

July 16, 2008

The Honorable Darlene Hooley
United States House of Representatives
Washington, D.C. 20515

Dear Congresswoman Hooley:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of June 18, 2008, which urged the NRC to give all new reactor design certification applicants equal access to a timely review of their applications. I want to assure you that reviews of all applications, regardless of vendor or reactor size, are prioritized based upon available NRC resources.

The NRC has received nine applications for combined licenses for 15 large capacity light water reactors (LWRs). These applications reference five reactor designs, of which one has been certified by the NRC, three are being reviewed for potential certification, and one for which an amendment has been requested. The NRC has also received requests for pre-application discussions from the vendors of four small reactor designs. NuScale, the vendor mentioned in your letter, is one of the four. None of these four vendors have a commitment from a domestic electric utility or any other U.S.-based entity to submit an application for a combined license that references their design.

The Commission has an established policy to support design certification reviews before a construction permit or combined license (COL) application has been filed. In accordance with that policy, the staff is to develop budget estimates to conduct all pre-application reviews, design certification reviews, early site permit reviews, and COL reviews that are reasonably expected to be submitted in the coming fiscal year or beyond. However, when it comes time to execute the budget, the staff is to give priority to applications that are aligned with a COL partner and assign a lower priority to applications that are not clearly aligned with a COL partner if funding is not approved to review all applications.

Currently, the effort required for the NRC to review the number of applications submitted and expected to arrive before the beginning of FY 2009 will exceed the resources in the FY 2009 budget that the President submitted to Congress. Thus, the NRC does not currently have the resources to review the designs of the four small reactors mentioned above since none have a commitment from a COL partner.

Furthermore, through the Energy Policy Act of 2005, Congress has mandated the development of a very high temperature gas cooled reactor under the Next Generation Nuclear Plant (NGNP) program. The Energy Policy Act of 2005 also assigns NRC the responsibility to license the reactor. Accordingly, when NRC staff prioritizes resources for the review of small reactors, NGNP by necessity must have the highest priority. Consequently, without additional resources, it is likely that the only small reactor design that will be reviewed by the NRC in FY 2009 is the design submitted in the NGNP program.

If you have any further questions on this issue, please do not hesitate to contact me.

Sincerely,

/RA/

Dale E. Klein

Identical letter sent to:

The Honorable Darlene Hooley
United States House of Representatives
Washington, D.C. 20515

The Honorable Ron Wyden
United States Senate
Washington, D.C. 20510

The Honorable Gordon H. Smith
United States Senate
Washington, D.C. 20510

The Honorable Greg Walden
United States House of Representatives
Washington, D.C. 20515