

From: W. Raughley
To: INTERNET: KENNETH.ANIGER@UCM.COM
Date: Tue, Apr 11, 2000 5:05 PM
Subject: Meeting with Unicom

We appreciate the opportunity to discuss the fiscal burden of the NRC rules, regulations, and licensing requirements on operating plants with Unicom. As discussed yesterday, Unicom will take the next step and advise of a date that we can begin public discussion of this matter. It was agreed that the NRC will come to Chicago and that the meeting will be closed for discussions of Unicom costs or revenues. The NRC will need 12-15 days notice to make the appropriate public announcements. The following provides the background information that you requested.

At the last Reactor Water Safety Meeting (RWSM), D. Helwig commented that the role of the NRC research function should be consistent with the licensees' business plans; that is, to run the plants safely, minimize costs, and maximize production. Mr. Helwig went on to give an example where the NRC regulations imposed an unnecessary, costly administrative burden with no apparent safety benefit. In the same discussion Dr. Murley stated that the NRC may be missing simple burden/risk reduction opportunities in operations. At another session of the RWSM, a licensee stated that NRC commercial dedication may be an costly paper exercise with no safety benefit.

Since the RWSM, J. Rosenthal was given an action item to address a Congressional mandate that some regulations which are outdated or paperwork oriented be reformed to a set of regulations that are performance based. Mr. Rosenthal's staff is presently assessing the regulatory effectiveness of two NRC rules per year to determine if the desired outcomes were achieved and if the costs were reasonable. The latter has identified opportunities to improve the clarity of the selected regulations that should reduce the regulatory burden.

J. Rosenthal and B. Raughley subsequently discussed with D. Helwig and R. Kirsch the need for licensee assistance to identify the NRC rules, regulations, and licensing requirements that are causing unnecessary regulatory burden. We discussed identifying regulatory burdens that impact production, potentially impact Unicom production strategies in a deregulated environment, or having relatively high O&M cost impact **and** that appear to have little or no value for maintaining risks or safety performance at the present levels. This discussion would be a public meeting, however we would close the meeting upon discussion of Unicom costs or revenues. Following the general discussion in Chicago, B. Raughley would stay behind for discussion with the appropriate corporate and site personnel as arranged by Unicom. B. Raughley will also coordinate this initiative with NRC projects, T. Mendiola.

I look forward to coordinating a meeting time, place, and agenda with Unicom in early May, 2000.

CC: Anthony Mendiola, Jack Rosenthal, N.P. Kadambi