THIS PRELIMINARY PROPOSED RULE LANGUAGE AND ACCOMPANYING DISCUSSION IS BEING RELEASED TO SUPPORT INTERACTIONS WITH STAKEHOLDERS AND THE ADVISORY COMMITTEE ON REACTOR SAFEGUARDS (ACRS). THIS LANGUAGE HAS NOT BEEN SUBJECT TO COMPLETE NRC MANAGEMENT OR LEGAL REVIEW, AND ITS CONTENTS SHOULD NOT BE INTERPRETED AS OFFICIAL AGENCY POSITIONS. THE NRC STAFF PLANS TO CONTINUE WORKING ON THE CONCEPTS AND DETAILS PROVIDED IN THIS DOCUMENT AND WILL CONTINUE TO PROVIDE OPPORTUNITIES FOR PUBLIC PARTICIPATION AS PART OF THE RULEMAKING ACTIVITIES.

SUBPART J – "Reporting and Other Administrative Requirements"

Preliminary Language	Discussion
§ 53.1500 General Information Each applicant and licensee under this part will ensure that NRC inspectors have unfettered access to sites and facilities licensed or proposed to be licensed in § 53.1510, shall maintain records and make reports to the NRC in accordance with requirements in §§ 53.1520 through 53.1535, shall meet financial qualification and reporting requirements in §§ 53.1561 through 53.1564, and shall obtain and maintain required financial protections in case of an accident in §§ 53.1571 and 53.1572.	
§ 53.1510 Unfettered Access for Inspections (a) Each applicant for or holder of a manufacturing license, operating license, combined license, construction permit or an early site permit, must permit inspection by duly authorized representatives of the Commission of records, premises, activities and of licensed materials in possession or use, related to the license or construction permit or early site permit as may be necessary to effectuate the purposes of the Act, as amended, including Section 105 of the Act, and the Energy Reorganization Act of 1974, as amended. (b)(1) Each holder of a manufacturing license, operating license, combined license and construction permit must, upon request by the Director, Office of Nuclear Reactor Regulation, provide rent-free office space for the exclusive use of the Commission inspection personnel. Heat, air conditioning, light, electrical outlets, and janitorial services must be furnished by each licensee and each holder of a construction permit. The office must be convenient to and have full access to the facility and shall provide the inspectors both visual and acoustic privacy.	Requirements taken from 10 CFR 50.70 with minor changes proposed to address possible differences related to advanced reactors.

(2) For a site or facility with an assigned resident inspector, the space provided must be adequate to accommodate a full-time inspector, a part-time secretary, and transient NRC personnel and must be generally commensurate with other office facilities at the site. A space of 250 square feet either within the site's office complex or in an office trailer or other onsite space is suggested as a guide. For sites or facilities assigned multiple resident inspectors, additional space may be requested. The office space that is provided must be subject to the approval of the Director, Office of Nuclear Reactor Regulation. All furniture supplies and communication equipment will be furnished by the Commission. (3) For a site or facility without an assigned resident inspector, temporary space to accommodate periodic or special inspections must be provided. The office space must be generally commensurate with other office accommodations at the site. (4) The licensee or permit holder must afford any NRC resident inspector assigned to that site, or other NRC inspectors identified by the Regional Administrator as likely to inspect the facility, immediate unfettered access, equivalent to access provided regular plant employees, following proper identification and compliance with applicable access control measures for security, radiological protection and personal safety. (5) The licensee or permit holder must ensure that the arrival and presence of an NRC inspector, who has been properly authorized facility access as described in paragraph (b)(4) of this section, is not announced or otherwise communicated by its employees or contractors to other persons at the facility unless specifically requested by the NRC inspector.	Changes to paragraph (2) and addition of paragraph (3) to address possible changes to criteria for assignment of resident inspectors and need to address possible power reactor facilities without resident inspectors. The staff is currently working, with the assistance of contractors, on developing reactor oversight programs for the construction and operation of advanced reactors. Stakeholders are encouraged to look for updates on that project, which will likely be provided during routine stakeholder engagement meetings.
§ 53.1520 Maintenance of Records, Making of Reports (a) Each holder of a manufacturing licensee, operating license, combined license, construction permit or early site permit, must maintain all records and make all reports, in connection with the activity, as may be required by the conditions of the license or permit or by the regulations, and orders of the Commission in effectuating the purposes of the Act, including Section 105 of the Act, and the Energy Reorganization Act of 1974, as amended. Reports must be submitted in accordance with § 53.040. (b) Reserved (c) Records that are required by the regulations in this part, by license condition, or by technical specifications must be retained for the	Requirements taken from 10 CFR 50.71. Note that the equivalent to 10 CFR 50.71(e) related to updating final safety analysis reports is included in Subpart I (specifically at § 53.1321), and the equivalent of 10 CFR 50.71(b) related to financial reports is included in this subpart at § 53.1564 Annual Financial Reports.

