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To: Dyer, NRR

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SUBJECT: NRC's readiness to receive and evaluate new plant license applications

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United States Senate
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
WASHINGTON, DC 20510-6175

September 28, 2006

The Honorable David M. Walker
Comptroller General
U.S. Government Accountability Office
441 G Street, N.W.
Washington, DC 20548

Dear Mr. Walker:

The Subcommittee on Clean Air, Climate Change and Nuclear Safety of the Senate Committee on Environment and Public Works has held three NRC oversight hearings this year. At each, Nuclear Regulatory Commission (NRC) and industry witnesses¹ testified that the NRC is likely to receive more combined operating licenses (COL) applications for new reactors than assumed in the Administration's proposed fiscal year 2007 budget.

As a result of our hearings, the Subcommittee is aware that the NRC is responding to changing COL estimates by updating its regulatory and organizational infrastructure. Even with such efforts, the Subcommittee remains concerned that preparing for additional COLs presents NRC with huge organizational, management and resource challenges. These challenges are compounded by the fact that the Commission has not undertaken this type of major licensing action in at least the last 25 years.

In making licensing decisions, the NRC has a dual responsibility. The NRC must conduct thorough reviews of license applications to ensure that these new plants are designed, constructed, and operated safely. The NRC must also ensure that licensing reviews are conducted in a fair and timely manner that avoids unnecessary redundancy and is not needlessly burdensome for industry. Given the length of time since NRC's last review of an application for a new nuclear power plant and the large and growing number of applications anticipated within the next three years, we are concerned about the agency's preparedness to carry out this responsibility.

Therefore, we are requesting that the Government Accountability Office conduct a comprehensive review of NRC's readiness to receive and evaluate new plant license applications and develop recommendations for how its readiness can be improved. We are particularly interested in the following areas:

¹ On June 22, 2006, former NRC Chairman Nils Diaz testified that the "NRC continues to put in place a comprehensive licensing infrastructure to conduct a review of anticipated combined license applications, including, as of yesterday afternoon, the 18 announced applications for up to 25 units beginning in 2007." On September 14, 2006, Mr. Skip Bowman of the Nuclear Energy Institute revised that estimate, testifying that "currently 12 commercial utilities are planning to submit within the next three years 19 COL applications to the NRC for construction of 30 new nuclear power reactors."

The Honorable David M. Walker
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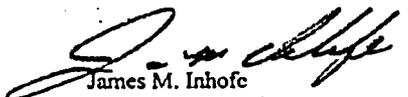
1. **Organizational structure.** Is the NRC appropriately organized to facilitate and execute its review of new nuclear power plant license applications and construction in an efficient and effective manner? What criteria have the Commission established to allocate resources and manage license reviews in the event that COL applications exceed available resources?
2. **Regulatory and technical infrastructure.** Does the NRC have the rules, processes, research and testing, and guidance documents ready for its staff and the industry that will be needed to accomplish the new licensing activities?
3. **Human resources.** Does the NRC have the personnel, including the skill mix and number of employees, it needs to effectively and efficiently prepare for and carry out its new licensing activities?
4. **Workload effects.** How are preparations for new COLs affecting the NRC's regulatory responsibilities in other areas?

Please contact T. J. Kim with Senator Voinovich's staff at (202) 224-2160 or Tom Lawler with Senator Carper's staff at (202) 224-3168 should you need further information. Thank you for your consideration of this request. I appreciate your attention and assistance.

Sincerely,


George V. Voinovich
Chairman, Subcommittee on
Clean Air, Climate Change and
Nuclear Safety


Thomas R. Carper
Ranking Member, Subcommittee on
Clean Air, Climate Change and
Nuclear Safety


James M. Inhofe
Chairman, Committee on
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Chairman, Committee on
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