

OCFO TICKET

27-Apr-01

Assigned	DPBA
Item No	2001-140
Priority	1
From	Tauzin
Office	House
To	Meserve
Date	04/26/2001
Due Date	05/09/2001
Ticket No	LTR-01-0223
Subject	NRC's Ability to Respond to Significant Increase in Licensing Activities at Operating NPPs...
Instructions	Prepare response for signature of the Chairman
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SECY-017

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OFFICE OF THE SECRETARY
CORRESPONDENCE CONTROL TICKET

Date Printed: Apr 26, 2001 14:51

PAPER NUMBER: LTR-01-0223 LOGGING DATE: 04/26/2001

ACTION OFFICE: CFO

AUTHOR: REP W.J. Billy Tauzin

AFFILIATION: REP

ADDRESSEE: RICHARD MESERVE

SUBJECT: NRC'S ABILITY TO RESPOND TO SIGNIFICANT INCREASE IN LICENSING
ACTIVITIES AT OPERATING NUC POWER REACTORS....POTENTIAL FUTURE LIC
ACTIVITIES ASSOCIATED WITH APPLS FOR NEW SITE PERMITS AND NEW
REACTOR LICENSES

ACTION: Signature of Chairman

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LETTER DATE: 04/26/2001

ACKNOWLEDGED No

SPECIAL HANDLING: CFO....COORD RESPONSE WITH EDO

NOTES: COMMISSION CORRESPONDENCE.....

FILE LOCATION: ADAMS

DATE DUE: 05/14/2001

DATE SIGNED:

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ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives
Committee on Energy and Commerce
 Washington, DC 20515-6115

W.J. "BILLY" TAUZIN, LOUISIANA,
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April 26, 2001

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The Honorable Richard A. Meserve
 Chairman
 U.S. Nuclear Regulatory Commission
 11555 Rockville Pike
 Mailstop 016C1
 Rockville, Maryland 20852

Dear Chairman Meserve:

We are writing to you regarding our concerns with the Nuclear Regulatory Commission's (NRC) ability to respond to the significant increase in licensing activities at operating nuclear power reactors, as well as potential future licensing activities associated with applications for new site permits and new reactor licenses. As you know, the nuclear industry has recently experienced a remarkable transformation. In its actions over the past two years, the industry has made it clear that current market conditions favor extending the life of existing nuclear plants. The nuclear industry has also discussed prospects for constructing advanced reactors to meet the nation's energy needs.

We have asked Committee staff to conduct a detailed evaluation of NRC's current resources, FY 02 budget request, and future plans to deal with this new workload. Although the Committee's review is not complete, we would like to share with you some of the initial findings that are of concern to us.

With respect to nuclear reactor licensing activities, it is apparent that the number of power uprate applications, license transfer applications, license renewal applications, and pre-application interactions for new licenses NRC has received this year was well beyond the number anticipated. For the current fiscal year, NRC planned for three power uprate applications, but has received seventeen. Several of these power uprate applications are larger than any NRC has handled before and would increase output capacity at four reactors by as much as 17%. NRC typically has budgeted for two or three license transfer applications per year, but according to a recent briefing from NRC the agency will receive between 20 and 25 transfer applications this year as the industry continues to merge and consolidate. With respect to license renewal requests, NRC planned for two new renewal applications in FY 00 and four in FY 01, but has received three and five respectively. Finally, NRC currently has no planned budget for new licensing activities, but has had to create a future licensing organization with 10 FTE within the office of Nuclear Reactor Regulation to respond to several requests from the nuclear industry to begin reviewing next generation technologies.

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The Honorable Richard A. Meserve
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Based on several briefings NRC has provided Committee staff, it is apparent that NRC has continued to ensure that nuclear reactor inspection activities are not adversely affected, and safety has been maintained even though a reallocation and possibly a reprogramming of NRC funds may be necessary to work on these unplanned activities. However, the Committee seeks a better understanding of the regulatory, research, licensing and other activities that will be delayed as a result of resource constraints NRC is experiencing this year. Furthermore, we are concerned that NRC's FY 02 budget request contains no request for funds to support license and research activities toward new nuclear plant technologies (including the Pebble Bed Modular Reactor and the Gas Turbine - Modular Helium Reactor), early site approvals, restart of licensing of existing applications, or a potential Part 52 combined construction/operating license application.

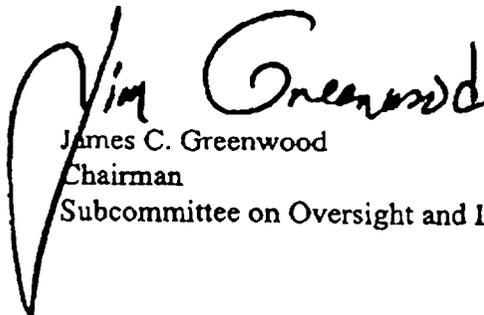
We appreciate the willingness of your staff to work with the Committee on these issues and expect that NRC will continue to provide additional information as the Committee continues its review. We also request that you provide us with a briefing to discuss the issues described in this letter, as well as the Commission's plans to adapt to emerging work for potential new license applications.

If you have any questions about these requests, please contact Mr. Dwight Cates of the Committee staff at (202) 226-2424. Thank you for your cooperation in this matter.

Sincerely,


W.J. "Billy" Tauzin
Chairman


Joe Barton
Chairman
Subcommittee on Energy and Air Quality


James C. Greenwood
Chairman
Subcommittee on Oversight and Investigations

cc: The Honorable John D. Dingell, Ranking Member
The Honorable Rick Boucher, Ranking Member, Subcommittee on Energy and Air Quality
The Honorable Peter Deutsch, Ranking Member, Subcommittee on Oversight and Investigations