May 12, 2011

Ms. Patricia Eastwood
211 Marquita
San Clemente, CA 92672

Dear Ms. Eastwood:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

- The February 2011 request initiated by State Senator Sam Blakeslee to hold a meeting in California to address the seismicity and other unique concerns of the west coast earthquake zone;

- The requirement that seismic studies are completed before requests to renew the licenses at San Onofre and Diablo Canyon can be submitted; and

- To facilitate a comparison of energy alternatives, that full disclosure is made of the costs of nuclear power, including government subsidies, the expense of the NRC to regulate, the expense of waste disposal, and estimations of the costs to our government to insure these facilities.

You also provided as the basis for your support, the recent events in Japan, especially an earthquake of the magnitude that was not supposed to happen, the inevitability of the occurrence of earthquakes in California and the fact that major populations live in the area surrounding the two major nuclear power plants of southern California.

Immediate safety inspection of San Onofre and Diablo Canyon

In response to the events at the Fukushima Daiichi nuclear station in Japan, the Commission directed the NRC staff to establish a senior level agency task force to conduct a methodical and systematic review of our processes and regulations to make recommendations on whether the agency should make additional improvements to our regulatory system. This review will include an assessment of any regulatory issues in the areas of earthquakes, tsunamis, and emergency preparedness. This activity will have both near-term and longer-term objectives. We are also pursuing limited actions that appear to be prudent at this time, including inspection activities to look at the readiness of plants to deal with both design basis and beyond design basis accidents. To support these inspections, the NRC issued Temporary Instruction 2515/183 on March 23, 2011. The objective of TI 2515/183 is to independently assess the adequacy of actions taken voluntarily by licensees in response to the Fukushima Daiichi nuclear station

events. The inspection results from this TI will be used to evaluate the industry's readiness for a similar event and to aid in determining whether additional regulatory actions by the NRC are warranted. If necessary, a more specific follow-up inspection will be performed at a later date.

The U.S. nuclear energy industry has begun an assessment of the events in Japan and is taking voluntary steps, as mentioned above, to ensure that U.S. reactors could respond to events that may challenge safe operation of their facilities. These actions include:

- Verify each plant's capability to manage major challenges, such as aircraft impacts and losses of large areas of the plant due to natural events, fires or explosions. Specific actions include testing and inspecting equipment required to mitigate these events, and verifying that qualifications of operators and support staff required to implement them are current.

- Verify each plant's capability to manage a total loss of off-site power. This will require verification that all required materials are adequate and properly staged and that procedures are in place, and focusing operator training on these extreme events.

- Verify the capability to mitigate flooding and the impact of floods on systems inside and outside the plant. Specific actions include verifying required materials and equipment are properly located to protect them from flood.

- Perform walk-downs and inspection of important equipment needed to respond successfully to extreme events like fires and floods. This work will include analysis to identify any potential that equipment functions could be lost during seismic events appropriate for the site, and development of strategies to mitigate any potential vulnerabilities.

For additional information, the NRC response to the letter from Senators Boxer and Feinstein, dated March 16, 2011, may be accessed through the NRC's Agencywide Documents Access and Management System (ADAMS) via Accession No. ML11101A099.

Meeting in California of the Blue Ribbon Commission on America's Nuclear Future to address seismicity and other unique concerns of the west coast earthquake zone

On January 29, 2010, Dr. Steven Chu, Secretary of the U.S. Department of Energy (DOE) announced the formation of a Blue Ribbon Commission on America's Nuclear Future. The purpose of this Commission is to provide recommendations for developing a safe long-term solution to managing the Nation's used nuclear fuel and nuclear waste. The Commission will produce an interim report within 18 months of its formation and a final report within 24 months. This Blue Ribbon Commission is a creation of the DOE and the NRC does not have input to the scheduling of its meetings. We understand that San Clemente's Mayor Lori Donchak, in a letter dated April 13, 2011, has extended an invitation to the Blue Ribbon Commission on America's Nuclear Future to conduct one of its meetings in San Clemente, citing an earlier request by California Congresswoman Lois Capps to conduct one such meeting in the State of California. We hope that the Commission seriously considers this offer and that its acceptance may help you to meet your stated goals. Although your question was focused on the Blue Ribbon

Commission, the NRC has held recent meetings in California addressing seismicity and concerns with the west coast earthquake zone. Examples of these meetings and the NRC staff's engagement with local public stakeholders in addressing west coast seismic concerns are discussed below.

Require seismic studies to be completed prior to submittal of license renewal applications

The NRC considers seismic hazards to be an ongoing regulatory concern; therefore, seismic hazards issues are addressed as part of our continuous oversight of operating reactors whenever a significant change to this hazard is recognized. As a result, the NRC does not separately reanalyze seismic hazards as part of the license renewal process. The license renewal review is focused on managing the effects of aging on plant structures and equipment and is not a re-review of the current licensing basis. Should the NRC become aware, at any time, of information calling into question the continued safe operation of any plant, including Diablo Canyon or San Onofre, the NRC will take the appropriate actions as part of the agency's ongoing safety oversight, regardless of whether the NRC is performing a license renewal review for that facility. In short, with respect to safety concerns, the NRC does not wait for the license renewal process to evaluate and address new information associated with seismic issues.

Recent, specific examples of NRC operating reactor oversight actions related to seismic issues for the California plants include an ongoing, independent NRC staff review of the Pacific Gas and Electric Company's (PG&E's) Shoreline Fault Zone report; public meeting with PG&E near the Diablo Canyon site to discuss that report in January 2011; a 2-day public workshop on seismology near San Luis Obispo in September 2010; and the issuance of an NRC generic communication on the use of probabilistic seismic hazards methods for reviewing the safety of existing plants. In addition to these specific efforts, the staff plans to continue public meeting discussions with PG&E on a possible license amendment to formalize a Long Term Seismic Program methodology for the management of new geotechnical seismic information. Three public meetings have been held to-date on this topic since December 2010.

In addition, while the license renewal safety and environmental reviews continue for Diablo Canyon, PG&E submitted correspondence to the NRC on April 10, 2011 (ADAMS Accession No. ML111010592), requesting deferral of issuance of its renewed operating license pending completion of three-dimensional seismic studies prior to issuance of its coastal consistency certification in compliance with the Coastal Zone Management Act.

The NRC staff will continue to monitor seismic issues for Diablo Canyon and San Onofre to ensure that the power plants' safety systems remain capable of safely shutting down the plant in case of a seismic event.

Full disclosure of the costs of nuclear power to facilitate comparisons with alternatives

The NRC is an independent agency created by Congress. The mission of the NRC is to license and regulate the Nation's civilian use of byproduct, source, and special nuclear materials in order to protect public health and safety, promote the common defense and security, and protect the environment. The NRC's regulations are designed to protect both the public and workers against radiation hazards from industries that use radioactive materials. The NRC's scope of responsibility includes regulation of commercial nuclear power plants; research, test,

and training reactors; nuclear fuel cycle facilities; medical, academic, and industrial uses of radioactive materials; and the transport, storage, and disposal of radioactive materials and wastes. In addition, the NRC licenses the import and export of radioactive materials and works to enhance nuclear safety and security throughout the world. Given the NRC's mission, the NRC does not seek financial information beyond what is needed to provide reasonable assurance that a licensee can safely build, operate and eventually decommission a commercial nuclear power facility. Therefore, the NRC does not directly compile financial information as requested in your letter. However, the NRC staff is aware of the following information which may be of use to you to facilitate comparisons with energy alternatives:

The Nuclear Energy Institute (NEI) has some of the requested financial data dealing with the costs of nuclear power. In addition, the NRC staff recommends seeking additional financial information from the Federal Energy Regulatory Commission (FERC), specifically, "FERC Form 1," and the DOE. The NRC staff is not aware of any government "subsidies" currently available to licensees of commercial nuclear power facilities, nor of any "subsidies" available to any applicants seeking a license to operate a future nuclear power facility. However, applicants seeking a license to operate a future nuclear power facility are eligible for loan guarantees through the DOE, and certain tax credits through the Internal Revenue Service.

