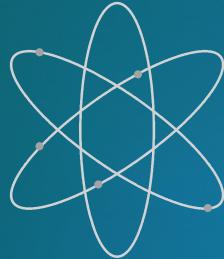




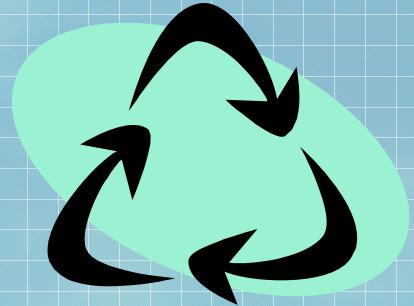
*Establishing Regulatory Expectations:  
Keys to Successful Licensing of an  
Expanding Fuel Cycle*

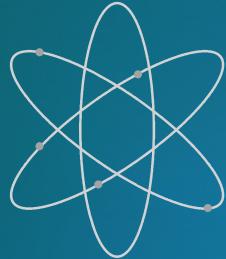
Fuel Cycle Information Exchange 2007  
June 12-13, 2007



# Cycle of the Fuel Cycle

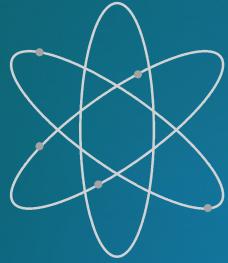
- Industry Was in Long, Slow Decline...
  - No new nuclear plants = no new fuel cycle facilities
  - Decommissioning seen as a growth industry
- Increased Licensing Activity in Early-2000s
  - Two Gas Centrifuge Enrichment Facilities
  - 1 Mixed-Oxide Fuel Fabrication Facility
- Fuel Cycle Expansion is Accelerating
  - New Enrichment Facility (Silex)
  - 7-12 Part 40 Applications (ISL, conventional)
  - 2 Deconversion/Conversion Facilities
  - Geologic Repository





# Licensing History Is Mixed

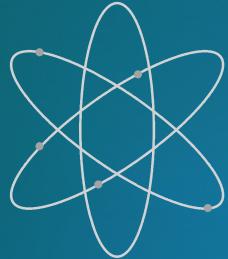
- Licensing Efforts Stagnated in 1990s
  - LES license withdrawn after 7+ years of hearings
  - Hydro Resources took more than a decade
  - PFS licensing took > 8 years
- Recent Performance Shows Improvement
  - MOX Construction Authorization = 3 years
  - LES NEF = 30 months
  - USEC ACP = 35 months