period specified by the appropriate regulation, license condition, or technical specification. If a retention period is not otherwise specified, these records must be retained until the Commission terminates the facility license or, in the case of an early site permit, until the permit expires. (d)(1) Records which must be retained under this part may be the original or a reproduced copy or a microform if the reproduced copy or microform is duly authenticated by authorized personnel and the microform is capable of producing a clear and legible copy after storage for the period specified by Commission regulations. The record may also be stored in electronic media with the capability of producing legible, accurate, and complete records during the required retention period. Records such as letters, drawings and specifications, must include all pertinent information such as stamps, initials, and signatures. The licensee must maintain adequate safeguards against tampering with, and loss of records. (2) If there is a conflict between the Commission's regulations in this part, license condition, or technical specification, or other written Commission approval or authorization pertaining to the retention period for the same type of record, the retention period specified in the regulations in this part for such records shall apply unless the Commission, pursuant to § 53.080 of this part, has granted a specific exemption from the record retention requirements in the regulations in this part.	
§ 53.1521 Immediate Notification Requirements for Operating Commercial Nuclear Plants (a) *General requirements*:* (1) Each commercial nuclear plant licensee holding an operating license under [§ 53.1270 or a combined license under § 53.1280] of this part, after the Commission makes the finding under [§ 53.1302], must notify the NRC Operations Center via the Emergency Notification System of: (i) The declaration of any of the Emergency Classes specified in the licensee's approved Emergency Plan**, or (ii) Those non-emergency events specified in paragraph (b) of this section that occurred within three years of the date of discovery. (2) If the Emergency Notification System is inoperative, the licensee must make the required notifications via commercial telephone service, other dedicated telephone system, or any other method which will ensure that a report is made as soon as practical to the NRC Headquarters	Requirements taken from 10 CFR 50.72 with minor changes proposed to address possible differences related to advanced reactors. Note that this preliminary language does not take into account a recently initiating rulemaking activity related to possible changes in immediate notification requirements. The staff would appreciate stakeholder views on expectations on the use of the ENS. A possible approach would be to use criteria for requiring ENS similar to consequence assessments that will likely be used in areas like determining the size of emergency planning zones.