The NRC is a fee-recoverable Federal agency, and its fees are listed in the *Code of Federal Regulations* at 10 CFR Parts 170 and 171. The costs of waste disposal, as well as spent nuclear fuel, are born by the licensee of the commercial nuclear power facilities. By law, nuclear fuel removed from the reactor core (spent nuclear fuel) becomes the property of the DOE, and it is the DOE's responsibility to eventually dispose of spent nuclear fuel. DOE collects a small fee from licensees for every megawatt hour of electricity produced at a commercial nuclear power facility.

The Price-Anderson Act provides nuclear liability insurance through a two-tiered system for public liability claims arising out of a nuclear incident. All such claims for bodily injury or property damage would be paid under a system whereby the first $375 million would be paid from primary liability insurance purchased from the nuclear insurance pool (American Nuclear Insurers), and any remaining claims would be paid by licensed owners of commercial nuclear power facilities. This second, or retrospective premium insurance layer, would be $111.9 million per reactor per incident for a total amount of insurance per incident of approximately $12.5 billion. The United States Government has no indemnity for an incident.

All of the fees and costs described above, including costs associated with loan guarantees and liability insurance, are born by the licensee from revenue generated through the sale of electricity produced at commercial nuclear power facilities.

Thank you for your interest in issues associated with the safety of nuclear power plants. We want to assure you that the NRC continues to make its domestic responsibilities for licensing and oversight of the U.S. licensees its top priority and that the U.S. nuclear power plants continue to operate safely.

Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Ms. Judy Jones
713 Calle Contenta
San Clemente, CA 92673

Dear Ms. Jones:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

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- To facilitate a comparison of energy alternatives, that full disclosure is made of the costs of nuclear power, including government subsidies, the expense of the NRC to regulate, the expense of waste disposal, and estimations of the costs to our government to insure these facilities.

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Commission, the NRC has held recent meetings in California addressing seismicity and concerns with the west coast earthquake zone. Examples of these meetings and the NRC staff's engagement with local public stakeholders in addressing west coast seismic concerns are discussed below.

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The NRC staff will continue to monitor seismic issues for Diablo Canyon and San Onofre to ensure that the power plants' safety systems remain capable of safely shutting down the plant in case of a seismic event.

Full disclosure of the costs of nuclear power to facilitate comparisons with alternatives

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and training reactors; nuclear fuel cycle facilities; medical, academic, and industrial uses of radioactive materials; and the transport, storage, and disposal of radioactive materials and wastes. In addition, the NRC licenses the import and export of radioactive materials and works to enhance nuclear safety and security throughout the world. Given the NRC's mission, the NRC does not seek financial information beyond what is needed to provide reasonable assurance that a licensee can safely build, operate and eventually decommission a commercial nuclear power facility. Therefore, the NRC does not directly compile financial information as requested in your letter. However, the NRC staff is aware of the following information which may be of use to you to facilitate comparisons with energy alternatives:

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All of the fees and costs described above, including costs associated with loan guarantees and liability insurance, are born by the licensee from revenue generated through the sale of electricity produced at commercial nuclear power facilities.

Thank you for your interest in issues associated with the safety of nuclear power plants. We want to assure you that the NRC continues to make its domestic responsibilities for licensing and oversight of the U.S. licensees its top priority and that the U.S. nuclear power plants continue to operate safely.

Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Ms. Isabel Pelham
201 La Paloma
San Clemente, CA 92672

Dear Ms. Pelham:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

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Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Ms. Kelly Nolan
P.O. Box 794
San Clemente, CA 92674

Dear Ms. Nolan:

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events. The inspection results from this TI will be used to evaluate the industry's readiness for a similar event and to aid in determining whether additional regulatory actions by the NRC are warranted. If necessary, a more specific follow-up inspection will be performed at a later date.

The U.S. nuclear energy industry has begun an assessment of the events in Japan and is taking voluntary steps, as mentioned above, to ensure that U.S. reactors could respond to events that may challenge safe operation of their facilities. These actions include:

- Verify each plant's capability to manage major challenges, such as aircraft impacts and losses of large areas of the plant due to natural events, fires or explosions. Specific actions include testing and inspecting equipment required to mitigate these events, and verifying that qualifications of operators and support staff required to implement them are current.

- Verify each plant's capability to manage a total loss of off-site power. This will require verification that all required materials are adequate and properly staged and that procedures are in place, and focusing operator training on these extreme events.

- Verify the capability to mitigate flooding and the impact of floods on systems inside and outside the plant. Specific actions include verifying required materials and equipment are properly located to protect them from flood.

- Perform walk-downs and inspection of important equipment needed to respond successfully to extreme events like fires and floods. This work will include analysis to identify any potential that equipment functions could be lost during seismic events appropriate for the site, and development of strategies to mitigate any potential vulnerabilities.

For additional information, the NRC response to the letter from Senators Boxer and Feinstein, dated March 16, 2011, may be accessed through the NRC's Agencywide Documents Access and Management System (ADAMS) via Accession No. ML11101A099.

Meeting in California of the Blue Ribbon Commission on America's Nuclear Future to address seismicity and other unique concerns of the west coast earthquake zone

On January 29, 2010, Dr. Steven Chu, Secretary of the U.S. Department of Energy (DOE) announced the formation of a Blue Ribbon Commission on America's Nuclear Future. The purpose of this Commission is to provide recommendations for developing a safe long-term solution to managing the Nation's used nuclear fuel and nuclear waste. The Commission will produce an interim report within 18 months of its formation and a final report within 24 months. This Blue Ribbon Commission is a creation of the DOE and the NRC does not have input to the scheduling of its meetings. We understand that San Clemente's Mayor Lori Donchak, in a letter dated April 13, 2011, has extended an invitation to the Blue Ribbon Commission on America's Nuclear Future to conduct one of its meetings in San Clemente, citing an earlier request by California Congresswoman Lois Capps to conduct one such meeting in the State of California. We hope that the Commission seriously considers this offer and that its acceptance may help you to meet your stated goals. Although your question was focused on the Blue Ribbon

Commission, the NRC has held recent meetings in California addressing seismicity and concerns with the west coast earthquake zone. Examples of these meetings and the NRC staff's engagement with local public stakeholders in addressing west coast seismic concerns are discussed below.

Require seismic studies to be completed prior to submittal of license renewal applications

The NRC considers seismic hazards to be an ongoing regulatory concern; therefore, seismic hazards issues are addressed as part of our continuous oversight of operating reactors whenever a significant change to this hazard is recognized. As a result, the NRC does not separately reanalyze seismic hazards as part of the license renewal process. The license renewal review is focused on managing the effects of aging on plant structures and equipment and is not a re-review of the current licensing basis. Should the NRC become aware, at any time, of information calling into question the continued safe operation of any plant, including Diablo Canyon or San Onofre, the NRC will take the appropriate actions as part of the agency's ongoing safety oversight, regardless of whether the NRC is performing a license renewal review for that facility. In short, with respect to safety concerns, the NRC does not wait for the license renewal process to evaluate and address new information associated with seismic issues.

Recent, specific examples of NRC operating reactor oversight actions related to seismic issues for the California plants include an ongoing, independent NRC staff review of the Pacific Gas and Electric Company's (PG&E's) Shoreline Fault Zone report; public meeting with PG&E near the Diablo Canyon site to discuss that report in January 2011; a 2-day public workshop on seismology near San Luis Obispo in September 2010; and the issuance of an NRC generic communication on the use of probabilistic seismic hazards methods for reviewing the safety of existing plants. In addition to these specific efforts, the staff plans to continue public meeting discussions with PG&E on a possible license amendment to formalize a Long Term Seismic Program methodology for the management of new geotechnical seismic information. Three public meetings have been held to-date on this topic since December 2010.

In addition, while the license renewal safety and environmental reviews continue for Diablo Canyon, PG&E submitted correspondence to the NRC on April 10, 2011 (ADAMS Accession No. ML111010592), requesting deferral of issuance of its renewed operating license pending completion of three-dimensional seismic studies prior to issuance of its coastal consistency certification in compliance with the Coastal Zone Management Act.

The NRC staff will continue to monitor seismic issues for Diablo Canyon and San Onofre to ensure that the power plants' safety systems remain capable of safely shutting down the plant in case of a seismic event.

