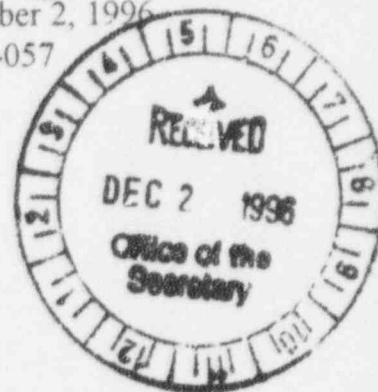


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DSI-7
(41)

December 2, 1996
LD-96-057



Mr. John C. Hoyle
Secretary of the Commission
U.S. Nuclear Regulatory Commission
ATTN: Chief of Docketing and Services Branch
Washington, DC 20555-0001

Subject: Comments on the NRC Strategic Assessment and Rebaselining Initiative

Dear Mr. Hoyle:

In response to the invitation to the public and stakeholders to submit comments by December 2, 1996, please find attached Combustion Engineering, Inc.'s (ABB-CE's) comments on each of the direction setting issues identified by the NRC staff.

ABB-CE commends the Commission for undertaking this comprehensive systematic assessment of its future role. Since the NRC came into being in 1975, the industry that it regulates has substantially matured in a technical sense, and it follows that the role of the regulator must adapt to that maturation. In addition, the commercial environment for the industry is just beginning to move toward deregulation, which brings new factors into play.

The move toward risk-informed, performance-based regulation is to be encouraged. The future competitive environment for electrical generators makes it imperative to free safely operating nuclear plants of unnecessary regulatory burdens. This requires the NRC to acknowledge in deed, as well as in word, that the safety performance of the industry as a whole has been steadily improving over more than a decade. It means relooking at the philosophy of regulating the new Advanced Light Water Reactor designs such that their vastly improved safety features result in added margin from regulatory requirements rather than tightening the regulations to enforce the new safety levels. If the Commission is unable to acknowledge these safety improvements through revamped regulation and enforcement, the nuclear industry will be unable to compete in the future marketplace.

We would encourage that a very careful evaluation be made of the input which will be received and that the necessary time and attention be provided to make the

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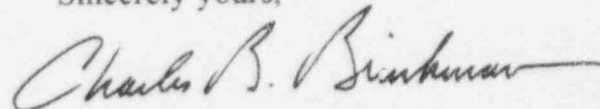
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difficult, but extremely important, decisions. We would also recommend that the Commission consider the use of stakeholder committees in helping to further develop the options available to the Commission and to develop plans for successfully carrying out the new directions chosen by the Commission.

Thank you for the opportunity to submit our input to this critical process. Please contact me at 301-881-7040 if you have any questions related to our input.

Sincerely yours,



Charles B. Brinkman
Director, Nuclear Licensing

Attachments:

1. ABB-CE Comments on DSI-2
2. ABB-CE Comments on DSI-4
3. ABB-CE Comments on DSI-5
4. ABB-CE Comments on DSI-6
5. ABB-CE Comments on DSI-7
6. ABB-CE Comments on DSI-9
7. ABB-CE Comments on DSI-10
8. ABB-CE Comments on DSI-11
9. ABB-CE Comments on DSI-12
10. ABB-CE Comments on DSI-13
11. ABB-CE Comments on DSI-14
12. ABB-CE Comments on DSI-20
13. ABB-CE Comments on DSI-21
14. ABB-CE Comments on DSI-22
15. ABB-CE Comments on DSI-23
16. ABB-CE Comments on DSI-24

cc: S. Floyd (NEI)
S. Magruder (NRC)

DSI #7 Materials/Medical Oversight

DSI - What should be the future role and scope of the NRC's Nuclear Materials Program, and in particular, NRC's regulation of the medical use of nuclear material?

Generic Question #1 - What, if any, important considerations may have been omitted from this issue paper?

ABB-CE endorses the remarks of the Nuclear Energy Institute on this matter.

Generic Question #2 - How accurate are the NRC's assumptions and projections for internal and external factors discussed in the issue papers?

ABB-CE endorses the remarks of the Nuclear Energy Institute on this matter.

Generic Question #3 - Do the Commission's preliminary views associated with this issue paper respond to the current environment?

ABB-CE endorses the remarks of the Nuclear Energy Institute on this matter.

Option preferred by ABB-CE:

ABB-CE's review of this DSI lead to the inference that medical use of radioactive material may be considered a low risk class of activities. Because most health and safety problems, violations, and overexposures occur in medical activities (and radiography operations), ABB-CE believes the extent to which NRC should divest itself of regulation and oversight of these activities requires careful consideration consistent with the concerns expressed in NRC's discussion of Option 4 (discontinue regulation of all medical activities except NRC oversight of devices and manufacturers).

ABB-CE also endorses the remarks of the Nuclear Energy Institute on this matter, and notes that the recommendation to cede to state authority regulatory approval of devices and radionuclides used in industrial and consumer products raises the reciprocity issue that was emphasized in discussion of DSI 4.