Operations Center at the numbers specified in appendix A to part 73 of this chapter. (3) The licensee must notify the NRC immediately after notification of the appropriate State or local agencies and not later than one hour after the time the licensee declares one of the Emergency Classes. (4) The licensee must activate the data links with the NRC as specified in their emergency plans after declaring an Emergency Class for events of actual or potential substantial degradation of plant safety or security, probable risk to site personnel life or, site equipment damage caused by hostile action. (5) The data links may also be activated by the licensee during emergency drills or exercises if the licensee's computer system has the capability to transmit the exercise data. (6) When making a report under paragraph (a)(1) of this section, the licensee must identify: (i) The Emergency Class declared; or (ii) Paragraph (b)(1), "One-hour reports," paragraph (b)(2), "Four-hour reports," or paragraph (b)(3), "Eight-hour reports," as the paragraph of this section requiring notification of the non-emergency event. (b) *Non-emergency events – (1) One-hour reports*. If not reported as a declaration of an Emergency Class under paragraph (a) of this section, the licensee must notify the NRC as soon as practical and in all cases within one hour of the occurrence of any deviation from the plant's Technical Specifications authorized pursuant to § 53.xxx (10 CFR 50.54(x)) of this part. (2) *Four-hour reports*. If not reported under paragraphs (a) or (b)(1) of this section, the licensee must notify the NRC as soon as practical, and in all cases, within four hours of the occurrence of any of the following: (i) The initiation of any commercial nuclear plant shutdown required by the plant's Technical Specifications. (ii) Any event or condition that results in actuation of the reactor protection system (RPS) when the reactor is critical except when the actuation results from and is part of a pre-planned sequence during testing or reactor operation. (iii) Any event or condition that results in an unplanned actuation of a safety-related standby cooling system or the unplanned sole reliance on	Replacing ERDS with data links to make more generic and open for alternative systems. The staff would appreciate stakeholder views on expectations on the use of the ERDS. A possible approach would be to use criteria for requiring ERDS similar to consequence assessments that will likely be used in areas like determining the size of emergency planning zones. Some changes in reporting criteria in paragraphs (ii), (iii), and (iv) to capture differences in advanced reactor designs. The staff would appreciate stakeholder views on possible reporting criteria.

a safety-related standby cooling system for those systems that are in constant operation. (iv) Any event or condition that results in an unplanned movement of, change of state in, or chemical interaction involving a significant amount of radioactive material within the commercial nuclear plant. (v) Any event or situation, related to the health and safety of the public or onsite personnel, or protection of the environment, for which a news release is planned or notification to other government agencies has been or will be made. Such an event may include an onsite fatality or inadvertent release of radioactively contaminated materials. (3) *Eight-hour reports*. If not reported under paragraphs (a), (b)(1) or (b)(2) of this section, the licensee must notify the NRC as soon as practical and in all cases within eight hours of the occurrence of any of the following: (i) Any event or condition that results in: (A) The condition of the commercial nuclear plant, including its principal safety barriers, being seriously degraded; or (B) The commercial nuclear plant being in a condition not analyzed under 53.450 that significantly degrades plant safety. (ii) Any event or condition that at the time of discovery could have prevented the fulfilment of the safety functions defined in § 53.230. Events covered may include one or more procedural errors, equipment failures, and/or discovery of design, analysis, fabrication, construction, and/or procedural inadequacies. However, individual component failures need not be reported pursuant to this paragraph if other equipment was operable and available to perform the required safety function. (iii) Any event requiring the transport of a radioactively contaminated person to an offsite medical facility for treatment. (iv) Any event that results in a major loss of emergency assessment capability, offsite response capability, or offsite communications capability (e.g., significant portion of control room indication, Emergency Notification System, or offsite notification system). (c) *Followup Notification:* With respect to the notifications made under paragraphs (a) and (b) of this section, in addition to making the required initial notification, each licensee, must during the course of the event:	

