

May 27, 1997

MEMORANDUM TO: L. Joseph Callan
Executive Director for Operations

FROM: John C. Hoyle, Secretary /s/

SUBJECT: STAFF REQUIREMENTS - BRIEFING ON ELECTRIC GRID RELIABILITY, 1:30 P.M.,
WEDNESDAY, APRIL 23, 1997, COMMISSIONERS' CONFERENCE ROOM, ONE WHITE FLINT
NORTH, ROCKVILLE, MARYLAND (OPEN TO PUBLIC ATTENDANCE) and BRIEFING ON
ELECTRIC UTILITY RESTRUCTURING, 9:00 A.M., THURSDAY, APRIL 24, 1997,
COMMISSIONERS' CONFERENCE ROOM, ONE WHITE FLINT NORTH, ROCKVILLE, MARYLAND
(OPEN TO PUBLIC ATTENDANCE)

In separate but related meetings, the Commission was briefed by the NRC staff and representatives from DOE, FERC, the electric power industry, coordinating councils, reliability councils, economic regulators, and industry groups on the issues related to electric grid reliability and utility restructuring.

Based on the rapid changes in utility deregulation, the Commission asked that the staff give greater urgency to ensuring that related health and safety issues within NRC's jurisdiction are addressed, particularly in reviewing the terms of the licensing basis and validating grid reliability assumptions. The staff should make appropriate contacts with other agencies to ensure that the NRC remains informed and (as applicable) involved on these issues. In particular, the staff should inform the Commission of actions by federal and state economic regulators in establishing membership requirements in the North American Electric Reliability Council (NERC). This should include a staff assessment of any requirements and the effectiveness of such requirements and enforcement policies relating to reliability.

The Commission asked the staff to provide more information on follow-up actions to the event at Summer nuclear power station.

The Commission asked that appropriate representatives from each regional office visit a power pool and reliability council with jurisdiction in their region, to establish appropriate contacts, and achieve better understanding of regional grid reliability issues and the relationship between the NERC regions and the three interconnected networks (or grids) that comprise the U.S. bulk power system. This information should be made available to the appropriate staff within the regional offices.

(EDO)

(SECY suspense: 9/26/97)

cc: Chairman Jackson
Commissioner Rogers
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
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CFO
CIO
OCA
OIG
Office Directors, Regions, ACRS, ACNW, ASLBP (via E-Mail)
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