Full disclosure of the costs of nuclear power to facilitate comparisons with alternatives

The NRC is an independent agency created by Congress. The mission of the NRC is to license and regulate the Nation's civilian use of byproduct, source, and special nuclear materials in order to protect public health and safety, promote the common defense and security, and protect the environment. The NRC's regulations are designed to protect both the public and workers against radiation hazards from industries that use radioactive materials. The NRC's scope of responsibility includes regulation of commercial nuclear power plants; research, test,

and training reactors; nuclear fuel cycle facilities; medical, academic, and industrial uses of radioactive materials; and the transport, storage, and disposal of radioactive materials and wastes. In addition, the NRC licenses the import and export of radioactive materials and works to enhance nuclear safety and security throughout the world. Given the NRC's mission, the NRC does not seek financial information beyond what is needed to provide reasonable assurance that a licensee can safely build, operate and eventually decommission a commercial nuclear power facility. Therefore, the NRC does not directly compile financial information as requested in your letter. However, the NRC staff is aware of the following information which may be of use to you to facilitate comparisons with energy alternatives:

The Nuclear Energy Institute (NEI) has some of the requested financial data dealing with the costs of nuclear power. In addition, the NRC staff recommends seeking additional financial information from the Federal Energy Regulatory Commission (FERC), specifically, "FERC Form 1," and the DOE. The NRC staff is not aware of any government "subsidies" currently available to licensees of commercial nuclear power facilities, nor of any "subsidies" available to any applicants seeking a license to operate a future nuclear power facility. However, applicants seeking a license to operate a future nuclear power facility are eligible for loan guarantees through the DOE, and certain tax credits through the Internal Revenue Service.

The NRC is a fee-recoverable Federal agency, and its fees are listed in the *Code of Federal Regulations* at 10 CFR Parts 170 and 171. The costs of waste disposal, as well as spent nuclear fuel, are born by the licensee of the commercial nuclear power facilities. By law, nuclear fuel removed from the reactor core (spent nuclear fuel) becomes the property of the DOE, and it is the DOE's responsibility to eventually dispose of spent nuclear fuel. DOE collects a small fee from licensees for every megawatt hour of electricity produced at a commercial nuclear power facility.

The Price-Anderson Act provides nuclear liability insurance through a two-tiered system for public liability claims arising out of a nuclear incident. All such claims for bodily injury or property damage would be paid under a system whereby the first $375 million would be paid from primary liability insurance purchased from the nuclear insurance pool (American Nuclear Insurers), and any remaining claims would be paid by licensed owners of commercial nuclear power facilities. This second, or retrospective premium insurance layer, would be $111.9 million per reactor per incident for a total amount of insurance per incident of approximately $12.5 billion. The United States Government has no indemnity for an incident.

All of the fees and costs described above, including costs associated with loan guarantees and liability insurance, are born by the licensee from revenue generated through the sale of electricity produced at commercial nuclear power facilities.

Thank you for your interest in issues associated with the safety of nuclear power plants. We want to assure you that the NRC continues to make its domestic responsibilities for licensing and oversight of the U.S. licensees its top priority and that the U.S. nuclear power plants continue to operate safely.

Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Ms. Nancy Nolan
225 W. Mariposo
San Clemente, CA 92672

Dear Ms. Nolan:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

- The February 2011 request initiated by State Senator Sam Blakeslee to hold a meeting in California to address the seismicity and other unique concerns of the west coast earthquake zone;

- The requirement that seismic studies are completed before requests to renew the licenses at San Onofre and Diablo Canyon can be submitted; and

- To facilitate a comparison of energy alternatives, that full disclosure is made of the costs of nuclear power, including government subsidies, the expense of the NRC to regulate, the expense of waste disposal, and estimations of the costs to our government to insure these facilities.

You also provided as the basis for your support, the recent events in Japan, especially an earthquake of the magnitude that was not supposed to happen, the inevitability of the occurrence of earthquakes in California and the fact that major populations live in the area surrounding the two major nuclear power plants of southern California.

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Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Ms. Toni J. Sullivan
28462 Buena Vista
Mission Viejo, CA 92692

Dear Ms. Sullivan:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

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Docket Nos. 50-361, 50-362, 50-275,
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May 12, 2011

Mr. Bill Stephenson
27762 Ruisenor
Mission Viejo, CA 92692

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- Perform walk-downs and inspection of important equipment needed to respond successfully to extreme events like fires and floods. This work will include analysis to identify any potential that equipment functions could be lost during seismic events appropriate for the site, and development of strategies to mitigate any potential vulnerabilities.

For additional information, the NRC response to the letter from Senators Boxer and Feinstein, dated March 16, 2011, may be accessed through the NRC's Agencywide Documents Access and Management System (ADAMS) via Accession No. ML11101A099.

Meeting in California of the Blue Ribbon Commission on America's Nuclear Future to address seismicity and other unique concerns of the west coast earthquake zone

On January 29, 2010, Dr. Steven Chu, Secretary of the U.S. Department of Energy (DOE) announced the formation of a Blue Ribbon Commission on America's Nuclear Future. The purpose of this Commission is to provide recommendations for developing a safe long-term solution to managing the Nation's used nuclear fuel and nuclear waste. The Commission will produce an interim report within 18 months of its formation and a final report within 24 months. This Blue Ribbon Commission is a creation of the DOE and the NRC does not have input to the scheduling of its meetings. We understand that San Clemente's Mayor Lori Donchak, in a letter dated April 13, 2011, has extended an invitation to the Blue Ribbon Commission on America's Nuclear Future to conduct one of its meetings in San Clemente, citing an earlier request by California Congresswoman Lois Capps to conduct one such meeting in the State of California. We hope that the Commission seriously considers this offer and that its acceptance may help you to meet your stated goals. Although your question was focused on the Blue Ribbon Commission, the NRC has held recent meetings in California addressing seismicity and

concerns with the west coast earthquake zone. Examples of these meetings and the NRC staff's engagement with local public stakeholders in addressing west coast seismic concerns are discussed below.

Require seismic studies to be completed prior to submittal of license renewal applications

The NRC considers seismic hazards to be an ongoing regulatory concern; therefore, seismic hazards issues are addressed as part of our continuous oversight of operating reactors whenever a significant change to this hazard is recognized. As a result, the NRC does not separately reanalyze seismic hazards as part of the license renewal process. The license renewal review is focused on managing the effects of aging on plant structures and equipment and is not a re-review of the current licensing basis. Should the NRC become aware, at any time, of information calling into question the continued safe operation of any plant, including Diablo Canyon or San Onofre, the NRC will take the appropriate actions as part of the agency's ongoing safety oversight, regardless of whether the NRC is performing a license renewal review for that facility. In short, with respect to safety concerns, the NRC does not wait for the license renewal process to evaluate and address new information associated with seismic issues.

Recent, specific examples of NRC operating reactor oversight actions related to seismic issues for the California plants include an ongoing, independent NRC staff review of the Pacific Gas and Electric Company's (PG&E's) Shoreline Fault Zone report; public meeting with PG&E near the Diablo Canyon site to discuss that report in January 2011; a 2-day public workshop on seismology near San Luis Obispo in September 2010; and the issuance of an NRC generic communication on the use of probabilistic seismic hazards methods for reviewing the safety of existing plants. In addition to these specific efforts, the staff plans to continue public meeting discussions with PG&E on a possible license amendment to formalize a Long Term Seismic Program methodology for the management of new geotechnical seismic information. Three public meetings have been held to-date on this topic since December 2010.

In addition, while the license renewal safety and environmental reviews continue for Diablo Canyon, PG&E submitted correspondence to the NRC on April 10, 2011 (ADAMS Accession No. ML111010592), requesting deferral of issuance of its renewed operating license pending completion of three-dimensional seismic studies prior to issuance of its coastal consistency certification in compliance with the Coastal Zone Management Act.

The NRC staff will continue to monitor seismic issues for Diablo Canyon and San Onofre to ensure that the power plants' safety systems remain capable of safely shutting down the plant in case of a seismic event.

