

EDISON ELECTRIC INSTITUTE

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May 16, 1983



PR-Misc Notice
(Policy Statement on Regionalization)
(48 FR 12619)

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

Subject: Policy Statement on Regionalization
(48 FR 12619, March 25, 1983)

Dear Mr. Chilk:

The Edison Electric Institute (EEI) offers the following comments on the NRC Policy Statement on Regionalization as it pertains to power reactor licensees. EEI is the association of the nation's investor-owned electric utilities. Its members serve 99.6 percent of all ultimate customers served by the investor-owned segment of the industry, and generate more than 77 percent of all of the electricity in the country. EEI's members currently operate 72 of the nation's nuclear power plants licensed to operate by the NRC, and expect to operate an additional 49 units now under construction or in planning.

The NRC's stated intent in developing plans for regionalization is "to improve the quality of nuclear regulation by making regulation more effective in terms of service necessary to protect the health and safety of the public." EEI believes that regionalization can help to achieve better management efficiency within the NRC, but the NRC should proceed with implementation of its program in a careful, phased manner. The Commission already recognizes the requirement that regionalization will place on NRC management to provide firm, clear policy guidance and management oversight of regional offices in order to maintain consistency in operation. We would like to note several points to which the NRC should give particular attention in the implementation of this program.

- o Transfer of licensing authority and project managers for operating reactors can result in improved communication between the project manager and the licensee and in increased familiarity with the plant and plant staff for the project manager. As noted in the policy statement, however, the transfer also results in removing

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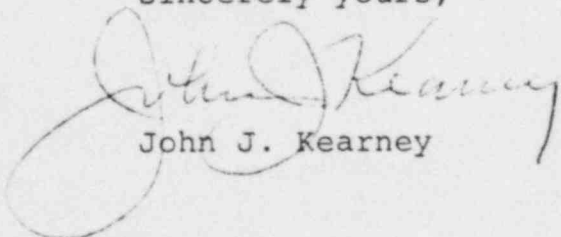
project managers from daily face-to-face contact with the technical reviewers who must support licensing activities. Ensuring effective and timely long-distance communications on technical licensing issues will require conscientious and disciplined effort on the part of region and headquarters staff.

- o Under the present system, licensing actions involving project managers and technical reviewers are consolidated under the Office of Nuclear Reactor Regulation (NRR). While the transfer of licensing authority for operating reactors to the regions should not increase the actual burden on the technical reviewers, the NRR reviewers will be responding to project managers who report through five different Regional Administrators in addition to project managers reporting to the Director of NRR. This will necessitate clear priority guidelines and communication to maintain proper allocation of resources.
- o One of the important lessons which has been learned by the nuclear industry is the value of peer group communication. Your policy statement properly notes that there will be "mechanisms to maintain effective coordination, feedback, and information exchange among regions and headquarters." In addition to the management meetings and conference calls specifically mentioned in the statement, there should be provisions for regular communications and information exchange among project managers from region to region.

The regionalization effort should be monitored carefully during implementation. A pilot program such as that suggested by the Atomic Industrial Forum in their May 4, 1983 letter to you, would be appropriate. This would help to ensure that the benefits sought by regionalization can be achieved, before committing to full scale transfer of licensing authority for operating reactors.

We appreciate this opportunity to comment on the NRC's plans to use regionalization to improve the quality of nuclear regulation, and we are ready to work with you as your plans move forward.

Sincerely yours,



John J. Kearney

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