FROM : KUMAR

PROPOSED RULE PR 2,50-51

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October 18, 1995

The Secretary of the Commission U. S. Nuclear Regulatory Commission Washington, DC 20555

ATTENTION:

Docketing and Service Branch

REFERENCE:

Proposed Rule - Decommissioning of Nuclear Power Reactors

Federal Register, July 20, 1995 (60 FR 37374)

TTX Associates, Inc.(TTX) is pleased to comment on the proposed amendments to the NRC regulations on the decommissioning procedures for nuclear power reactors.

TTX evolved from the very successful Shoreham decommissioning project. Shoreham was the first large, NRC-licensed, commercial nuclear power plant to complete decommissioning and have its license terminated. Under these circumstances, Shoreham became a test case for the decommissioning regulations promulgated in June 1988. The Shoreham experience exposed the shortcomings of the current regulations, especially as they applied to prematurely shutdown plants. TTX principals' involvement in the Shoreham decommissioning project included licensing and regulatory compliance, feasibility studies, environmental impact analyses, safety evaluations and cost estimates pertaining to the salient aspects of the project.

Based on our knowledge of the decommissioning processes and our experience with Shoreham, we believe that the proposed rule represents a substantial

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improvement. It contains many welcome provisions and goes a long way towards eliminating gaps and ambiguitles in the current regulations. We wish to commend the NRC Staff for making constructive use (with strong encouragement from the Commissioners) of the lessons learned from Shoreham and other ongoing decommissioning projects.

Our review of the proposed rule identified certain potential problems and opportunities for further improvement. These are outlined below:

- The proposed rule requires that a post-shutdown activities report (PSDAR) be submitted within two years after the permanent cessation of operation. The PSDAR would provide a description of the licensee's planned decommissioning activities, along with a schedule for their accomplishment, and an estimate of expected costs. It is assumed that the degree of detail required by the PSDAR is significantly less than that required by the Decommissioning Plan specified in the current regulations. We hope that further regulatory guidance would be developed concerning the format and content of the PSDAR.
- The proposed rule contains a provision for a public meeting to be organized by the NRC after the receipt of the PSDAR to inform the public about the licensee's plans. Public information meetings served an important purpose and proved beneficial to the Shoreham decommissioning project although they were conducted only at the end of the project. However, we did recognize that it is essential that adequate mechanisms be developed for addressing issues and concerns raised by members of the public. In the absence of such a closure mechanism, public meetings could compound the frustrations felt by the interested public and further complicate the decommissioning process.
 - The proposed rule would entitle the licensee to a fee reduction after the submittal of two certifications (the certification of permanent cessation of operations and the certification of permanent removal of fuel). We recommend that the fee reduction be made effective immediately after the first notification certifying that the plant has been permanently shutdown.
 - The proposed rule would allow a total of 23 percent (3 percent initially for planning and 20 percent after submittal of PSDAR) of the decommissioning trust funds to be used for legitimate decommissioning activities without prior approval from the NRC. We recommend that this fraction be increased to one-third of the decommissioning funds (about 33 percent). Such an increase would permit additional flexibility without jeopardizing the integrity of the decommissioning process.

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As in the case of the PSDAR, we hope that additional regulatory guidance would be forthcoming with respect to the format and content of the license termination plan.

Thank you for the opportunity to submit our comments on this important matter. If you have any questions concerning our comments, please feel free to contact US.

Very truly yours,

M. Siva Kumar Vice President

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