Full disclosure of the costs of nuclear power to facilitate comparisons with alternatives

The NRC is an independent agency created by Congress. The mission of the NRC is to license and regulate the Nation's civilian use of byproduct, source, and special nuclear materials in order to protect public health and safety, promote the common defense and security, and protect the environment. The NRC's regulations are designed to protect both the public and workers against radiation hazards from industries that use radioactive materials. The NRC's scope of responsibility includes regulation of commercial nuclear power plants; research, test, and training reactors; nuclear fuel cycle facilities; medical, academic, and industrial uses of

radioactive materials; and the transport, storage, and disposal of radioactive materials and wastes. In addition, the NRC licenses the import and export of radioactive materials and works to enhance nuclear safety and security throughout the world. Given the NRC's mission, the NRC does not seek financial information beyond what is needed to provide reasonable assurance that a licensee can safely build, operate and eventually decommission a commercial nuclear power facility. Therefore, the NRC does not directly compile financial information as requested in your letter. However, the NRC staff is aware of the following information which may be of use to you to facilitate comparisons with energy alternatives:

The Nuclear Energy Institute (NEI) has some of the requested financial data dealing with the costs of nuclear power. In addition, the NRC staff recommends seeking additional financial information from the Federal Energy Regulatory Commission (FERC), specifically, "FERC Form 1," and the DOE. The NRC staff is not aware of any government "subsidies" currently available to licensees of commercial nuclear power facilities, nor of any "subsidies" available to any applicants seeking a license to operate a future nuclear power facility. However, applicants seeking a license to operate a future nuclear power facility are eligible for loan guarantees through the DOE, and certain tax credits through the Internal Revenue Service.

The NRC is a fee-recoverable Federal agency, and its fees are listed in the *Code of Federal Regulations* at 10 CFR Parts 170 and 171. The costs of waste disposal, as well as spent nuclear fuel, are born by the licensee of the commercial nuclear power facilities. By law, nuclear fuel removed from the reactor core (spent nuclear fuel) becomes the property of the DOE, and it is the DOE's responsibility to eventually dispose of spent nuclear fuel. DOE collects a small fee from licensees for every megawatt hour of electricity produced at a commercial nuclear power facility.

The Price-Anderson Act provides nuclear liability insurance through a two-tiered system for public liability claims arising out of a nuclear incident. All such claims for bodily injury or property damage would be paid under a system whereby the first $375 million would be paid from primary liability insurance purchased from the nuclear insurance pool (American Nuclear Insurers), and any remaining claims would be paid by licensed owners of commercial nuclear power facilities. This second, or retrospective premium insurance layer, would be $111.9 million per reactor per incident for a total amount of insurance per incident of approximately $12.5 billion. The United States Government has no indemnity for an incident.

All of the fees and costs described above, including costs associated with loan guarantees and liability insurance, are born by the licensee from revenue generated through the sale of electricity produced at commercial nuclear power facilities.

Thank you for your interest in issues associated with the safety of nuclear power plants. We want to assure you that the NRC continues to make its domestic responsibilities for licensing and oversight of the U.S. licensees its top priority and that the U.S. nuclear power plants continue to operate safely.

Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Mr. Jim Slark
33672 Blue Lantern #3
Dana Point, CA 92629

Dear Mr. Slark:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

- The February 2011 request initiated by State Senator Sam Blakeslee to hold a meeting in California to address the seismicity and other unique concerns of the west coast earthquake zone;

- The requirement that seismic studies are completed before requests to renew the licenses at San Onofre and Diablo Canyon can be submitted; and

- To facilitate a comparison of energy alternatives, that full disclosure is made of the costs of nuclear power, including government subsidies, the expense of the NRC to regulate, the expense of waste disposal, and estimations of the costs to our government to insure these facilities.

You also provided as the basis for your support, the recent events in Japan, especially an earthquake of the magnitude that was not supposed to happen, the inevitability of the occurrence of earthquakes in California and the fact that major populations live in the area surrounding the two major nuclear power plants of southern California.

Immediate safety inspection of San Onofre and Diablo Canyon

In response to the events at the Fukushima Daiichi nuclear station in Japan, the Commission directed the NRC staff to establish a senior level agency task force to conduct a methodical and systematic review of our processes and regulations to make recommendations on whether the agency should make additional improvements to our regulatory system. This review will include an assessment of any regulatory issues in the areas of earthquakes, tsunamis, and emergency preparedness. This activity will have both near-term and longer-term objectives. We are also pursuing limited actions that appear to be prudent at this time, including inspection activities to look at the readiness of plants to deal with both design basis and beyond design basis accidents. To support these inspections, the NRC issued Temporary Instruction 2515/183 on March 23, 2011. The objective of TI 2515/183 is to independently assess the adequacy of actions taken voluntarily by licensees in response to the Fukushima Daiichi nuclear station

events. The inspection results from this TI will be used to evaluate the industry's readiness for a similar event and to aid in determining whether additional regulatory actions by the NRC are warranted. If necessary, a more specific follow-up inspection will be performed at a later date.

The U.S. nuclear energy industry has begun an assessment of the events in Japan and is taking voluntary steps, as mentioned above, to ensure that U.S. reactors could respond to events that may challenge safe operation of their facilities. These actions include:

- Verify each plant's capability to manage major challenges, such as aircraft impacts and losses of large areas of the plant due to natural events, fires or explosions. Specific actions include testing and inspecting equipment required to mitigate these events, and verifying that qualifications of operators and support staff required to implement them are current.

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The Price-Anderson Act provides nuclear liability insurance through a two-tiered system for public liability claims arising out of a nuclear incident. All such claims for bodily injury or property damage would be paid under a system whereby the first $375 million would be paid from primary liability insurance purchased from the nuclear insurance pool (American Nuclear Insurers), and any remaining claims would be paid by licensed owners of commercial nuclear power facilities. This second, or retrospective premium insurance layer, would be $111.9 million per reactor per incident for a total amount of insurance per incident of approximately $12.5 billion. The United States Government has no indemnity for an incident.

All of the fees and costs described above, including costs associated with loan guarantees and liability insurance, are born by the licensee from revenue generated through the sale of electricity produced at commercial nuclear power facilities.

Thank you for your interest in issues associated with the safety of nuclear power plants. We want to assure you that the NRC continues to make its domestic responsibilities for licensing and oversight of the U.S. licensees its top priority and that the U.S. nuclear power plants continue to operate safely.

Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Ms. Judy Curry
20931 Avenida Amapola
Lake Forest, CA 92630

Dear Ms. Curry:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

- The February 2011 request initiated by State Senator Sam Blakeslee to hold a meeting in California to address the seismicity and other unique concerns of the west coast earthquake zone;

- The requirement that seismic studies are completed before requests to renew the licenses at San Onofre and Diablo Canyon can be submitted; and

- To facilitate a comparison of energy alternatives, that full disclosure is made of the costs of nuclear power, including government subsidies, the expense of the NRC to regulate, the expense of waste disposal, and estimations of the costs to our government to insure these facilities.

You also provided as the basis for your support, the recent events in Japan, especially an earthquake of the magnitude that was not supposed to happen, the inevitability of the occurrence of earthquakes in California and the fact that major populations live in the area surrounding the two major nuclear power plants of southern California.

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events. The inspection results from this TI will be used to evaluate the industry's readiness for a similar event and to aid in determining whether additional regulatory actions by the NRC are warranted. If necessary, a more specific follow-up inspection will be performed at a later date.

The U.S. nuclear energy industry has begun an assessment of the events in Japan and is taking voluntary steps, as mentioned above, to ensure that U.S. reactors could respond to events that may challenge safe operation of their facilities. These actions include:

- Verify each plant's capability to manage major challenges, such as aircraft impacts and losses of large areas of the plant due to natural events, fires or explosions. Specific actions include testing and inspecting equipment required to mitigate these events, and verifying that qualifications of operators and support staff required to implement them are current.

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Commission, the NRC has held recent meetings in California addressing seismicity and concerns with the west coast earthquake zone. Examples of these meetings and the NRC staff's engagement with local public stakeholders in addressing west coast seismic concerns are discussed below.

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Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Ms. Rosemary Kelley
591 Ave Majorca #9
Laguna Woods, CA 92637

Dear Ms. Kelley:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

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Full disclosure of the costs of nuclear power to facilitate comparisons with alternatives

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All of the fees and costs described above, including costs associated with loan guarantees and liability insurance, are born by the licensee from revenue generated through the sale of electricity produced at commercial nuclear power facilities.

Thank you for your interest in issues associated with the safety of nuclear power plants. We want to assure you that the NRC continues to make its domestic responsibilities for licensing and oversight of the U.S. licensees its top priority and that the U.S. nuclear power plants continue to operate safely.

Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Ms. Tina L. Davidson
28586 Rancho Grande
Laguna Niguel, CA 92677

Dear Ms. Davidson:

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- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

- The February 2011 request initiated by State Senator Sam Blakeslee to hold a meeting in California to address the seismicity and other unique concerns of the west coast earthquake zone;

- The requirement that seismic studies are completed before requests to renew the licenses at San Onofre and Diablo Canyon can be submitted; and

- To facilitate a comparison of energy alternatives, that full disclosure is made of the costs of nuclear power, including government subsidies, the expense of the NRC to regulate, the expense of waste disposal, and estimations of the costs to our government to insure these facilities.

You also provided as the basis for your support, the recent events in Japan, especially an earthquake of the magnitude that was not supposed to happen, the inevitability of the occurrence of earthquakes in California and the fact that major populations live in the area surrounding the two major nuclear power plants of southern California.

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events. The inspection results from this TI will be used to evaluate the industry's readiness for a similar event and to aid in determining whether additional regulatory actions by the NRC are warranted. If necessary, a more specific follow-up inspection will be performed at a later date.

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Docket Nos. 50-361, 50-362, 50-275,
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May 12, 2011

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4 Corte Miro
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In addition, while the license renewal safety and environmental reviews continue for Diablo Canyon, PG&E submitted correspondence to the NRC on April 10, 2011 (ADAMS Accession No. ML111010592), requesting deferral of issuance of its renewed operating license pending completion of three-dimensional seismic studies prior to issuance of its coastal consistency certification in compliance with the Coastal Zone Management Act.

The NRC staff will continue to monitor seismic issues for Diablo Canyon and San Onofre to ensure that the power plants' safety systems remain capable of safely shutting down the plant in case of a seismic event.

Full disclosure of the costs of nuclear power to facilitate comparisons with alternatives

The NRC is an independent agency created by Congress. The mission of the NRC is to license and regulate the Nation's civilian use of byproduct, source, and special nuclear materials in order to protect public health and safety, promote the common defense and security, and protect the environment. The NRC's regulations are designed to protect both the public and workers against radiation hazards from industries that use radioactive materials. The NRC's scope of responsibility includes regulation of commercial nuclear power plants; research, test,

and training reactors; nuclear fuel cycle facilities; medical, academic, and industrial uses of radioactive materials; and the transport, storage, and disposal of radioactive materials and wastes. In addition, the NRC licenses the import and export of radioactive materials and works to enhance nuclear safety and security throughout the world. Given the NRC's mission, the NRC does not seek financial information beyond what is needed to provide reasonable assurance that a licensee can safely build, operate and eventually decommission a commercial nuclear power facility. Therefore, the NRC does not directly compile financial information as requested in your letter. However, the NRC staff is aware of the following information which may be of use to you to facilitate comparisons with energy alternatives:

The Nuclear Energy Institute (NEI) has some of the requested financial data dealing with the costs of nuclear power. In addition, the NRC staff recommends seeking additional financial information from the Federal Energy Regulatory Commission (FERC), specifically, "FERC Form 1," and the DOE. The NRC staff is not aware of any government "subsidies" currently available to licensees of commercial nuclear power facilities, nor of any "subsidies" available to any applicants seeking a license to operate a future nuclear power facility. However, applicants seeking a license to operate a future nuclear power facility are eligible for loan guarantees through the DOE, and certain tax credits through the Internal Revenue Service.

The NRC is a fee-recoverable Federal agency, and its fees are listed in the *Code of Federal Regulations* at 10 CFR Parts 170 and 171. The costs of waste disposal, as well as spent nuclear fuel, are born by the licensee of the commercial nuclear power facilities. By law, nuclear fuel removed from the reactor core (spent nuclear fuel) becomes the property of the DOE, and it is the DOE's responsibility to eventually dispose of spent nuclear fuel. DOE collects a small fee from licensees for every megawatt hour of electricity produced at a commercial nuclear power facility.

The Price-Anderson Act provides nuclear liability insurance through a two-tiered system for public liability claims arising out of a nuclear incident. All such claims for bodily injury or property damage would be paid under a system whereby the first $375 million would be paid from primary liability insurance purchased from the nuclear insurance pool (American Nuclear Insurers), and any remaining claims would be paid by licensed owners of commercial nuclear power facilities. This second, or retrospective premium insurance layer, would be $111.9 million per reactor per incident for a total amount of insurance per incident of approximately $12.5 billion. The United States Government has no indemnity for an incident.

All of the fees and costs described above, including costs associated with loan guarantees and liability insurance, are born by the licensee from revenue generated through the sale of electricity produced at commercial nuclear power facilities.

Thank you for your interest in issues associated with the safety of nuclear power plants. We want to assure you that the NRC continues to make its domestic responsibilities for licensing and oversight of the U.S. licensees its top priority and that the U.S. nuclear power plants continue to operate safely.

Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Ms. Dawn Yates
33785 Via de Agua
San Juan Capistrano, CA 92675

Dear Ms. Yates:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

- The February 2011 request initiated by State Senator Sam Blakeslee to hold a meeting in California to address the seismicity and other unique concerns of the west coast earthquake zone;

- The requirement that seismic studies are completed before requests to renew the licenses at San Onofre and Diablo Canyon can be submitted; and

- To facilitate a comparison of energy alternatives, that full disclosure is made of the costs of nuclear power, including government subsidies, the expense of the NRC to regulate, the expense of waste disposal, and estimations of the costs to our government to insure these facilities.

You also provided as the basis for your support, the recent events in Japan, especially an earthquake of the magnitude that was not supposed to happen, the inevitability of the occurrence of earthquakes in California and the fact that major populations live in the area surrounding the two major nuclear power plants of southern California.

Immediate safety inspection of San Onofre and Diablo Canyon

In response to the events at the Fukushima Daiichi nuclear station in Japan, the Commission directed the NRC staff to establish a senior level agency task force to conduct a methodical and systematic review of our processes and regulations to make recommendations on whether the agency should make additional improvements to our regulatory system. This review will include an assessment of any regulatory issues in the areas of earthquakes, tsunamis, and emergency preparedness. This activity will have both near-term and longer-term objectives. We are also pursuing limited actions that appear to be prudent at this time, including inspection activities to look at the readiness of plants to deal with both design basis and beyond design basis accidents. To support these inspections, the NRC issued Temporary Instruction 2515/183 on March 23, 2011. The objective of TI 2515/183 is to independently assess the adequacy of actions taken voluntarily by licensees in response to the Fukushima Daiichi nuclear station

events. The inspection results from this TI will be used to evaluate the industry's readiness for a similar event and to aid in determining whether additional regulatory actions by the NRC are warranted. If necessary, a more specific follow-up inspection will be performed at a later date.

The U.S. nuclear energy industry has begun an assessment of the events in Japan and is taking voluntary steps, as mentioned above, to ensure that U.S. reactors could respond to events that may challenge safe operation of their facilities. These actions include:

- Verify each plant's capability to manage major challenges, such as aircraft impacts and losses of large areas of the plant due to natural events, fires or explosions. Specific actions include testing and inspecting equipment required to mitigate these events, and verifying that qualifications of operators and support staff required to implement them are current.

- Verify each plant's capability to manage a total loss of off-site power. This will require verification that all required materials are adequate and properly staged and that procedures are in place, and focusing operator training on these extreme events.

- Verify the capability to mitigate flooding and the impact of floods on systems inside and outside the plant. Specific actions include verifying required materials and equipment are properly located to protect them from flood.

- Perform walk-downs and inspection of important equipment needed to respond successfully to extreme events like fires and floods. This work will include analysis to identify any potential that equipment functions could be lost during seismic events appropriate for the site, and development of strategies to mitigate any potential vulnerabilities.

For additional information, the NRC response to the letter from Senators Boxer and Feinstein, dated March 16, 2011, may be accessed through the NRC's Agencywide Documents Access and Management System (ADAMS) via Accession No. ML11101A099.

