . An update of the current “Deal Model” through completion of partial site release and site restoration of the VY Station site;
 - ▶ NorthStar provided an updated pay-item disbursement schedule and deal model to the Department;
- ▶ § 2(i)(4): A variance analysis, comparing actual disbursements detailed in the updated “Deal Model” to estimated disbursements in the prior year’s reporting, explaining all variances in excess of 10% or \$2 million;
 - ▶ NorthStar provided Deal Model Variance Analysis reporting and explaining all 2021 variance in excess of 10% or \$2 million.

Financial & Technical Updates

- ▶ Site Visit conducted January 2022;
 - ▶ Included observation of work activities in turbine building, reactor building, refueling floor, former radwaste building area, and outside areas near the turbine and reactor buildings;
 - ▶ No conditions observed during visit were inconsistent with the project progress reported by NorthStar in their October, November, and December status reports;
 - ▶ May 2022 Site Visit conducted and currently awaiting report.
- ▶ Progress - Based on the last approved schedule provided by NorthStar and the annual financial reporting, the Department's consultants find the estimated work completed to be reasonable. NorthStar appears to be on course to complete the project with available funding.

Financial Update Disbursements from NDT and SRT

Table 1: Nuclear Decommissioning Trust Disbursements

Date Received	Disbursement
February 2, 2022 (for January)	\$5,300,000.00
February 24, 2022 (for February)	\$6,000,000.00
April 4, 2022 (for March)	\$8,100,000.00
May 3, 2022 (for April)	\$7,500,000.00

Table 2: Site Restoration Trust Disbursements

Date Received	Disbursement
January 3, 2022 (for November)	\$845,651.13
February 1, 2022 (for December)	\$695,314.95
March 2, 2022 (for January)	\$48,190.25
April 1, 2022 (for February)	\$48,190.25
May 3, 2022 (for March)	\$48,190.25

- ▶ As of April 30, 2022, the NDT balance is roughly \$242.3 million;
- ▶ As of April 30, 2022, SRT balance is roughly \$52.2 million;
- ▶ All disbursements are for work already completed.

Financial Update: Trust Balances

Table 3: Trust Balance Update

	Nuclear Decommissioning Trust (NDT)	Site Restoration Trust (SRT)
December 31, 2021	\$276,302,329.13	\$56,890,048.16
January 31, 2022	\$266,907,056.11	\$55,960,802.38
February 28, 2022	\$256,290,964.69	\$54,823,550.58
March 31, 2022	\$247,918,570.40	\$52,849,594.41
April 30, 2022	\$242,281,394.92	\$52,228,265.25

In Summary:

- ▶ **License termination activities** total \$536.2 million, including pre-closing costs. As of April 30, 2022, \$295.2 million has been earned, leaving \$241.0 million required to complete license termination work. The Nuclear Decommissioning Trust contains \$242.3 million as of April 30, 2022.
- ▶ **Spent fuel management costs** total \$290.9 million. NorthStar has earned \$24.1 million as of April 30, 2022, leaving \$266.8 million required to manage spent fuel until all fuel is removed from the site (date for completion is 2052). NorthStar anticipates collecting an additional \$276.477 million from the DOE for spent fuel management costs
- ▶ **Site restoration costs** total \$25 million. As of April 30, 2022, NorthStar has earned \$12.2 million, leaving \$12.8 million required to complete site restoration work. The site restoration trust fund contains \$52.2 million as of April 30, 2022.