(1) Immediately Report: (i) any further degradation in the level of safety of the plant or other worsening plant conditions, including those that require the declaration of any of the Emergency Classes, if such a declaration has not been previously made, or (ii) any change from one Emergency Class to another, or (iii) a termination of the Emergency Class. (2) Immediately Report: (i) the results of ensuing evaluations or assessments of plant conditions, (ii) the effectiveness of response or protective measures taken, and (iii) important information related to plant behavior that is not understood. (3) Maintain an open, continuous communication channel with the NRC Operation Center upon request by the NRC. *Other requirements for immediate notification of the NRC by licensed operating commercial nuclear plants are contained elsewhere in this chapter, in particular §§ 20.1906, 20.2202, 72.216, 73.71, and 73.77. **These Emergency Classes are addressed in XXXXX ***Requirements for ERDS/data links are addressed in XXXXX	
§ 53.1530 Licensee Event Report System (a) *Reportable events*. (1) Each commercial nuclear plant licensee holding an operating license under [§ 53.1270 or a combined license under § 53.1280] of this part, after the Commission makes the finding under [§ 53.1302], submit a Licensee Event Report (LER) for any event of the type described in this paragraph within 60 days after discovery of the event. In the case of an invalid actuation reported under § 53.1520(a)(2), other than automatic reactor shutdown when the reactor is critical, the licensee may, at its option, provide a telephone notification to the NRC Operations Center within 60 days after discovery of the event instead of submitting a written LER. Unless otherwise specified in this section, the licensee must report an event if it occurred within 3 years of the date of discovery regardless of the plant mode or power level, and regardless of the significance of the structure, system, or component that initiated the event. (2) The licensee must report: (i)(A) The completion of any commercial nuclear plant shutdown required by the plant's Technical Specifications.	Requirements taken from 10 CFR 50.73 with minor changes proposed to address possible differences related to advanced reactors and references to Part 53 sections.

(B) Any operation or condition which was prohibited by the plant's Technical Specifications except when: (1) The Technical Specification is administrative in nature; (2) The event consisted solely of a case of a late surveillance test where the oversight was corrected, the test was performed, and the equipment was found to be capable of performing its specified safety functions; or (3) The Technical Specification was revised prior to discovery of the event such that the operation or condition was no longer prohibited at the time of the event. (C) Any deviation from the plant's Technical Specifications authorized pursuant to § 53.xxx [50.54x] of this part. (ii) Any event or condition that resulted in: (A) The condition of the commercial nuclear plant, including its principal safety barriers, being seriously degraded; or (B) The commercial nuclear plant being in a condition not analyzed under § 53.450 that significantly degrades plant safety. (iii) Any natural phenomena or other external condition that posed an actual threat to the safety of the commercial nuclear plant or significantly hampered site personnel in the performance of duties necessary for the safe operation of the commercial nuclear plant. (iv) Any event or condition that resulted in inadvertent operation of any SSC classified as SR for an identified safety function under § 53.460 of this part or the unplanned sole reliance on a SR system for those systems that are in constant operation, except when: (1) The actuation resulted from and was part of a pre-planned sequence during testing; or (2) The actuation was invalid and; (A) Occurred while the system was properly removed from service; or (B) Occurred after the safety function had been already completed. (v) Any event or condition that could have prevented the fulfillment of the safety functions listed in § 53.230. (vi) Events covered in paragraph (a)(2)(v) of this section may include one or more procedural errors, equipment failures, and/or discovery of design, fabrication, construction, and/or procedural inadequacies.	

However, individual component failures need not be reported pursuant to paragraph (a)(2)(v) of this section if any other equipment was operable and available to perform the required safety function. (vii)(A) Any airborne radioactive release that, when averaged over a time period of 1-hour, resulted in airborne radionuclide concentrations in an unrestricted area that exceeds 20 times the applicable concentration limits specified in appendix B to part 20, table 2, column 1. (B) Any liquid effluent release that, when averaged over a time period of 1-hour, exceeds 20 times the applicable concentrations specified in appendix B to part 20, table 2, column 2, at the point of entry into the receiving waters (i.e., unrestricted area) for all radionuclides except tritium and dissolved noble gases. *[NOTE: Do limits for these need to be specified for these radionuclides for non-LWRs?]* (viii)(A) Any event or condition that as a result of a single cause could have prevented the fulfillment of any of the safety functions listed in § 53.230. (B) Events covered in paragraph (a)(2)(viii)(A) of this section may include cases of procedural error, equipment failure, and/or discovery of a design, analysis, fabrication, construction, and/or procedural inadequacy. However, licensees are not required to report an event pursuant to paragraph (a)(2)(ix)(A) of this section if the event results from: (1) A shared dependency among trains or channels that is a natural or expected consequence of the approved plant design; or (*2*) Normal and expected wear or degradation. (ix) Any event that posed an actual threat to the safety of the commercial nuclear plant or significantly hampered site personnel in the performance of duties necessary for the safe operation of the plant, including fires, toxic gas releases, or radioactive releases. (b) *Contents.* The Licensee Event Report shall contain: (1) A brief abstract describing the major occurrences during the event, including all component or system failures that contributed to the event and significant corrective action taken or planned to prevent recurrence. (2)(i) A clear, specific narrative description of what occurred so that knowledgeable readers conversant with the design of commercial nuclear	