Meeting in California of the Blue Ribbon Commission on America's Nuclear Future to address seismicity and other unique concerns of the west coast earthquake zone

On January 29, 2010, Dr. Steven Chu, Secretary of the U.S. Department of Energy (DOE) announced the formation of a Blue Ribbon Commission on America's Nuclear Future. The purpose of this Commission is to provide recommendations for developing a safe long-term solution to managing the Nation's used nuclear fuel and nuclear waste. The Commission will produce an interim report within 18 months of its formation and a final report within 24 months. This Blue Ribbon Commission is a creation of the DOE and the NRC does not have input to the scheduling of its meetings. We understand that San Clemente's Mayor Lori Donchak, in a letter dated April 13, 2011, has extended an invitation to the Blue Ribbon Commission on America's Nuclear Future to conduct one of its meetings in San Clemente, citing an earlier request by California Congresswoman Lois Capps to conduct one such meeting in the State of California. We hope that the Commission seriously considers this offer and that its acceptance may help you to meet your stated goals. Although your question was focused on the Blue Ribbon

Commission, the NRC has held recent meetings in California addressing seismicity and concerns with the west coast earthquake zone. Examples of these meetings and the NRC staff's engagement with local public stakeholders in addressing west coast seismic concerns are discussed below.

Require seismic studies to be completed prior to submittal of license renewal applications

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Thank you for your interest in issues associated with the safety of nuclear power plants. We want to assure you that the NRC continues to make its domestic responsibilities for licensing and oversight of the U.S. licensees its top priority and that the U.S. nuclear power plants continue to operate safely.

Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Ms. Loraine Johnson
2840 Calle Heraldo
San Clemente, CA 92673

Dear Ms. Johnson:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

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Commission, the NRC has held recent meetings in California addressing seismicity and concerns with the west coast earthquake zone. Examples of these meetings and the NRC staff's engagement with local public stakeholders in addressing west coast seismic concerns are discussed below.

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Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Ms. Petti Van Rekom
331 Camino San Clemente
San Clemente, CA 92672

Dear Ms. Van Rekom:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

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Full disclosure of the costs of nuclear power to facilitate comparisons with alternatives

The NRC is an independent agency created by Congress. The mission of the NRC is to license and regulate the Nation's civilian use of byproduct, source, and special nuclear materials in order to protect public health and safety, promote the common defense and security, and protect the environment. The NRC's regulations are designed to protect both the public and workers against radiation hazards from industries that use radioactive materials. The NRC's scope of responsibility includes regulation of commercial nuclear power plants; research, test,

and training reactors; nuclear fuel cycle facilities; medical, academic, and industrial uses of radioactive materials; and the transport, storage, and disposal of radioactive materials and wastes. In addition, the NRC licenses the import and export of radioactive materials and works to enhance nuclear safety and security throughout the world. Given the NRC's mission, the NRC does not seek financial information beyond what is needed to provide reasonable assurance that a licensee can safely build, operate and eventually decommission a commercial nuclear power facility. Therefore, the NRC does not directly compile financial information as requested in your letter. However, the NRC staff is aware of the following information which may be of use to you to facilitate comparisons with energy alternatives:

The Nuclear Energy Institute (NEI) has some of the requested financial data dealing with the costs of nuclear power. In addition, the NRC staff recommends seeking additional financial information from the Federal Energy Regulatory Commission (FERC), specifically, "FERC Form 1," and the DOE. The NRC staff is not aware of any government "subsidies" currently available to licensees of commercial nuclear power facilities, nor of any "subsidies" available to any applicants seeking a license to operate a future nuclear power facility. However, applicants seeking a license to operate a future nuclear power facility are eligible for loan guarantees through the DOE, and certain tax credits through the Internal Revenue Service.

The NRC is a fee-recoverable Federal agency, and its fees are listed in the *Code of Federal Regulations* at 10 CFR Parts 170 and 171. The costs of waste disposal, as well as spent nuclear fuel, are born by the licensee of the commercial nuclear power facilities. By law, nuclear fuel removed from the reactor core (spent nuclear fuel) becomes the property of the DOE, and it is the DOE's responsibility to eventually dispose of spent nuclear fuel. DOE collects a small fee from licensees for every megawatt hour of electricity produced at a commercial nuclear power facility.

The Price-Anderson Act provides nuclear liability insurance through a two-tiered system for public liability claims arising out of a nuclear incident. All such claims for bodily injury or property damage would be paid under a system whereby the first $375 million would be paid from primary liability insurance purchased from the nuclear insurance pool (American Nuclear Insurers), and any remaining claims would be paid by licensed owners of commercial nuclear power facilities. This second, or retrospective premium insurance layer, would be $111.9 million per reactor per incident for a total amount of insurance per incident of approximately $12.5 billion. The United States Government has no indemnity for an incident.

All of the fees and costs described above, including costs associated with loan guarantees and liability insurance, are born by the licensee from revenue generated through the sale of electricity produced at commercial nuclear power facilities.

Thank you for your interest in issues associated with the safety of nuclear power plants. We want to assure you that the NRC continues to make its domestic responsibilities for licensing and oversight of the U.S. licensees its top priority and that the U.S. nuclear power plants continue to operate safely.

Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Mr. Bill Walter
713 Calle Contenta
San Clemente, CA 92673

Dear Mr. Walter:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

- The February 2011 request initiated by State Senator Sam Blakeslee to hold a meeting in California to address the seismicity and other unique concerns of the west coast earthquake zone;

- The requirement that seismic studies are completed before requests to renew the licenses at San Onofre and Diablo Canyon can be submitted; and

- To facilitate a comparison of energy alternatives, that full disclosure is made of the costs of nuclear power, including government subsidies, the expense of the NRC to regulate, the expense of waste disposal, and estimations of the costs to our government to insure these facilities.

You also provided as the basis for your support, the recent events in Japan, especially an earthquake of the magnitude that was not supposed to happen, the inevitability of the occurrence of earthquakes in California and the fact that major populations live in the area surrounding the two major nuclear power plants of southern California.

Immediate safety inspection of San Onofre and Diablo Canyon

In response to the events at the Fukushima Daiichi nuclear station in Japan, the Commission directed the NRC staff to establish a senior level agency task force to conduct a methodical and systematic review of our processes and regulations to make recommendations on whether the agency should make additional improvements to our regulatory system. This review will include an assessment of any regulatory issues in the areas of earthquakes, tsunamis, and emergency preparedness. This activity will have both near-term and longer-term objectives. We are also pursuing limited actions that appear to be prudent at this time, including inspection activities to look at the readiness of plants to deal with both design basis and beyond design basis accidents. To support these inspections, the NRC issued Temporary Instruction 2515/183 on March 23, 2011. The objective of TI 2515/183 is to independently assess the adequacy of actions taken voluntarily by licensees in response to the Fukushima Daiichi nuclear station

events. The inspection results from this TI will be used to evaluate the industry's readiness for a similar event and to aid in determining whether additional regulatory actions by the NRC are warranted. If necessary, a more specific follow-up inspection will be performed at a later date.

The U.S. nuclear energy industry has begun an assessment of the events in Japan and is taking voluntary steps, as mentioned above, to ensure that U.S. reactors could respond to events that may challenge safe operation of their facilities. These actions include:

- Verify each plant's capability to manage major challenges, such as aircraft impacts and losses of large areas of the plant due to natural events, fires or explosions. Specific actions include testing and inspecting equipment required to mitigate these events, and verifying that qualifications of operators and support staff required to implement them are current.

- Verify each plant's capability to manage a total loss of off-site power. This will require verification that all required materials are adequate and properly staged and that procedures are in place, and focusing operator training on these extreme events.

- Verify the capability to mitigate flooding and the impact of floods on systems inside and outside the plant. Specific actions include verifying required materials and equipment are properly located to protect them from flood.

- Perform walk-downs and inspection of important equipment needed to respond successfully to extreme events like fires and floods. This work will include analysis to identify any potential that equipment functions could be lost during seismic events appropriate for the site, and development of strategies to mitigate any potential vulnerabilities.

For additional information, the NRC response to the letter from Senators Boxer and Feinstein, dated March 16, 2011, may be accessed through the NRC's Agencywide Documents Access and Management System (ADAMS) via Accession No. ML11101A099.

