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Tel. 301-504-2240

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Remarks by Ivan Selin
Chairman, U.S. Nuclear Regulatory Commission
before the
Early Site Permit Demonstration Siting Conference
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Good morning ladies and gentlemen. I am pleased to be here today to tell you what the Nuclear Regulatory Commission (NRC) is doing to prepare for review of an early site permit application. And, hopefully, by the end of this session we will have some insight into what the industry is going to do. This is an important conference that will bring us closer to the point where an application can be submitted, but it is important to bear in mind that other factors will ultimately determine whether a new generation of reactors will ever become a reality. I would first like to address a number of the factors that I believe will affect the future of nuclear power in the United States, and then I will discuss the preparations by the NRC to receive and review an early site permit application if one is produced by the demonstration program.

THE FUTURE OF NUCLEAR POWER

I believe that four primary, interconnected factors must be addressed if the option for new nuclear power capacity is to be considered seriously. First, existing nuclear power plants must continue to operate safely. Second, there must be an increase in trust among the public, the NRC, and the regulated industry. Third, nuclear power must be economic. Finally, progress must be achieved towards a credible solution to the high-level waste issue.

As far as NRC priorities are concerned, let me reiterate the Commission's number one priority -- the safety of operating reactors. The agency's principal duty is to help ensure the operational safety of the existing nuclear power plants. However, operational safety is not solely the obligation of the NRC. First and foremost, it is the duty of the nuclear industry. You, who are involved on a daily basis in the design, operations, and maintenance of our nuclear facilities, know better than

anyone else that without an extensive period of safe operations, and without the public's support and belief that safe operations can, and are, occurring, there will be no future for nuclear power.

Secondly, there must also be an increase in trust among the public, the NRC, and the regulated industry. While this does not necessarily mean total agreement by the public with regulatory and industry actions, it does mean that there must continue to be an open process to facilitate public input and genuine consideration of such input in decision-making. The NRC must be open in sharing with the public its understanding and rationale for decisions. Siting facilities of all types (nuclear plants, airports, prisons, landfills, and even football stadiums) is a community issue requiring public involvement. Fruitful interactions between the industry and public interest groups will help focus and resolve issues.

And, if a resurgence of nuclear power is to occur, the industry will need to proceed along several other avenues. Not only will you need to establish a belief within the American public of a "need for nuclear," you will have to establish a "need for any type" of baseline electrical generating capacity.

To accomplish this, both demand and supply side management strategies will need to be employed. First, and foremost, there must be a concerted and aggressive emphasis, throughout the nation, on electricity conservation. The industry must be able to say, without qualification, that electrical growth is needed, and not just wanted or convenient. This cannot be done if the potential for conserving electricity has not been exhausted, even where conservation and demand-side strategies may require significant capital investment. Second, the entire electrical generating industry must become as efficient as possible, concentrating on obtaining the most power output possible from the current generation resources, consistent with strict safety considerations for nuclear plants. This includes such goals as attaining higher capacity factors, fully using current facilities through license renewal, and completing partially built facilities.

Finally, on the issue of disposal of high-level waste, the Department of Energy (DOE) is charged with the responsibility for developing the repository and the NRC must review DOE's license application and make a licensing decision. Like preparations for an early site permit application, the NRC is moving forward with a multi-faceted program to ensure that, when and if, DOE submits an application, we will be ready to review it.

NRC EFFORTS TO PREPARE FOR AN EARLY SITE PERMIT APPLICATION

In 1989, the NRC completed a long-term initiative to produce an alternative to the traditional 10 CFR Part 50 licensing process. The objectives of this initiative -- Part 52 rule -- are to resolve licensing issues early and to enhance the safety and reliability of nuclear power plants. The new regulations do not compromise safety, do not reduce the scope of issues evaluated by the NRC, and do not reduce the openness to public review and challenge during the licensing process. Part 52 affords the opportunity to resolve siting and design issues in great measure before large commitments of resources are made and positions are entrenched.

As most of you are aware, the NRC has not received an application for a new nuclear power plant since 1978. Since promulgating Part 52, the NRC has focused considerable effort on reviewing advanced light water reactor designs. New standard designs are a prerequisite to reopening the nuclear power option. As design certification provides early resolution of design issues, an early site permit will provide early resolution of siting issues. But even if prospective applicants defer siting decisions until designs are certified and plants are ready to be built, site-related issues will still need to be resolved during the combined license process.

While Part 52 does not result in substantive changes to the technical requirements for siting a plant, the NRC is considering improvements in a number of areas. A number of these candidate improvement areas resulted, in part, from initiatives that were underway for a long period of time and from the staff assessment of its readiness to receive and review an early site permit application.

For example, the Siting Policy Task Force issued its report (NUREG-0625) in 1979 and offered a number of recommendations for siting policy reform. The disposition of these recommendations will be addressed in the forthcoming proposed revision to the siting rule (Part 100) for new applications. Many of these will be in the proposed rule, including: decoupling siting from design, man-made hazards consideration, and clarifications of remote siting and seismic analysis requirements. New insights in severe accident research also contributed to the technical bases for the proposed rule.

The staff outlined a strategy for program improvements in its report to the Commission on early site permit review readiness (SECY-91-041). The staff is considering the initiation of a rulemaking for the evaluation of alternative sites that is needed for consideration under the National Environmental Policy Act (NEPA). Steps were taken in this direction in 1980 with a proposed rule for alternative site reviews, but the rule was never completed. The Commission recommended that emergency preparedness be evaluated as well in the context of site

alternatives.

Since the Industry Siting Group was formed, its staff has met with the NRC in a series of public meetings to discuss early site permit issues and the activities associated with this demonstration program. This process has proved beneficial because these meetings have identified some issues for clarification, which could otherwise have remained dormant until an applicant's initial efforts to seek site approval. Not all the answers are in yet. But the dialogue highlights the importance of investigating and testing the regulatory framework in the early site permit area.

NRC has been working with the Federal Emergency Management Agency (FEMA) to develop emergency preparedness criteria that will be used for the review of early site permit applications. The NRC plans to establish a similar dialogue with other Federal agencies in areas of mutual interest and responsibility, and for participation in the development of procedures or review criteria. Technical guidance produced by the NRC, for example, regulatory guides and review plans, may also need to be updated to reflect changes in the state of the sciences and new regulatory positions.

CONCLUDING REMARKS

As I have outlined, the NRC staff is preparing for an early site permit application. We are improving regulations and clarifying guidance, and trying to keep good lines of communication with industry and the public as we proceed through this process. We have the flexibility to accelerate program improvements and supplement staff capabilities; however, the unique nature of siting specialties requires that the NRC carefully plan its decisions to assign staff. To do so we must be kept currently and accurately informed of the industry's plans. It is our hope that this conference will provide insight into where the industry is going. I can assure you that an application for approval of an actual site that would likely host a new nuclear power plant will heavily affect any future decisions about staff resources and priorities.

I hope that I've given you some things to consider as you face the difficult decision to identify sites for the next generation of nuclear power plants. No one expects that this decision will be made lightly — nor can it be taken lightly.

I will be happy to take some questions, but let me leave you with this last thought — the only real test of the early site approval process, is a real application for approval of a real site. Such approval would of course, be ultimately beneficial in our regulatory process if the approved site is actually used to

construct a nuclear power plant.

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