plants, but not familiar with the details of a particular plant, can understand the complete event. (ii) The narrative description must include the following specific information as appropriate for the particular event: (A) Plant operating conditions before the event. (B) Status of structures, components, or systems that were inoperable at the start of the event and that contributed to the event. (C) Dates and approximate time of the occurrences. (D) The cause of each component or system failure or personnel error, if known. (E) The failure mode, mechanism, and effect of each failed component, if known. *[(F) The Energy Industry Identification System component function identifier and system name of each component or system referred to in the LER. [NOTE: Is this identification system applicable to non-LWRs?]* *(1) The Energy Industry Identification System is defined in: IEEE Std 803-1983 (May 16, 1983) Recommended Practice for Unique Identification in Power Plants and Related Facilities – Principles and Definitions* *(2) The IEEE 803-1983 has been approved for incorporation by reference by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51.]* (*3*) A notice of any changes made to the material incorporated by reference will be published in the *Federal Register*. Copies may be obtained from the Institute of Electrical and Electronics Engineers, 445 Hoes Lane, P.O. Box 1331 Piscataway, NJ 08855-1331. IEEE Std 803-1983 is available for inspection at the NRC's Technical Library, which is located in the Two White Flint North Building, 11545 Rockville Pike, Rockville, Maryland 20852-2738; or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_lo (G) For failures of components with multiple functions, include a list of systems or secondary functions that were also affected. (H) For failure that rendered a component or system classified as SR or NSRSS inoperable, an estimate of the elapsed time from the discovery of the failure until the train was returned to service.	The staff would appreciate stakeholder views on possible approaches to standardize reporting and reference to SSCs for future reactors with varied technologies.

(I) The method of discovery of each component or system failure or procedural error. (J) For each human performance related root cause, the licensee must discuss the cause(s) and circumstances. (K) Automatically and manually initiated safety system responses. (L) The manufacturer and model number (or other identification) of each component that failed during the event. (3) An assessment of the safety consequences and implications of the event. This assessment must include: (i) The availability of systems or components that could have performed the same function as the components and systems that failed during the event, and (ii) For events that occurred when the reactor was shutdown, the availability of systems or components that are needed to shutdown the reactor and maintain safe shutdown conditions, remove residual heat, control the release of radioactive material, or mitigate the consequences of an accident. (4) A description of any corrective actions planned as a result of the event, including those to reduce the probability of similar events occurring in the future. (5) Reference to any previous similar events at the same plant that are known to the licensee. (6) The name and contact information of a person within the licensee's organization who is knowledgeable about the event and can provide additional information concerning the event and the plant's characteristics. (c) *Supplemental Information*: The Commission may require the licensee to submit specific additional information beyond that required by paragraph (b) of this section if the Commission finds that supplemental material is necessary for complete understanding of an unusually complex or significant event. These requests for supplemental information will be made in writing and the licensee shall submit, as specified in § 53.040, the requested information as a supplement to the initial LER. (d) *Submission of Reports*: Licensee event reports must be prepared on Form NRC 366 and submitted to the U.S. Nuclear Regulatory Commission, as specified in § 53.040.	