Meeting in California of the Blue Ribbon Commission on America's Nuclear Future to address seismicity and other unique concerns of the west coast earthquake zone

On January 29, 2010, Dr. Steven Chu, Secretary of the U.S. Department of Energy (DOE) announced the formation of a Blue Ribbon Commission on America's Nuclear Future. The purpose of this Commission is to provide recommendations for developing a safe long-term solution to managing the Nation's used nuclear fuel and nuclear waste. The Commission will produce an interim report within 18 months of its formation and a final report within 24 months. This Blue Ribbon Commission is a creation of the DOE and the NRC does not have input to the scheduling of its meetings. We understand that San Clemente's Mayor Lori Donchak, in a letter dated April 13, 2011, has extended an invitation to the Blue Ribbon Commission on America's Nuclear Future to conduct one of its meetings in San Clemente, citing an earlier request by California Congresswoman Lois Capps to conduct one such meeting in the State of California. We hope that the Commission seriously considers this offer and that its acceptance may help you to meet your stated goals. Although your question was focused on the Blue Ribbon

Commission, the NRC has held recent meetings in California addressing seismicity and concerns with the west coast earthquake zone. Examples of these meetings and the NRC staff's engagement with local public stakeholders in addressing west coast seismic concerns are discussed below.

Require seismic studies to be completed prior to submittal of license renewal applications

The NRC considers seismic hazards to be an ongoing regulatory concern; therefore, seismic hazards issues are addressed as part of our continuous oversight of operating reactors whenever a significant change to this hazard is recognized. As a result, the NRC does not separately reanalyze seismic hazards as part of the license renewal process. The license renewal review is focused on managing the effects of aging on plant structures and equipment and is not a re-review of the current licensing basis. Should the NRC become aware, at any time, of information calling into question the continued safe operation of any plant, including Diablo Canyon or San Onofre, the NRC will take the appropriate actions as part of the agency's ongoing safety oversight, regardless of whether the NRC is performing a license renewal review for that facility. In short, with respect to safety concerns, the NRC does not wait for the license renewal process to evaluate and address new information associated with seismic issues.

Recent, specific examples of NRC operating reactor oversight actions related to seismic issues for the California plants include an ongoing, independent NRC staff review of the Pacific Gas and Electric Company's (PG&E's) Shoreline Fault Zone report; public meeting with PG&E near the Diablo Canyon site to discuss that report in January 2011; a 2-day public workshop on seismology near San Luis Obispo in September 2010; and the issuance of an NRC generic communication on the use of probabilistic seismic hazards methods for reviewing the safety of existing plants. In addition to these specific efforts, the staff plans to continue public meeting discussions with PG&E on a possible license amendment to formalize a Long Term Seismic Program methodology for the management of new geotechnical seismic information. Three public meetings have been held to-date on this topic since December 2010.

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All of the fees and costs described above, including costs associated with loan guarantees and liability insurance, are born by the licensee from revenue generated through the sale of electricity produced at commercial nuclear power facilities.

Thank you for your interest in issues associated with the safety of nuclear power plants. We want to assure you that the NRC continues to make its domestic responsibilities for licensing and oversight of the U.S. licensees its top priority and that the U.S. nuclear power plants continue to operate safely.

Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Jenifer and John Massey
211 Avenida Valencia
San Clemente, CA 92672

Dear Jennifer and John Massey:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

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- The requirement that seismic studies are completed before requests to renew the licenses at San Onofre and Diablo Canyon can be submitted; and

- To facilitate a comparison of energy alternatives, that full disclosure is made of the costs of nuclear power, including government subsidies, the expense of the NRC to regulate, the expense of waste disposal, and estimations of the costs to our government to insure these facilities.

You also provided as the basis for your support, the recent events in Japan, especially an earthquake of the magnitude that was not supposed to happen, the inevitability of the occurrence of earthquakes in California and the fact that major populations live in the area surrounding the two major nuclear power plants of southern California.

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similar event and to aid in determining whether additional regulatory actions by the NRC are warranted. If necessary, a more specific follow-up inspection will be performed at a later date.

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concerns with the west coast earthquake zone. Examples of these meetings and the NRC staff's engagement with local public stakeholders in addressing west coast seismic concerns are discussed below.

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The NRC considers seismic hazards to be an ongoing regulatory concern; therefore, seismic hazards issues are addressed as part of our continuous oversight of operating reactors whenever a significant change to this hazard is recognized. As a result, the NRC does not separately reanalyze seismic hazards as part of the license renewal process. The license renewal review is focused on managing the effects of aging on plant structures and equipment and is not a re-review of the current licensing basis. Should the NRC become aware, at any time, of information calling into question the continued safe operation of any plant, including Diablo Canyon or San Onofre, the NRC will take the appropriate actions as part of the agency's ongoing safety oversight, regardless of whether the NRC is performing a license renewal review for that facility. In short, with respect to safety concerns, the NRC does not wait for the license renewal process to evaluate and address new information associated with seismic issues.

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Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Vonne M. Barnes
13 Montilla
San Clemente, CA 92672

Dear Vonne M. Barnes:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

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The Nuclear Energy Institute (NEI) has some of the requested financial data dealing with the costs of nuclear power. In addition, the NRC staff recommends seeking additional financial information from the Federal Energy Regulatory Commission (FERC), specifically, "FERC Form 1," and the DOE. The NRC staff is not aware of any government "subsidies" currently available to licensees of commercial nuclear power facilities, nor of any "subsidies" available to any applicants seeking a license to operate a future nuclear power facility. However, applicants seeking a license to operate a future nuclear power facility are eligible for loan guarantees through the DOE, and certain tax credits through the Internal Revenue Service.

The NRC is a fee-recoverable Federal agency, and its fees are listed in the *Code of Federal Regulations* at 10 CFR Parts 170 and 171. The costs of waste disposal, as well as spent nuclear fuel, are born by the licensee of the commercial nuclear power facilities. By law, nuclear fuel removed from the reactor core (spent nuclear fuel) becomes the property of the DOE, and it is the DOE's responsibility to eventually dispose of spent nuclear fuel. DOE collects a small fee from licensees for every megawatt hour of electricity produced at a commercial nuclear power facility.

The Price-Anderson Act provides nuclear liability insurance through a two-tiered system for public liability claims arising out of a nuclear incident. All such claims for bodily injury or property damage would be paid under a system whereby the first $375 million would be paid from primary liability insurance purchased from the nuclear insurance pool (American Nuclear Insurers), and any remaining claims would be paid by licensed owners of commercial nuclear power facilities. This second, or retrospective premium insurance layer, would be $111.9 million per reactor per incident for a total amount of insurance per incident of approximately $12.5 billion. The United States Government has no indemnity for an incident.

All of the fees and costs described above, including costs associated with loan guarantees and liability insurance, are born by the licensee from revenue generated through the sale of electricity produced at commercial nuclear power facilities.

Thank you for your interest in issues associated with the safety of nuclear power plants. We want to assure you that the NRC continues to make its domestic responsibilities for licensing and oversight of the U.S. licensees its top priority and that the U.S. nuclear power plants continue to operate safely.

Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Luc Cyrot
24266 Via Santa Clara
Mission Viejo, CA 92692

Dear Luc Cyrot:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

- The February 2011 request initiated by State Senator Sam Blakeslee to hold a meeting in California to address the seismicity and other unique concerns of the west coast earthquake zone;

- The requirement that seismic studies are completed before requests to renew the licenses at San Onofre and Diablo Canyon can be submitted; and

- To facilitate a comparison of energy alternatives, that full disclosure is made of the costs of nuclear power, including government subsidies, the expense of the NRC to regulate, the expense of waste disposal, and estimations of the costs to our government to insure these facilities.

You also provided as the basis for your support, the recent events in Japan, especially an earthquake of the magnitude that was not supposed to happen, the inevitability of the occurrence of earthquakes in California and the fact that major populations live in the area surrounding the two major nuclear power plants of southern California.

Immediate safety inspection of San Onofre and Diablo Canyon

In response to the events at the Fukushima Daiichi nuclear station in Japan, the Commission directed the NRC staff to establish a senior level agency task force to conduct a methodical and systematic review of our processes and regulations to make recommendations on whether the agency should make additional improvements to our regulatory system. This review will include an assessment of any regulatory issues in the areas of earthquakes, tsunamis, and emergency preparedness. This activity will have both near-term and longer-term objectives. We are also pursuing limited actions that appear to be prudent at this time, including inspection activities to look at the readiness of plants to deal with both design basis and beyond design basis accidents. To support these inspections, the NRC issued Temporary Instruction 2515/183 on March 23, 2011. The objective of TI 2515/183 is to independently assess the adequacy of actions taken voluntarily by licensees in response to the Fukushima Daiichi nuclear station

events. The inspection results from this TI will be used to evaluate the industry's readiness for a similar event and to aid in determining whether additional regulatory actions by the NRC are warranted. If necessary, a more specific follow-up inspection will be performed at a later date.

