

**PR 72, 74 and 150
(76FR28193)**

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OFFICE OF SECRETARY
RULEMAKINGS AND
ADJUDICATIONS STAFF

Secretary
U.S. Nuclear Regulatory Commission
Washington, DC 20555-001
ATTN: Rulemakings and Adjudications Staff

Subject: Comments on Preliminary Proposed Rule Language; Amendments to Material Control and Accounting Regulations; Docket ID NRC-2009-0096

Reference: Letter from NRC to NEI titled "Frequency of the Physical Inventory of Special Nuclear Material Required by 10 CFR 74.19(c)," dated March 13, 2007

PSEG Nuclear LLC (PSEG) which operates Hope Creek and Salem Units 1 and 2 Generating Stations hereby submits comments for the preliminary proposed rule language of 10 CFR 74 made available in the Federal Register on May 16, 2011 (76FR28193).

PSEG ensures that physical inventories are completed in the same month of each year to comply with the current language of 10 CFR 74.19(c). This is in accordance with the referenced letter from the NRC to the Nuclear Energy Institute (NEI). In this letter, the NRC agreed with the interpretation of 10CFR74.19(c) that "the regulation requires a licensee to complete the inventory in the twelfth month after the previous inventory rather than within 365 days of the previous inventory. In other words, if a licensee completes the inventory on March 15, 2007, the next inventory must be completed by March 31, 2008."

The proposed language for 10CFR74.19(c)(2) changes the required frequency for physical inventory of special nuclear material from 12 months to 370 days. Compared to the current interpretation allowed by the letter referenced above, the change to 370 days could actually shorten the allowed time to inventory special nuclear material. The proposed change would reduce the flexibility available to licensees in scheduling the physical inventory, with no compensating increase in safety. This may burden generating stations with the need to schedule physical inventory activities at an earlier time each year to avoid performing physical inventories at inconvenient times such as during dry cask storage or refueling activities when there is a high volume of work to be completed and special nuclear material is constantly being moved. Therefore, PSEG proposes that the existing language and interpretation provided by the referenced letter above for the requirement of 12 months for physical inventory in 10 CFR 74.19(c) remain unchanged.

To comply with the current 10 CFR 74.19 recordkeeping requirements, reactor licensees perform inventories and control items which contain minute quantities of Special Nuclear Materials (SNM) that pose no security risks. These requirements have also resulted in

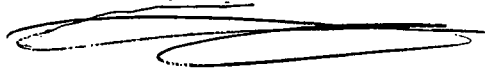
the accumulation of dose to licensee personnel as they inventory and track these minute quantities of SNM. In an effort to focus Material Control and Accounting (MC&A) resources on items that truly pose a security risk and in concert with the as low as reasonably achievable (ALARA) principles, PSEG recommends revising 10 CFR 74.19 for reactor licensees to focus on quantities of SNM requiring transaction reports as per 10 CFR 74.15(a) (i.e., greater than or equal to one gram).

Establishing a lower threshold of one gram will allow the licensee to focus on items that are significant such as fuel which contain kilograms as opposed to micrograms of special nuclear material. Per 10 CFR 74.15, one gram has been determined to be satisfactory as the threshold for reporting shipments and receipt (transactions) of SNM and should be satisfactory as the threshold for which items need to be inventoried or tracked. This lower threshold will also be beneficial to radiation workers as it can reduce the radiation exposure that would be received during inventory of the items with miniscule amounts of special nuclear materials.

There are no new commitments contained in this letter.

If you have any questions regarding this information, please do not hesitate to contact Diana Li at (856) 339-1588.

Sincerely,



Christine Neely
Director, Regulatory Affairs

C Corporate Commitment Tracking Coordinator