

September 2, 1998

MEMORANDUM L. Joseph Callan
FOR: Executive Director for Operations
FROM: John C. Hoyle, Secretary /s/
SUBJECT: STAFF REQUIREMENTS - AFFIRMATION SESSION, 11:30 A.M., WEDNESDAY, SEPTEMBER 2,
1998, COMMISSIONERS' CONFERENCE ROOM, ONE WHITE FLINT NORTH, ROCKVILLE,
MARYLAND (OPEN TO PUBLIC ATTENDANCE)

1. SECY-98-164 - Final Rule on Financial Assurance Requirements for Decommissioning Nuclear Power Reactors

The Commission approved a final rule amending 10 CFR Part 50 relating to financial assurance requirements for decommissioning of nuclear power plants. The rule is responsive to the anticipated rate deregulation of the power generating industry.

Following incorporation of the attached changes, the Federal Register notice should be reviewed by the Rules Review and Directives Branch in the Office of Administration and forwarded to the Office of the Secretary for signature and publication.

(EDO)

(SECY Suspense: 9/11/98)

The staff should use the intervening period of time between the publication date of the rule and the effective date to determine whether licensees who are known to be lacking decommissioning funding assurance, under the new regulatory criteria, can demonstrate an equivalent level of financial qualifications through other mechanisms. Further, the staff should apprise itself of what actions such licensees intend either to take to bring themselves into compliance or to obtain relief through established regulatory processes by the effective date of the rule.

Attachment: As stated

cc: Chairman Jackson
Commissioner Diaz
Commissioner McGaffigan
OGC
CIO
CFO
OCA
OIG
Office Directors, Regions, ACRS, ACNW, ASLBP (via E-Mail)
PDR - Advance
DCS - P1-17

Changes to the Federal Register Notice in SECY-98-164

1. On page 46, third line from the bottom, replace 'project' with 'projected.'

2. On page 47, the last sentence in the last paragraph should be revised to read:

"NRC also is adopting commenter suggestions that the reporting frequency be increased for plants approaching the end of commercial operation and for plants where conditions have changed such that it will prematurely close within five years or has already prematurely closed before the end of its licensed life, or for plants involved in merger/acquisitions."

3. On page 76, line 4, insert '(before the end of its licensed life)' after '5 years' and insert '(before the end of its licensed life)' after 'already closed.'