

ENVIRONMENTAL ASSESSMENT

FINAL RULE

FINANCIAL INFORMATION REQUIREMENTS FOR APPLICATIONS TO RENEW OR EXTEND THE TERM OF AN OPERATING LICENSE FOR A POWER REACTOR

Introduction

This document fulfills the Nuclear Regulatory Commission's (NRC) obligation under 10 CFR Part 51 to examine the environmental impacts of its regulatory actions, in this case regarding a rulemaking addressing NRC's financial information requirements for power reactor licensees. This action amends 10 CFR 50.33(f)(2) and adopts a new section, 10 CFR 50.76. NRC's regulations for implementing Section 102(2) of the National Environmental Policy Act of 1969 (NEPA), as amended, are contained in Subpart A of 10 CFR 51. These regulations require that an environmental impact statement or an environmental assessment be prepared for all licensing and regulatory actions that are not classified as "categorical exclusions" under 10 CFR 51.22(c) and are not identified in 10 CFR 51.22(d) as other actions not requiring environmental review.

NRC has determined that, under Section 102(2) of NEPA, as amended, and NRC's regulations in Subpart A of 10 CFR Part 51, the final rule is not a major Federal action significantly affecting the quality of the human environment, and therefore an environmental impact statement is not required. NRC also has determined that the final rule does not qualify as a categorical exclusion or other action not requiring environmental review. Consequently, NRC has determined that an environmental assessment is required. This document presents the results of NRC's environmental assessment of the final rule, and documents its finding of no significant impact.

Identification of the Action

The final action amends section 50.33(f)(2) and creates a new section, 50.76. The amendment to section 50.33(f)(2) removes the requirement for non-electric utility power reactor licensees to submit financial qualifications information with a license renewal application. The amendment to section 50.33(f)(2) reduces regulatory burden by eliminating unnecessary submissions of financial qualifications information. Electric utility power reactor licensees already are exempt from submitting financial qualifications information with license renewal applications. Non-power reactor licensees still are required to submit financial qualifications information. Section 50.76 requires electric utility power reactor licensees that transition to non-electric utility status, without a license transfer, to submit financial qualifications information at least 75 days before the licensee ceases to be an electric utility. The amendment to section 50.76 provides regulatory clarity by establishing a formal process to review financial qualifications information when an electric utility makes a transition to non-electric utility status, without a license transfer. Currently 10 CFR Part 50 does not set forth any requirement with respect to financial qualification reviews for such transitions.

Need for the Action

The final rule is consistent with NRC's performance goals and will most directly impact the goals of making NRC activities and decisions more effective and efficient, while at the same time reducing unnecessary regulatory burden. The final rule advances these goals by eliminating the need for non-electric utility power reactor licensees to submit financial qualifications information with operating license renewal applications. Section 50.76 also advances these goals by addressing situations when an electric utility power reactor transitions to non-electric utility status without a license transfer, on which the current regulations are silent. The following paragraphs discuss the need for the amendments to sections 50.33(f)(2) and 50.76 in more detail.

Currently section 50.33(f)(2) requires non-electric utility power reactor applicants for license renewals to submit financial qualifications information with their applications. NRC has concluded that submission of such financial information and a concomitant financial review of non-electric utility power reactor applicants at license renewal is unnecessary for the following reasons. NRC's current regulations provide for a review of financial qualifications at several stages during a license, such as at initial license application, license transfer, and at any time NRC determines the licensee's financial health requires a review. Thus the current regulations allow NRC to monitor and evaluate changes in licensees' financial status. In addition, because license renewal is not accompanied by a change in a licensee's financial condition, it does not warrant a financial review. By amending section 50.33(f)(2) to eliminate the requirement for submission of financial qualifications information from non-electric utility power reactors renewing an operating license, NRC will remove unnecessary burden and treat all power reactor licensees consistently.

Section 50.76 establishes a formal process to review the financial qualifications of electric utility power reactors making a transition to non-electric utility status without a license transfer. NRC's current regulations do not provide for a formal process to review financial qualifications of electric utility power reactor licensees that transition to non-electric utility status in this case. The establishment of a formal review process is important because when an electric utility licensee transitions to non-electric utility status, the licensee will no longer be regulated by a state public utility commission (PUC) or the Federal Energy Regulatory Commission (FERC), both of which establish rates that ensure sufficient funds for safe operations. Non-electric utility power reactor licensees are subject to rates set by the open market. Although NRC is concerned about the impacts of deregulation on its power reactor licensees' financial condition, the NRC believes that establishing a formal review requirement would enhance public confidence while maintaining regulatory efficiency and effectiveness.

Environmental Impacts of Action

The final rule modifies the requirement in section 50.33(f)(2), for non-electric utilities seeking renewal of operating licenses for nuclear power plants, by removing the requirement for submission of financial qualifications information. This removes the need for non-electric utilities to submit financial qualifications information with renewal applications for power reactor operating licenses. The action, therefore, places non-electric utility power reactor licensees on the same footing as electric utility power reactor licensees with respect to the license renewal process. Section 50.76 adds a requirement for utilities that transition to non-electric utility status to submit financial qualifications information as required under section 50.33(f)(2).

The rule changes are primarily administrative in nature since they concern the submission of information on financial qualifications. There are no radiological environmental impacts associated with the action and it does not involve non-radiological plant effluents. For these reasons, the NRC expects no significant environmental impact to result from this final rule.

Alternatives to the Proposed Action

As an alternative to the action, the staff considered the “no-action” alternative. No action to change the rule would result in no change in current environmental impacts.

Alternative Use of Resources

This action does not involve the use of any different resources than those previously considered in the original rule dated January 19, 1956.

Agencies and Persons Consulted

The NRC developed the rule and this environmental assessment. The NRC sent this environmental assessment to all State liaison officers for comment.

Finding of No Significant Impact

On the basis of this environmental assessment, the Commission concludes that the final action will not have a significant effect on the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the action.