



Department of Energy
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DOCKETING & SERVICE
BRANCH

Mr. Samuel J. Chilk
Secretary of the Commission
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

ATTN: Docketing and Service Branch

Dear Mr. Chilk:

The Department of Energy is pleased to submit comments on the Nuclear Regulatory Commission's (NRC) proposed rule on nuclear powerplant license renewal (55 FR 29043, July 17, 1990); advance notice of proposed rulemaking on the scope of environmental effects for license renewals (55 FR 29964, July 23, 1990); and, notice of intent to prepare a generic environmental impact statement on renewal of nuclear powerplant operating licenses (55 FR 29967, July 23, 1990). The Department believes the proposed actions are important steps by the NRC toward establishing a clear, practical, and predictable license renewal policy and regulatory framework for the nuclear power industry.

An adequate and reliable supply of electricity at reasonable prices is a prerequisite for the Nation's economic growth and international competitiveness. As the United States prepares to enter the next century, it faces significant challenges in meeting the expected growth in electricity demand. Nuclear-generated electricity is a vital part of America's current energy mix, and it is enormously important to the Nation's future energy security to preserve the valuable resource represented by the 112 nuclear powerplants licensed to operate today. Continued operation under renewed licenses has the potential to avoid the need for construction of 100 gigawatts of replacement capacity at a fraction of the cost, reduce energy costs by over \$100 billion, and provide a hedge against potential environmental restrictions placed on the use of fossil fuels. If these potential benefits are realized through the establishment of a viable license renewal regulatory process, then the challenge to ensuring an adequate, secure, and environmentally acceptable supply of energy for the future can be more readily met, thereby enhancing the future energy and economic security of the Nation.

The central element of the proposed rule's philosophy is that the current license basis (CLB) for each reactor, augmented by steps necessary to manage aged-related degradation, provides an adequate level of safety for the renewal term. The Department

strongly supports this philosophy. Given the continuing oversight by the NRC and the licensee, a reactor that is safe to operate in the last month of its initial license term should be equally safe to operate in the first month of its renewed license term.

Although we agree that the CLB provides the appropriate framework for the rule, we have several comments on the implementation of the CLB philosophy in the proposed rule. Under the proposal, the focus of license renewal reviews should be only on plant systems and structures that have both safety significance and significant age-related degradation potential. We believe that the proposed Integrated Plant Assessment (IPA) in the rule is too broad and should be modified. The IPA requires the applicant to evaluate all components that have potential age-related degradation even if there is no associated safety significance. This requirement would complicate the regulatory review by including matters not relevant to maintaining an adequate level of safety for the renewal term, and would place an unnecessary burden on the applicant and the NRC staff.

As part of the Lead Plant License Renewal Program sponsored by the Department and industry, methods have been developed for performing an IPA that will require identification of only those components necessary to be treated in the license renewal process. The "Methodology to Evaluate Plant Systems, Structures, and Components for License Renewal" has been submitted to the NRC for review and comment. Reports detailing its use and the results for both lead plants have been submitted to the NRC for review and comment. This methodology is consistent with the CLB philosophy and the key principles in the rulemaking package and should be an acceptable means of completing the IPA. We recommend its approval by the NRC and that it be referenced in Section 54.21 as an acceptable method of completing the IPA.

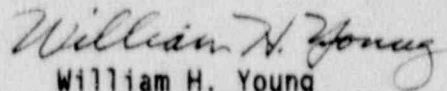
One final comment on the CLB philosophy deals with its definition. Some of the supporting documents to the rule imply that the CLB should be broader than what is included in the written docket. Only those requirements and commitments on the docket should form the basis for the CLB. To go further will lead to confusion as to what is, and what is not, part of the CLB. In addition, limiting the CLB to docketed commitments will assure that only those which are properly reviewed, documented, and approved are included. The definition for CLB should make this clear.

The Department supports NRC's effort to define all the alternatives, related environmental impacts, and cost benefits associated with the license renewal of individual reactors in a generic environmental impact statement. Such generic consideration would allow the NRC to meet its obligations under the

National Environmental Policy Act (NEPA) and at the same time, avoid unnecessary cost and delay in the review of individual renewal applications. However, should the NRC be able to generically envelop only some of the environmental issues for license renewal, we urge that the NRC publish those results as an environmental survey. The Department believes that such an environmental survey could significantly streamline individual plant NEPA reviews.

In summary, the Department believes that the economic and energy security of the Nation is dependent on continued safe and reliable operation of the 112 currently licensed nuclear powerplants. If the proposed renewal rule is modified according to our suggestions, we believe that greater certainty can be part of the regulatory process. With these necessary steps, a substantial portion of today's electrical capacity can be made available to meet the Nation's expected growth in electricity demand.

Sincerely,



William H. Young
Assistant Secretary
for Nuclear Energy