



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

DEC 17 1986

Seeman / Deputy PDR
Adm
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MEMORANDUM FOR: L.C. Shao, Deputy Director
Division of Engineering Safety, RES

FROM: Robert E. Browning, Director
Division of Waste Management, NMSS

SUBJECT: WM STAFF REVIEW OF DECOMMISSIONING RULEMAKING PACKAGE

WM staff has reviewed the November, 1986 rulemaking package containing final rule amendments to 10 CFR Parts 30, 40, 50, 51, 70, and 72, and have the following comments. We understand from talking with your staff that this package is for staff review and that at this time, RES does not require Division management concurrence.

In general, we believe this version of the rulemaking package reads better and is more thoroughly detailed than earlier documents. However, we also have a number of concerns and suggestions to help improve the quality of this rulemaking.

1. Recently, we have obtained preliminary results from two studies supporting staff development of the accident cleanup rulemaking. These studies, which were prepared by SNL and PNL, are concerned with risk assessments and value impact analyses. We believe their methodologies and preliminary results may have an impact on the decommissioning rulemaking and therefore need to be carefully scrutinized by the RES staff. Accordingly, we suggest arranging a meeting with NMSS staff after the holidays to discuss these studies. Please have your staff contact Mary Jo Seeman, at extension 74647 to make arrangements.
2. Paragraph 59 of the document states that in accordance with NUREG/CR-3899, INTC intends to periodically review the overall financial status of the nuclear utility industry. We suggest that such a review should also include a review of licensees involved in fuel cycle, waste management, and materials operations.

Additionally, we believe that there is merit in expanding such an NRC periodic review to specifically examine the financial health of individual licensees subject to the decommissioning criteria, not just on an industry-wide basis.

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DEC 17 1986

The RES staff should also consider adding language to the regulatory text incorporating major time limits for such a periodic review, i.e., not less than annually. The staff might even wish to conduct such a review on a quarterly basis, if concern exists regarding the financial viability of the industry.

3. Page 62 of the package states that a number of different financial assurance methods were considered by the staff in their development of this rulemaking package. On October 27, the President signed the Risk Retention Amendments of 1986. The Act provides the authority for certain trade groups to organize to obtain risk coverage through risk retention groups. Although this is a late development, we suggest that RES work with OGC to determine if coverage provided by a risk retention group is an appropriate type of financial assurance to specify as acceptable in the decommissioning rulemaking. We are also assessing the applicability of this legislation for the accident cleanup rulemaking and we will keep your staff informed of our efforts.
4. We believe the discussion on coverage for materials licensees beginning on page 67 of the package would be improved if it were expanded to explain how the decommissioning rulemaking covers broad licensees, and also how coverage is established for a business with one license at several facilities, and also for a business with several licenses at several different facilities.
5. Our review of the draft Federal Register Notice for this rulemaking did not find any discussion concerning how NRC intends to address calculating the costs of the non-radiological aspects of decommissioning a facility. A brief mention of the mixed waste issue might be appropriate.

We appreciate the opportunity to provide comments on this package.



Robert E. Browning, Director
Division of Waste Management, NMSS