



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

June 28, 1991

OFFICE OF THE  
COMMISSIONER

MEMORANDUM FOR: Chairman Carr  
FROM: Commissioner Curtiss *John F. Utin*  
SUBJECT: COMKC-91-021 AND LSSA'S RECOMMENDATION ON THE  
LICENSING SUPPORT SYSTEM PROGRAM AND BUDGET

As I indicated in my memorandum of May 8, 1991, I continue to be opposed to the NRC's assuming the responsibility for funding the LSS. If DOE and OMB persist in their view that the responsibilities for funding, designing, developing, operating and maintaining the LSS should reside in a single agency, and absent an objective demonstration that the NRC should be that agency, I would prefer that we leave these responsibilities with DOE, rather than have the NRC assume the responsibility for the entire project.

As to a demonstration that the NRC should assume responsibility for the LSS, I find the LSSA's June 19, 1991 paper on "Licensing Support System Program and Budget Responsibility" unhelpful. That paper is substantially biased in favor of the NRC's assuming the funding responsibility for the LSS, with little or no balanced and objective discussion of the disadvantages of that approach<sup>1</sup> or the advantages of other options.<sup>2</sup> In fact, the LSSA now makes arguments about development requirements for the LSS that might have persuaded the Commission to disapprove the LSS had such "facts" been revealed several years ago when the LSS was initially proposed (e.g., DOE now acknowledges that it had an overly optimistic development schedule; delay in the development of the LSS until a few years before DOE's application will jeopardize the LSS; the LSS development approach needs to be substantially revised and it will take ten years to put the LSS in place; an extensive testing program is extremely important to the success of the LSS).

In any event, I am not satisfied that the LSSA has fully and objectively assessed all of the options and attendant pros and



<sup>1</sup> The paper seems to dismiss out of hand the Commission's often-expressed concerns about the budget implications of the NRC's assumption of responsibility for the LSS.

<sup>2</sup> For example, I find NMSS' comments on Alternative 2 (continuing to press for DOE development of the LSS) to be more objective and balanced.

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cons for the LSS. Accordingly, I support:

1. Your proposal to have the staff comment on the LSSA's recommendations;
2. Your proposal to have OGC provide comments on the LSSA's recommendation; in this regard, I believe that OGC and the ASLBP should be asked to factor the monetary cost and budget impacts of the LSSA's recommendation into their assessment and comments; and
3. Your proposal to have the LSSA take into account the comments of the staff, OGC, and the ASLBP and develop a revised recommendation on the need for, and implementation of, the LSS. The revised recommendation should apprise the Commission of the impacts that the NRC's assumption of the costs of the LSS could have on other NRC programs, assuming that Congress does not increase the NRC's budget to cover the LSS and that DOE provides no funding. I do not believe that it is necessary to seek the views of the LSS Advisory Review Panel since that Panel is not chartered to advise the Commission on major policy issues concerning the existence and funding of the LSS.

On the other hand, I do not agree with your proposal to fund the LSSA for FY 1993 at the level needed to implement the LSSA's recommended Alternative 4 while the revised recommendation is being formulated. The Commission's original position -- that it would serve as the LSS administrator only if DOE bears all of the costs for the development, operation and maintenance of the LSS - - remains in effect. We should not embark on funding further LSS development work unless and until the Commission formally decides to modify its earlier views on the underlying policy issue.

cc: Commissioner Rogers  
Commissioner Remick  
OGC  
SECY