(e) *Report Legibility*: The reports and copies that licensees are required to submit to the Commission under the provisions of this section must be of sufficient quality to permit legible reproduction and micrographic processing. (f) [Reserved] (g) *Reportable Occurrences*: The requirements contained in this section replace all existing requirements for licensees to report "Reportable Occurrences" as defined in individual plant Technical Specifications.	
§ 53.1535 Facility Information and Verification (a) In response to a written request by the Commission, each applicant for a construction permit or license and each recipient of a construction permit or a license must submit facility information, as described in § 75.10 of this chapter, on International Atomic Energy Agency (IAEA) Design Information Questionnaire forms and site information on DOC/NRC Form AP-A and associated forms; (b) As required by the Additional Protocol, must submit location information described in § 75.11 of this chapter on DOC/NRC Form AP-1 and associated forms; and (c) Must permit verification thereof by the IAEA and take other action as necessary to implement the US/IAEA Safeguards Agreement, as described in Part 75 of this chapter.	Requirements taken from 10 CFR 50.78.
§ 53.1560 Financial Requirements Sections 53.1561 through 53.1564 set out the requirements and procedures related to financial qualifications and related reporting requirements.	
§ 53.1561 Financial Qualifications Applicants for a construction permit, operating license, or combined license under this part must possess or have reasonable assurance of obtaining the funds necessary for the activities for which the permit of license is sought. Applicants that are electric utilities are assumed to have such reasonable assurance of funding the activities for which they seek a permit of license.	Requirements taken from 10 CFR 50.33(f) for contents of applications. Creating technical requirement here to maintain general Part 53 goal of having technical requirements in a Subpart other than contents of applications sections in Subpart H. Note that details on the required contents of applications to show an applicant is financially qualified for a license or permit will be in Subpart H. For potential applicants for a manufacturing license planning for the factory loading of fuel, the staff

	notes that 10 CFR 70.23, "Requirements for the approval of applications," includes a provision addressing financial qualifications of applicants where the nature of the proposed activities is such as to require consideration of financial matters by the Commission. The staff is interested in stakeholders' views on the possible need to address financial qualifications for manufacturing licenses, especially those planning to possess special nuclear material.
§ 53.1562 Annual Financial Reports With respect to any commercial nuclear plant facility of a type described in § 53.020, each licensee and each holder of a construction permit must submit its annual financial report, including the certified financial statements, to the Commission, as specified in § 53.040, upon issuance of the report. However, licensees and holders of a construction permit who submit a Form 10-Q with the Securities and Exchange Commission or a Form 1 with the Federal Energy Regulatory Commission, need not submit the annual financial report or the certified financial statement under this paragraph.	Reporting requirement taken from 10 CFR 50.71(b).
§ 53.1563 Licensee's Change of Status; Financial Qualifications An electric utility licensee holding an operating license (including a renewed license) for a commercial nuclear plant, no later than seventy-five (75) days prior to ceasing to be an electric utility in any manner not involving a license transfer under [§§ 53.1278.4 or 53.1309], must provide the NRC with the financial qualifications information that would be required for obtaining an initial operating license as specified in [§§ 53.1274 or 53.1287]. The financial qualifications information must address the first full five years of operation after the date the licensee ceases to be an electric utility.	Reporting requirement taken from 10 CFR 50.76.
§ 53.1564 Creditor Regulations (a) Pursuant to section 184 of the Atomic Energy Act of 1954, as amended (AEA), the Commission consents, without individual application, to the creation of any mortgage, pledge, or other lien upon any commercial nuclear plant not owned by the United States which is the subject of a license or upon any leasehold or other interest in such facility; Provided:	Requirements taken from 10 CFR 50.81.