The U.S. nuclear energy industry has begun an assessment of the events in Japan and is taking voluntary steps, as mentioned above, to ensure that U.S. reactors could respond to events that may challenge safe operation of their facilities. These actions include:

- Verify each plant's capability to manage major challenges, such as aircraft impacts and losses of large areas of the plant due to natural events, fires or explosions. Specific actions include testing and inspecting equipment required to mitigate these events, and verifying that qualifications of operators and support staff required to implement them are current.

- Verify each plant's capability to manage a total loss of off-site power. This will require verification that all required materials are adequate and properly staged and that procedures are in place, and focusing operator training on these extreme events.

- Verify the capability to mitigate flooding and the impact of floods on systems inside and outside the plant. Specific actions include verifying required materials and equipment are properly located to protect them from flood.

- Perform walk-downs and inspection of important equipment needed to respond successfully to extreme events like fires and floods. This work will include analysis to identify any potential that equipment functions could be lost during seismic events appropriate for the site, and development of strategies to mitigate any potential vulnerabilities.

For additional information, the NRC response to the letter from Senators Boxer and Feinstein, dated March 16, 2011, may be accessed through the NRC's Agencywide Documents Access and Management System (ADAMS) via Accession No. ML11101A099.

Meeting in California of the Blue Ribbon Commission on America's Nuclear Future to address seismicity and other unique concerns of the west coast earthquake zone

On January 29, 2010, Dr. Steven Chu, Secretary of the U.S. Department of Energy (DOE) announced the formation of a Blue Ribbon Commission on America's Nuclear Future. The purpose of this Commission is to provide recommendations for developing a safe long-term solution to managing the Nation's used nuclear fuel and nuclear waste. The Commission will produce an interim report within 18 months of its formation and a final report within 24 months. This Blue Ribbon Commission is a creation of the DOE and the NRC does not have input to the scheduling of its meetings. We understand that San Clemente's Mayor Lori Donchak, in a letter dated April 13, 2011, has extended an invitation to the Blue Ribbon Commission on America's Nuclear Future to conduct one of its meetings in San Clemente, citing an earlier request by California Congresswoman Lois Capps to conduct one such meeting in the State of California. We hope that the Commission seriously considers this offer and that its acceptance may help you to meet your stated goals. Although your question was focused on the Blue Ribbon

Commission, the NRC has held recent meetings in California addressing seismicity and concerns with the west coast earthquake zone. Examples of these meetings and the NRC staff's engagement with local public stakeholders in addressing west coast seismic concerns are discussed below.

Require seismic studies to be completed prior to submittal of license renewal applications

The NRC considers seismic hazards to be an ongoing regulatory concern; therefore, seismic hazards issues are addressed as part of our continuous oversight of operating reactors whenever a significant change to this hazard is recognized. As a result, the NRC does not separately reanalyze seismic hazards as part of the license renewal process. The license renewal review is focused on managing the effects of aging on plant structures and equipment and is not a re-review of the current licensing basis. Should the NRC become aware, at any time, of information calling into question the continued safe operation of any plant, including Diablo Canyon or San Onofre, the NRC will take the appropriate actions as part of the agency's ongoing safety oversight, regardless of whether the NRC is performing a license renewal review for that facility. In short, with respect to safety concerns, the NRC does not wait for the license renewal process to evaluate and address new information associated with seismic issues.

Recent, specific examples of NRC operating reactor oversight actions related to seismic issues for the California plants include an ongoing, independent NRC staff review of the Pacific Gas and Electric Company's (PG&E's) Shoreline Fault Zone report; public meeting with PG&E near the Diablo Canyon site to discuss that report in January 2011; a 2-day public workshop on seismology near San Luis Obispo in September 2010; and the issuance of an NRC generic communication on the use of probabilistic seismic hazards methods for reviewing the safety of existing plants. In addition to these specific efforts, the staff plans to continue public meeting discussions with PG&E on a possible license amendment to formalize a Long Term Seismic Program methodology for the management of new geotechnical seismic information. Three public meetings have been held to-date on this topic since December 2010.

In addition, while the license renewal safety and environmental reviews continue for Diablo Canyon, PG&E submitted correspondence to the NRC on April 10, 2011 (ADAMS Accession No. ML111010592), requesting deferral of issuance of its renewed operating license pending completion of three-dimensional seismic studies prior to issuance of its coastal consistency certification in compliance with the Coastal Zone Management Act.

The NRC staff will continue to monitor seismic issues for Diablo Canyon and San Onofre to ensure that the power plants' safety systems remain capable of safely shutting down the plant in case of a seismic event.

Full disclosure of the costs of nuclear power to facilitate comparisons with alternatives

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Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Ms. Anne Smith
28032 Camino Del Rio
San Juan Capistrano, CA 92675

Dear Ms. Smith:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

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Commission, the NRC has held recent meetings in California addressing seismicity and concerns with the west coast earthquake zone. Examples of these meetings and the NRC staff's engagement with local public stakeholders in addressing west coast seismic concerns are discussed below.

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The NRC staff will continue to monitor seismic issues for Diablo Canyon and San Onofre to ensure that the power plants' safety systems remain capable of safely shutting down the plant in case of a seismic event.

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Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

May 12, 2011

Ms. ZoAnna Carrol
11 Via Villena
San Clemente, CA 92673

Dear Ms. Carrol:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of March 25, 2011. In this letter, you indicated your strong support of the following actions:

- The recent request of Senators Boxer and Feinstein, dated March 16, 2011, to immediately have a safety inspection of the nuclear plants at San Onofre and Diablo Canyon;

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The Nuclear Energy Institute (NEI) has some of the requested financial data dealing with the costs of nuclear power. In addition, the NRC staff recommends seeking additional financial information from the Federal Energy Regulatory Commission (FERC), specifically, "FERC Form 1," and the DOE. The NRC staff is not aware of any government "subsidies" currently available to licensees of commercial nuclear power facilities, nor of any "subsidies" available to any applicants seeking a license to operate a future nuclear power facility. However, applicants seeking a license to operate a future nuclear power facility are eligible for loan guarantees through the DOE, and certain tax credits through the Internal Revenue Service.

The NRC is a fee-recoverable Federal agency, and its fees are listed in the *Code of Federal Regulations* at 10 CFR Parts 170 and 171. The costs of waste disposal, as well as spent nuclear fuel, are born by the licensee of the commercial nuclear power facilities. By law, nuclear fuel removed from the reactor core (spent nuclear fuel) becomes the property of the DOE, and it is the DOE's responsibility to eventually dispose of spent nuclear fuel. DOE collects a small fee from licensees for every megawatt hour of electricity produced at a commercial nuclear power facility.

The Price-Anderson Act provides nuclear liability insurance through a two-tiered system for public liability claims arising out of a nuclear incident. All such claims for bodily injury or property damage would be paid under a system whereby the first $375 million would be paid from primary liability insurance purchased from the nuclear insurance pool (American Nuclear Insurers), and any remaining claims would be paid by licensed owners of commercial nuclear power facilities. This second, or retrospective premium insurance layer, would be $111.9 million per reactor per incident for a total amount of insurance per incident of approximately $12.5 billion. The United States Government has no indemnity for an incident.

All of the fees and costs described above, including costs associated with loan guarantees and liability insurance, are born by the licensee from revenue generated through the sale of electricity produced at commercial nuclear power facilities.

Thank you for your interest in issues associated with the safety of nuclear power plants. We want to assure you that the NRC continues to make its domestic responsibilities for licensing and oversight of the U.S. licensees its top priority and that the U.S. nuclear power plants continue to operate safely.

Sincerely,

/RA/

Joseph G. Giitter, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361, 50-362, 50-275,
and 50-323

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DATE	5/9/11	5/9/11	5/9/11	
OFFICE	RIV	DORL/LPL4/BC	DORL/DD	DORL/D
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DATE	5/11/11	5/9/11	5/12/11	5/12/11

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