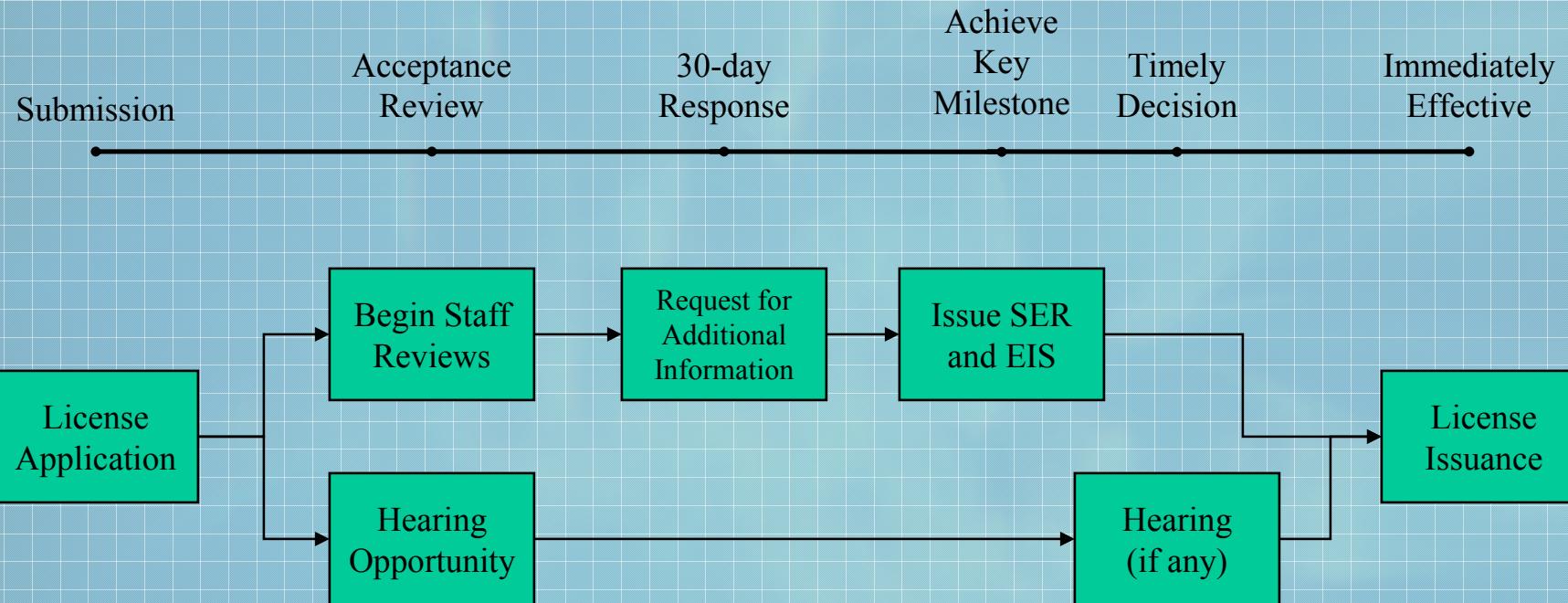
# Keys to Recent Success

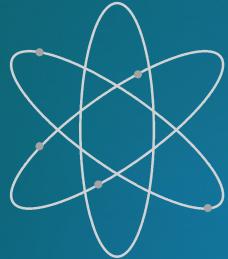


- Focused Applicants
  - Pre-Application Interactions
  - Limited Number of Revisions/Amendments
  - Local Support for Project
- Efficient NRC Staff Review Process
  - Sufficient Staff Resources
  - Disciplined RAI Process
  - EIS/SER Completed On-Schedule
- Disciplined Licensing Boards
  - Focused on Schedule Milestones
  - Certify Policy Decisions to Commission



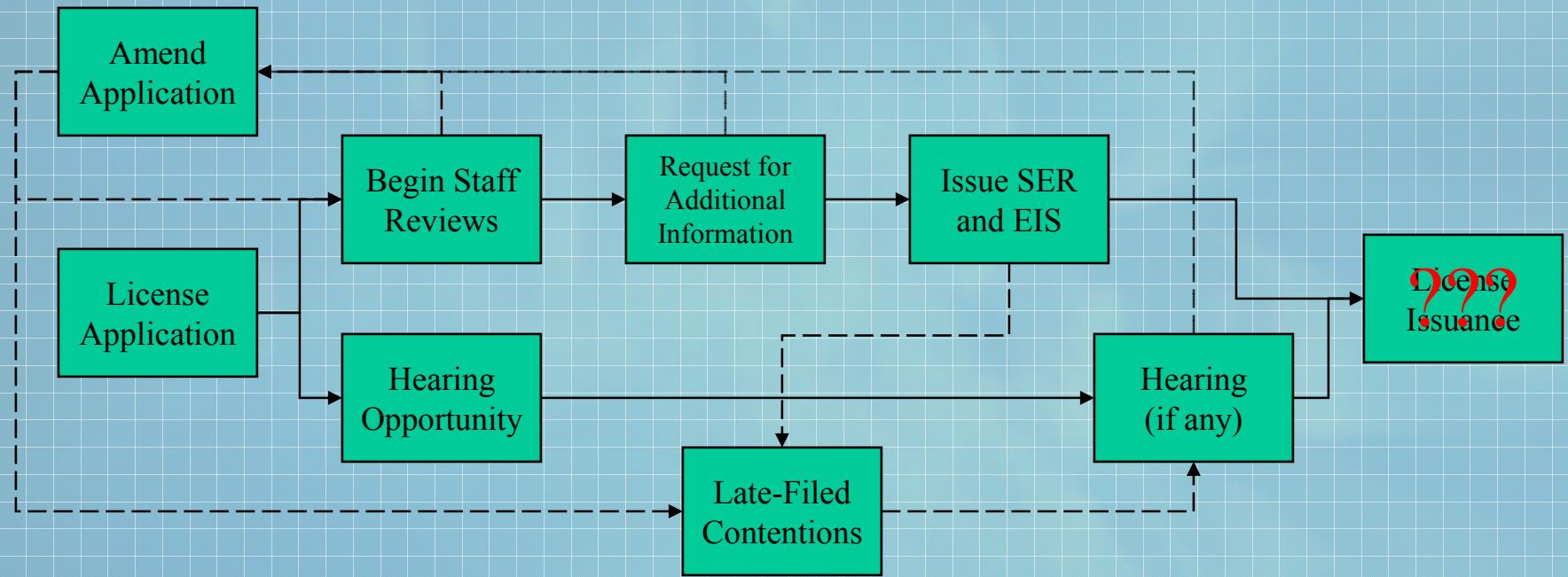
# Simple and On Schedule...

