



May 1, 1981
L-81-188



Decommissioning Program Manager
Division of Engineering Standards
Office of Standards Development
Washington, D.C. 20555

Re: Comments on Draft NUREG - 0586

Upon review of the NRC's draft report (NUREG-0586), entitled Draft Generic Environmental Impact Statement, we wish to make the following general comments.

This NUREG draws heavily on two others for its financial decisions, NUREG-0584 (Assuring the Availability of Funds for Decommissioning Nuclear Facilities) and NUREG/CR-1481 (Financing Strategies for Nuclear Power Plant Decommissioning). Many of the conclusions reached and analyses used in NUREG-0584 have met with strong opposition from the utility industry since they first appeared in draft form. To date, NUREG-0584 is still only a draft and, until finalized and approved, should not be considered an NRC sanctioned document. We therefore wonder if it is not presumptuous at this time to include this NUREG's conclusions in this report until they are finalized.

This draft generic environmental impact statement, as in NUREG-0584, expresses a strong possibility, almost to the point of inevitability, of premature permanent shutdown - yet no attempt is made to back up this emphasis with any justifying statements or statistical analysis. We feel that a more plausible scenario would be that a nuclear facility, after experiencing a shutdown due to a malfunction, could be returned to commercial operation after some repair period. The NRC approves plant designs and performs periodic plant audits to ensure that nuclear facilities are being operated in accordance with the conditions of the license. Overemphasis placed on premature permanent shutdown in this and other post-Public Interest Research Group Petition (PIRG) NUREG's might be interpreted as showing a lack of confidence by the NRC in the industry it regulates. Providing funds for the possibility of premature decommissioning should not be the overriding decisive factor in the acceptance of any funding mechanism, and should probably be addressed separately from normal end-of-license decommissioning.

The choice of an acceptable funding method is a financial decision, and as such, should remain the sole responsibility of the state regulators, Federal Energy Regulatory Commission and utility management. Has the NRC forgotten its own state workshops held in 1978 for the review of its decommissioning policies? At these workshops, State and Federal regulators and/or their representatives continually voiced their opinions that these financial decisions should not be up to

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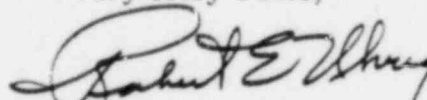
the NRC but should rest with each individual regulatory jurisdiction. Especially in the case of electric utilities owning more than one plant, their desire was that the NRC should take the position of merely presenting the various financing methods - not of ranking or recommending one or two specific methods.

On the technical side, the NRC appears to approach this NUREG with the philosophy that the termination of a commercial nuclear facility's operating license is not only "a desired objective", but the only result of decommissioning and that complete dismantlement is the only acceptable method of achieving it. According to Regulatory Guide 1.86, decommissioning may also result in the amending of the operating license to a possession-only license. A possession-only license enables the licensee to continue to possess the facility, but not operate it. The additional costs involved in returning the facility site to such a "pristine" condition as to allow for unrestricted site use may not be necessary especially if the reactor to be decommissioned is located on property where continued future nuclear generation is desired. The NUREG states that completing decommissioning and releasing the facility for unrestricted use "eliminates the potential problems of increased numbers of sites used for the confinement of radioactively contaminated materials, as well as potential health, safety, regulatory and economic problems associated with maintaining the site." Although this statement is used to eliminate permanent mothballing, entombment, or delaying dismantlement beyond 30 years, no attempt is made to elaborate on or justify the statement. As a result of the state workshops, Battelle Pacific Northwest Laboratory was asked to include permanent entombment in its decommissioning estimates.

In conclusion we can only reiterate what we said in relation to NUREG-0584, that while we welcome the NRC's efforts in establishing guidelines as to the technical aspects of nuclear decommissioning and its attempt to estimate the ensuing costs, we nevertheless feel that economic regulation and financial planning do not fall under the NRC's jurisdiction or authority. The NRC should only present, not recommend, the various methods of providing capital for decommissioning and allow the utility rate regulators to make the final decisions.

We appreciate the opportunity to respond and hope that the NRC will take our comments as well as those comments from the utility industry as a whole into consideration before finalizing this NUREG.

Very Truly Yours,



Robert E. Uhrig
Vice President
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