

July 13, 1993

MEMORANDUM FOR: William C. Parler
General Counsel

James M. Taylor
Executive Director for Operations

FROM: Samuel J. Chilk, Secretary /s/

SUBJECT: SECY-93-127 - FINANCIAL PROTECTION REQUIRED
OF LICENSEES OF LARGE NUCLEAR POWER PLANTS
DURING DECOMMISSIONING

The Commission (with all Commissioners agreeing) has approved the staff recommendations to:

1. Allow, after the requisite minimum spent fuel cooling period has elapsed, a reduction in the amount of financial protection required of licensees of large nuclear power plants that have been prematurely shut down by allowing these licensees to withdraw from participation in the secondary financial protection layer;
2. Approve for these licensees, after the appropriate spent fuel cooling period and termination of participation in secondary level financial protection, a reduction of primary level coverage to \$100 million through the exemption process; and
3. Proceed with rulemaking to determine more precisely the appropriate spent fuel cooling period after plant shut down and the appropriate level of primary insurance coverage after such cooling period, and to determine

SECY NOTE: THIS SRM, SECY-93-127, AND THE VOTE SHEETS OF ALL COMMISSIONERS WILL BE MADE PUBLICLY AVAILABLE 10 WORKING DAYS FROM THE DATE OF THIS SRM.

the need for primary financial protection for Independent Spent Fuel Storage Installations (ISFSIs). The rulemaking should consider allowing the spent fuel cooling period and the level of primary insurance coverage to vary (either through adjustment factors or the exemption process) based on site-specific considerations, including inventory, fuel burnup, and fuel storage conditions/configurations; and allow the amount of coverage to be adjusted over time (e.g., if fuel is moved to an MRS or other facility). The rulemaking should also codify the finding on "rated capacity."

Commissioner Rogers, while approving the staff recommendations, expressed the view that an opinion of the Attorney General should be requested before allowing licensees to withdraw from participation in the secondary financial protection layer.

(OGC/EDO)

(SECY Suspense: 8/31/93)

cc: The Chairman
Commissioner Rogers
Commissioner Remick
Commissioner de Planque
OIG
CAA