

JANET R. SCHLUETER
Senior Director, Fuel and Materials Safety

1201 F Street, NW, Suite 1100
Washington, DC 20004
P: 202.739.8098
jrs@nei.org
nei.org



April 4, 2014

Ms. Marissa G. Bailey
Director, Division of Fuel Cycle Safety and Safeguards
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Subject: Progress of Industry and NRC Efforts to Address the Cumulative Impact of Regulation on Fuel Cycle Facilities

Project Number: 689

Dear Ms. Bailey:

On behalf of the fuel cycle industry, the Nuclear Energy Institute (NEI)¹ appreciates the public meetings conducted March 5-6, 2014, in Atlanta, Georgia to discuss, among other items, progress in managing the cumulative impact of U.S. Nuclear Regulatory Commission (NRC) regulatory actions on fuel cycle facilities. The dialogue between the NRC and industry has resulted in tangible improvements regarding the planning and prosecution of initiatives. While the improvements have been primarily in the form of communications, the continued discussions regarding priorities and an issue resolution protocol also show promise. We look forward to continued progress over the next several months.

The industry appreciates NRC's efforts to develop, utilize and solicit feedback on an integrated schedule of regulatory activities. The schedule has been an important tool for identifying initiatives, interdependencies, overlap, mutual resource expenditures, and the relative priorities. We recognize that several of the initiatives in the integrated schedule involve complex technical issues and have been open and discussed for a number of years. In that regard, we commend the NRC staff's actions in working toward the effective closure and resolution of two issues: soluble uranium intake values and chemical security. We now look forward to a path forward that is risk-informed and can ultimately result in their removal from the integrated schedule by the dates planned.

¹ The Nuclear Energy Institute (NEI) is the organization responsible for establishing unified industry policy on matters affecting the nuclear energy industry, including the regulatory aspects of generic operational and technical issues. NEI's members include all entities licensed to operate commercial nuclear power plants in the United States, nuclear plant designers, major architect/engineering firms, fuel cycle facilities, nuclear materials licensees, and other organizations and entities involved in the nuclear energy industry.

Ms. Marissa G. Bailey

April 4, 2014

Page 2

Based on our discussions with you during the constructive March public meetings, the industry has reassessed its earlier categorization² of the Part 40 rulemaking. The industry believes that, unless this rulemaking can also resolve the dermal/ocular exposure standard issue as suggested in NEI letters dated September 9, 2011³ and March 25, 2014⁴, this activity by itself should be reduced from high to medium-low priority. This revised ranking is based on the regulatory initiatives before us and the status of the Part 40 fuel cycle facility licenses in place today.

We also acknowledge that there are other open regulatory issues identified on the integrated schedule that are also complex, such as a dermal/ocular exposure standard and the proposed rulemaking for 10 CFR Part 74⁵. We recently issued letters to the NRC on each of these items which provided constructive proposals toward resolution.

Finally, during the March public meeting, we discussed the need to develop a relative ranking for new regulatory initiatives and the viability of an issue resolution process. We look forward to further discussion of these important topics at our next public meeting being scheduled for the week of June 9th. To that end, industry plans to submit an issue resolution strawman in advance of the June cumulative impacts meeting to aid in that discussion. We believe that making progress on these program elements is critical to ensuring that industry and NRC resources are better focused on issues of the highest safety significance. We appreciate the NRC support demonstrated to date in this regard and look forward to the June meeting.

If you have any questions, please feel free to contact me or Andrew Mauer at 202-739-8018; anm@nei.org.

Sincerely,



Janet R. Schlueter

c: Ms. Catherine Haney, NMSS, NRC
Mr. Anthony T. Gody, Jr., R-II/DFFI, NRC
Mr. Matthew A. Bartlett, NMSS/FCSS/CDMOB, NRC

² Letter from J.Schlueter, NEI to Marissa Bailey, NRC dated April 3, 2013 on Cumulative Impact of Regulatory Actions on Fuel Cycle Facilities.

³ Letter from J.Schlueter, NEI to Annette Vietti-Cook, NRC dated September 9, 2011 on Industry Comments on Domestic Licensing of Source Material.

⁴ Letter from J.Schlueter, NEI to Marissa Bailey, NRC dated March 25, 2014 on Industry Position on Dermal and Ocular Standards.

⁵ Letter from A.Heymer, NEI to Annette Vietti-Cook, NRC dated March 10, 2014 on Industry Comments on Material Control and Accounting Proposed Rule Part 74.