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Secretary
U. S. Nuclear Regulatory Commission
Attn: Docketing and Service Branch
Washington, D. C. 20555

- References:
- 1) Fermi 2
NRC License No. 50-341
NRC Docket No. NPF-43
 - 2) Federal Register Vol. 55, No. 208,
FR Doc. 90-25376, dated October 26, 1990

Subject: Draft Policy Statement on Possible Safety Impacts of
Economic Performance Incentives

Detroit Edison has reviewed the Nuclear Regulatory Commission draft policy statement on possible safety impacts of economic performance incentives and offers the following comments.

Detroit Edison agrees the NRC should be concerned over programs that use NRC generated performance ratings and performance indicators. Such use of NRC ratings are not appropriate and places even greater attention on the numerical ratings than already exists. We agree with these portions of the draft policy statement that address this issue, but believe the language should more strongly state that SALP ratings and performance indicators should not be used in performance incentive programs.

Since the NRC's purpose is to regulate safety and not to specifically promote economic improvements in power plant operation, Detroit Edison believes that for the NRC to encourage the establishment of certain types of incentive programs is inappropriate. By discussing "desirable plans", the policy can be interpreted as endorsing performance incentive programs that contain features discussed as desirable. The policy should discuss undesirable features and acceptable features of performance programs in regard to their potential effects on plant safety but should not endorse particular types of incentives. For the benefit of state regulators who may be less informed than licensees on nuclear safety more detail on unacceptable features and why they are unacceptable would be helpful.

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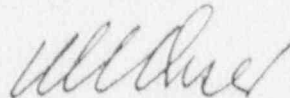
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Detroit Edison acknowledges the NRC's concern that economic performance incentive programs might adversely impact plant safety. However, nuclear power plant safety is such a pervasive part of plant management and operation decision making that we believe it extremely unlikely that the existence of a well designed, realistic incentive would result in a nuclear power plant being operated unsafely.

Detroit Edison agrees with the draft policy statement's characterization of programs having performance measured over short time intervals as being undesirable. Programs need to cover a period of years to allow for implementation of major long term improvements without penalization. A three to five year period is also necessary to handle the differences in cycle lengths between plants in the comparison base.

In conclusion, Detroit Edison agrees with the majority of the draft policy statement. Economic performance incentive programs do not necessarily adversely affect plant safety. Some incentives can cause concern, other programs have no adverse impact on safety. Programs that do not cause concern should be considered acceptable, but not encouraged by the Nuclear Regulatory Commission. The NRC should continue to monitor incentive programs and communicate informally with the licensees and state agencies on such programs.

Yours truly,



cc: NUMARC