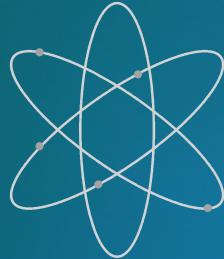




# ...Not Complex and Delayed

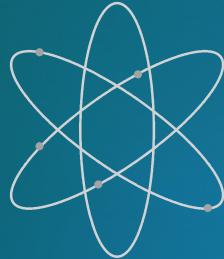
Submission      Application Rejected      60-day Response      Missed Milestones      Delayed Decision      Issuance Uncertain





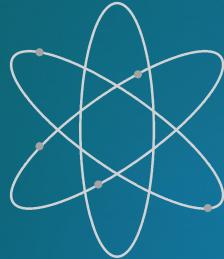
# Instability and Uncertainty

- Inconsistent Licensing Framework
  - State v. NRC
  - NRC v. DOE
  - Regulations Applicable to Single Facility
- Jurisdictional Disputes
  - Part 40 Applicable to Conversion Facilities, Uranium Mills, and ISL Mines
  - Jurisdictional Uncertainties Among EPA/NRC/States
- No Schedule Expectations
- Licensing Hearings Are Another Wildcard



# Improving the Licensing Process

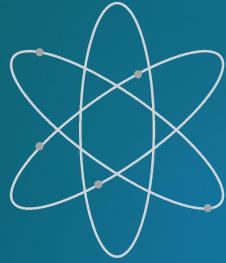
- Resolve Jurisdictional Issues
  - Conversion and Deconversion Facilities
  - Groundwater Jurisdiction
- Clarify Regulatory Framework
  - Rulemakings to Clarify Applicable Regulations
  - Level of Detail in Applications/ISAs
  - Expand Use of Generic EISs
  - Set Clear Schedule Milestones in Advance
- Increase Disposal Options
  - Creates Intervention Opportunities
  - Hinders Public Acceptance; Invites State Involvement



# Many Challenges Remain

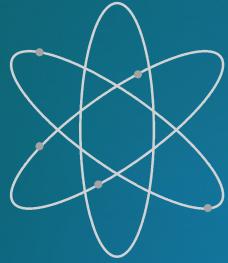
- Competing Resources
  - New Reactor Programs
  - Budget Constraints
  - Hiring New NRC Staff
- Untested Regulatory Framework
  - Requires Many Commission Policy Decisions
  - Presents Opportunity for Intervenors
- Facility Construction
  - Worker Shortages
  - Uncertain Oversight/Enforcement Process





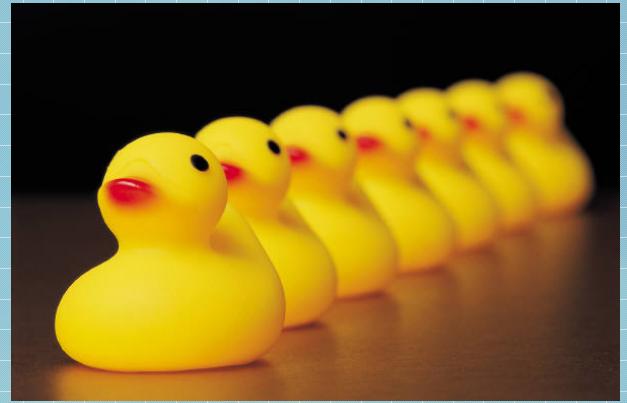
# What can applicants do?

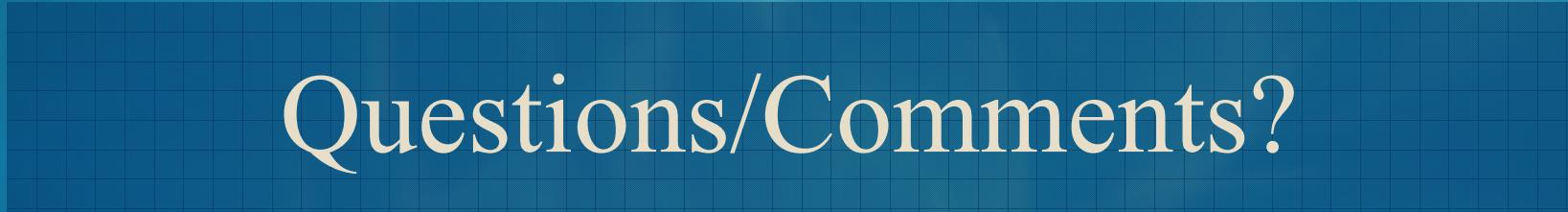
- Early interactions with NRC Staff
  - Reach understanding on appropriate level of detail
  - Identify key issues early
- Clear schedule expectations (Applicant, Staff, ASLB)
  - Minimize number of RAIs
  - Shorten environmental review process
  - Set key scheduling milestones (EIS, SER, initial decision)
- Support a Streamlined Hearing Process
  - Conduct hearings, if any, based on DEIS
  - Eliminate mandatory hearings for enrichment facilities
  - Encourage generic resolution of environmental issues



# Success is Possible

- Complete and High-Quality Applications
  - Lessens Resource Needs
  - Reduces Litigation Risks
  - Accelerates Staff Review
- Disciplined Review Process
  - Proper Use of RAIs
  - Achieve Key Schedule Milestones
- Commission Support
  - Provide Adequate Resources
  - Policy Decisions, Rulemakings, Appeals





Questions/Comments?