



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

June 8, 1995

The Honorable Richard Hastings
United States House of Representatives
Washington, DC 20515

Dear Congressman Hastings:

I am responding to your letter of May 16, 1995, to Chairman Selin about your visit to your constituents at the Siemens Power Corporation, and expressing your concerns about the possible revision of 10 CFR Part 70.

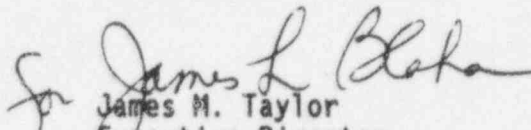
The revision to Part 70 that occasioned the comments of the people at Siemens was an unfinished draft, not ready to be published as a proposed rule for comment. It was sent to determine industry attitude toward revising Part 70. Some misunderstandings about the purpose of the rulemaking and the meaning of the draft rule surfaced as a result of this interaction. Licensees appeared to be reading into the rule a need for existing licensees to reconstitute the original design basis, despite the draft explicitly stating that this would not be the case.

I wish to assure you that the staff is earnestly pursuing alternatives to the draft rewrite of Part 70 at which the people at Siemens were directing their comments. The Commission's guidance in this regard was documented in a Staff Requirements Memorandum dated March 28, 1995 (enclosed), which directs the staff to reconsider the previous plan. The staff was to discuss the proposal with major fuel cycle licensees, consider the cost of revising and implementing a new Part 70 to both the NRC and licensees, and propose alternative approaches with pros and cons for the alternatives.

The NRC staff will be reporting the results of its interaction with industry to the Commission in June 1995, and will be proposing alternatives to proceeding with the draft Part 70 rewrite in that report. I can assure you that the staff is earnestly working on the development of an approach to upgrading regulation of the fuel cycle facilities that considers the cost and burden on our fuel cycle licensees.

Your interest in this regulatory development is appreciated.

Sincerely,


James M. Taylor
Executive Director
for Operations

Enclosure:
As stated

95062/0077 XA on 7-21-95

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OFFICE OF THE
SECRETARY

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

ACTION - BERNERO, NMSS

Cys: Taylor
Milhoan
Thompson
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March 28, 1995

IN RESPONSE, PLEASE Beckjor
REFER TO: M950322

MEMORANDUM TO: James M. Taylor
Executive Director for Operations

FROM: *C. Bates* John C. Hoyle, Secretary

SUBJECT: STAFF REQUIREMENTS - BRIEFING ON STATUS OF
ACTION PLAN FOR FUEL CYCLE FACILITIES, 10:00
A.M., WEDNESDAY, MARCH 22, 1995,
COMMISSIONERS' CONFERENCE ROOM, ONE WHITE
FLINT NORTH, ROCKVILLE, MARYLAND (OPEN TO
PUBLIC ATTENDANCE)

The Commission was briefed by the NRC staff on the status of the action plan for fuel cycle facilities. The Commission requested that the staff reconsider the current plan to revise 10 CFR Part 70 in its entirety, including the following items:

1. the proposal should be discussed with the major fuel cycle licensees to determine their attitude towards revising Part 70,
2. the cost to revise and implement a new Part 70 to both the NRC and licensees should be determined, and
3. alternative approaches should be considered and evaluated.

The staff should proceed with plans for CRGR review of the proposed revision to Part 70. Prior to returning to the Commission with a proposed rule, the staff should consider the items discussed above and present the Commission with the pros and cons of the alternatives considered and a recommended course of action.

(EDO) NMSS

(SECY Suspense:

5/20/95)
6/2/95

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cc: The Chairman
Commissioner Rogers
Commissioner de Planque
OGC
OCA
OIG
Office Directors, Regions, ACRS, ACNW, ASLBP (via E-Mail)
PDR - Advance
DCS - P1-24

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