UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

January 17, 2017

Ms. Mary Lampert
Director, Pilgrim Watch
148 Washington Street
Duxbury, MA 02332

Dear Ms. Lampert:

I am responding to your e-mail dated October 27, 2016,[1] to the U.S. Nuclear Regulatory Commission (NRC), regarding the Pilgrim Nuclear Power Station (Pilgrim). Specifically, your e-mail communicated questions regarding Pilgrim's onsite independent spent fuel storage cask liability and guarantees. You also raised questions regarding the liability agreements between Entergy Nuclear Generation Company (the licensee) and Holtec International (the vendor).

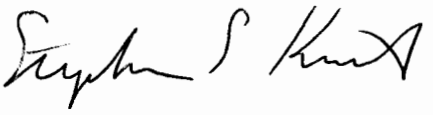
The NRC's requirements for independent spent fuel storage installations (ISFSIs) are primarily found in Title 10 of the *Code of Federal Regulations* Part 72, "Licensing Requirements for the Independent Storage of Spent Nuclear Fuel, High Level Radioactive Waste, and Reactor-Related Greater than Class C Waste," and are designed to ensure protection of public health and safety and the environment. The NRC staff conducts thorough reviews of ISFSI and certificate applications before rendering a decision, and only approves applications that meet the applicable regulations. The NRC also periodically inspects the design, manufacturing, and use of dry casks. These inspections ensure licensees and vendors are following safety and security requirements and are meeting the terms of their licenses and quality assurance programs. NRC inspectors also observe practice runs before utilities begin moving their spent fuel into dry casks.

Any potential agreements between the licensee and the vendor regarding liability arrangements are not regulated by the NRC. However, as you noted, the Price-Anderson Act of 1957 (the "Act") does provide insurance protection that is available to a member of the public who may suffer damages due to a nuclear incident. The Act provides "omnibus" coverage – the same protection available for a covered licensee or contractor indemnifies any person who may be legally liable, regardless of his or her identity or relationship to the licensed activity. The Act currently limits total liability to around $13 billion per incident.

[1] Agencywide Documents Access and Management System Accession No. ML17011A136

I appreciate your correspondence on this matter. As always, the health and safety of the public is of paramount importance to the NRC, and we appreciate your interest in our mission. If you need additional information, please contact Booma Venkataraman, Project Manager, at 301-415-2934 or by e-mail to Booma.Venkataraman@nrc.gov.

Sincerely,



Stephen S. Koenick, Acting Chief
Plant Licensing Branch I
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

cc: Distribution via Listserv

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Sincerely,

/RA/

Stephen S. Koenick, Acting Chief
Plant Licensing Branch I
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

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