

Department of Public Service - Vermont Yankee Decommissioning Status Update

Prepared for the Vermont Nuclear Decommissioning Citizens Advisory Panel

May 4, 2020

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

- ▶ 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 Department of Public Service (“DPS”), Agency of Natural Resources (“ANR”), Department of Health, and Office of Attorney General
 - ▶ MOU § 2(i) - Financial Disclosures - submitted only to DPS

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;
 - ▶ No approved corrective action plans to date;
- ▶ § 2(h)(2): A detailed description and schedule of remaining corrective actions and site restoration work;
 - ▶ On February 19, 2019, NorthStar submitted a complete work plan to ANR, which it reviewed with ANR and ANR's contractor on February 28. A site tour was conducted on March 15;
 - ▶ On January 31, 2020, NorthStar submitted an Updated Site Investigation Report to ANR;
 - ▶ Corrective Action Plans for Areas of Concern will be addressed in 2020;
- ▶ § 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, 2019 was \$62,340,236.73;
 - ▶ The balance of the SRT as of March 31, 2020 is \$64,375,339.92;
- ▶ § 2(h)(4): The amount of funds estimated to be required to complete site restoration;
 - ▶ \$23.215 million is 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
 - ▶ Agreement to receive audited financials by April 30; NorthStar is adjusting its auditing cycle to align with the MOU
 - ▶ Audited financials were received April 1, 2020
- ▶ § 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 April 1, 2020

MOU § 2(i): Financial Disclosures and Reports

- ▶ § 2(i)(3): A schedule of both cumulative historic . . . and projected 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;
- ▶ § 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 2019 variance in excess of 10% or \$2 million;

Disbursements from NDT and SRT

Nuclear Decommissioning Trust Disbursements

Date	Disbursement
6/6/2019	\$7,000,000.00
7/2/2019	\$8,000,000.00
8/1/2019	\$12,500,000.00
9/9/2019	\$11,500,000.00
10/8/2019	\$10,500,000.00
11/7/2019	\$8,100,000.00
12/5/2019	\$10,500,000.00
12/19/2019	\$8,500,000.00
1/30/2020	\$6,000,000.00
3/5/2020	\$5,000,000.00
4/6/2020	\$9,500,000.00

Site Restoration Trust Disbursements

Date	Disbursement
5/23/2019	\$250,000.00
7/9/2019	\$250,000.00
9/5/2019	\$250,000.00
10/15/2019	\$194,000.00
11/6/2019	\$194,000.00
12/5/2019	\$194,000.00
1/6/2020	\$194,000.00
2/5/2020	\$1,588,686.34
3/5/2020	\$292,701.00
4/3/2020	\$292,701.00

- ▶ As of 3/31/2020 NDT balance roughly \$425 million
- ▶ As of 3/31/2020 SRT balance roughly \$64 million
- ▶ All disbursements are for work already completed

General Updates

- ▶ Received the Annual Radiological Effluent Release Report and the Annual Radiological Environmental Operating Report;
- ▶ COVID-19 - Department consultants have not identified any concerns with the project related to safety, radiation protection, work control, or radioactive waste management as a result of the current national health crisis; and
- ▶ Progress - Based on the last approved schedule provided by NorthStar, the Department's consultants find the estimated work completed to be reasonable. NorthStar is on course to complete the project with available funding.