(1) That the rights of any creditor so secured may be exercised only in compliance with and subject to the same requirements and restrictions as would apply to the licensee pursuant to the provisions of the license, the AEA, and regulations issued by the Commission pursuant to said Act; and (2) That no creditor so secured may take possession of the facility pursuant to the provisions of this section prior to either the issuance of a license from the Commission authorizing such possession or the transfer of the license. (b) Any creditor so secured may apply for transfer of the license covering such facility by filing an application for transfer of the license pursuant to [§§ 53.1278.4 or 53.1309]. The Commission will act upon such application pursuant to Subpart I of this part. (c) Nothing contained in this regulation shall be deemed to affect the means of acquiring, or the priority of, any tax lien or other lien provided by law. (d) As used in this section: (1) "*License*" includes any operating license, combined license, construction permit, and early site permit under part 53 of this chapter, which may be issued by the Commission with regard to a facility; (2) "*Creditor*" includes, without implied limitation, the trustee under any mortgage, pledge or lien on a facility made to secure any creditor, any trustee or receiver of the facility appointed by a court of competent jurisdiction in any action brought for the benefit of any creditor secured by such mortgage, pledge or lien, any purchaser of such facility at the sale thereof upon foreclosure of such mortgage, pledge, or lien or upon exercise of any power of sale contained therein, or any assignee of any such purchaser. (3) "*Facility*" includes but is not limited to, a site which is the subject of an early site permit under § 53.1180, and a reactor manufactured under a manufacturing license under [§ 53.1240] of this part.	As noted above, the staff is interested in stakeholders' views on the applicability of financial requirements, including reporting requirements, for manufacturing licenses, especially those planning to possess special nuclear material.
§ 53.1570 Financial Protection Sections 53.1571 and 53.1572 set out the requirements and procedures related to licensees obtaining and maintaining insurance to cover stabilization and decontamination activities in the event of an accident and financial protection in accordance with Part 140, "Financial Protection Requirements and Indemnity Agreements," of this chapter.	

§ 53.1571 Insurance Required to Stabilize and Decontaminate Plant Following an Accident Each commercial nuclear plant licensee under this part shall take reasonable steps to obtain insurance available at reasonable costs and on reasonable terms from private sources or to demonstrate to the satisfaction of the NRC that it possesses an equivalent amount of protection covering the licensee's obligation, in the event of an accident at the licensee's reactor, to stabilize and decontaminate the plant and the plant site at which the such an accident may occur, provided that: (a) The insurance required by this section must have a minimum coverage limit for each reactor station site of $1.06 billion, an amount based on plant-specific estimates of costs to stabilize and decontaminate a plant, or whatever amount of insurance is generally available from private sources, whichever is less. The required insurance must clearly state that, as and to the extent provided in paragraph (4) of this section, any proceeds must be payable first for stabilization of the plant and next for decontamination of the plant and the plant site. If a licensee's coverage falls below the required minimum, the licensee shall within 60 days take all reasonable steps to restore its coverage to the required minimum. The required insurance may, at the option of the licensee, be included within policies that also provide coverage for other risks, including, but not limited to, the risk of direct physical damage. (b)(1) With respect to policies issued or annually renewed, the proceeds of such required insurance must be dedicated, as and to the extent provided in this paragraph, to reimbursement or payment on behalf of the insured of reasonable expenses incurred or estimated to be incurred by the licensee in taking action to fulfill the licensee's obligation, in the event of an accident at the licensee's plant, to ensure that the plant is in, or is returned to, and maintained in, a safe and stable condition and that radioactive contamination is removed or controlled such that personnel exposures are consistent with the occupational exposure limits in 10 CFR part 20. These actions must be consistent with any other obligation the licensee may have under this chapter and must be subject to paragraph (d) of this section. As used in this section, an "accident" means an event that involves the release of radioactive material from its intended place of confinement within the commercial nuclear plant such that there is a	Requirements taken from 10 CFR 50.54(w).

present danger of release off site in amounts that would pose a threat to the public health and safety.

(2) The stabilization and decontamination requirements set forth in paragraph(d) of this section must apply uniformly to all insurance policies required under this section.

(c) The licensee shall report to the NRC on April 1 of each year the current levels of this insurance or financial security it maintains and the sources of this insurance or financial security.

(d)(1) In the event of an accident at the licensee's plant, whenever the estimated costs of stabilizing the licensed plant and of decontaminating the plant and the plant site exceed one tenth of the minimum insurance under paragraph (a), the proceeds of the insurance required by this section must be dedicated to and used, first, to ensure that the licensed plant is in, or is returned to, and can be maintained in, a safe and stable condition so as to prevent any significant risk to the public health and safety and, second, to decontaminate the plant and the plant site in accordance with the licensee's cleanup plan as approved by order of the Director of the Office of Nuclear Reactor Regulation. This priority on insurance proceeds must remain in effect for 60 days or, upon order of the Director, for such longer periods, in increments not to exceed 60 days except as provided for activities under the cleanup plan required in paragraphs (d)(iii) and (d)(iv) of this section, as the Director may find necessary to protect the public health and safety. Actions needed to bring the plant to and maintain the plant in a safe and stable condition may include one or more of the following, as appropriate:

(i) Shutdown of the reactor(s) and other processes at the plant;

(ii) Establishment and maintenance of long-term cooling with stable decay heat removal;

(iii) Maintenance of sub-criticality;

(iv) Control of radioactive releases; and

(v) Securing of structures, systems, or components to minimize radiation exposure to onsite personnel or to the offsite public or to facilitate later decontamination or both.

(2) The licensee shall inform the Director of the Office of Nuclear Reactor Regulation in writing when the plant is and can be maintained in a safe and stable condition so as to prevent any significant risk to the public

health and safety. Within 30 days after the licensee informs the Director that the plant is in this condition, or at such earlier time as the licensee may elect or the Director may for good cause direct, the licensee shall prepare and submit a cleanup plan for the Director's approval. The cleanup plan must identify and contain an estimate of the cost of each cleanup operation that will be required to decontaminate the reactor sufficiently to permit the licensee either to resume operation of the reactor or to apply to the Commission under Subpart G for authority to decommission the reactor and to surrender the license voluntarily. Cleanup operations may include one or more of the following, as appropriate: (i) Processing any contaminated materials generated by the accident and by decontamination operations to remove radioactive materials; (ii) Decontamination of surfaces inside the plant buildings to levels consistent with the Commission's occupational exposure limits in 10 CFR part 20, and decontamination or disposal of equipment; (iii) Decontamination or removal and disposal of internal parts, damaged fuel from the reactor coolant or fuel systems, or related process or waste systems; and (iv) Cleanup of the reactor coolant or fuel systems or related process or waste systems. (3) Following review of the licensee's cleanup plan, the Director will order the licensee to complete all operations that the Director finds are necessary to decontaminate the reactor sufficiently to permit the licensee either to resume operation of the reactor or to apply to the Commission under Subpart G for authority to decommission the reactor and to surrender the license voluntarily. The Director shall approve or disapprove, in whole or in part for stated reasons, the licensee's estimate of cleanup costs for such operations. Such order may not be effective for more than 1-year, at which time it may be renewed. Each subsequent renewal order, if imposed, may be effective for not more than 6 months. (4) Of the balance of the proceeds of the required insurance not already expended to place the plant in a safe and stable condition pursuant to paragraph (b)(1) of this section, an amount sufficient to cover the expenses of completion of those decontamination operations that are the subject of the Director's order shall be dedicated to such use, provided that,	

upon certification to the Director of the amounts expended previously and from time to time for stabilization and decontamination and upon further certification to the Director as to the sufficiency of the dedicated amount remaining, policies of insurance may provide for payment to the licensee or other loss payees of amounts not so dedicated, and the licensee may proceed to use in parallel (and not in preference thereto) any insurance proceeds not so dedicated for other purposes.	
§ 53.1572 Financial Protection Requirements Commercial nuclear plant licensees must satisfy the applicable provisions of Part 140, “Financial Protection Requirements and Indemnity Agreements,” of this chapter.	Requirements taken from 10 CFR 50.57 and 10 CFR Part 140.