



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

February 10, 1993

Dr. Andrew C. Kadak
President and Chief Executive Officer
Yankee Atomic Electric Company
580 Main Street
Bolton, Massachusetts 01740-1398

Dear Dr. Kadak:

I am responding to your letter of January 19, 1993, in which you expressed concern about the timeliness of the NRC staff's review of your September 28, 1992 request to modify the Price-Anderson Indemnity Agreement for the Yankee Nuclear Power Station. I assure you that the NRC staff is reviewing your submittal as a priority item.

Unfortunately, although the regulations you cite are relevant to the NRC's consideration of your request, questions have arisen as to whether they are dispositive. The staff has indicated that it feels a need to consider the specific terms of the Price-Anderson provisions of the Atomic Energy Act, the legislative history of the original Act, and the extensions and significant modifications of the Act. This has required substantial legal research and analysis and involves close coordination among the legal and technical staffs to fully outline all the relevant factors for the Commission.

The staff expects to complete its evaluation of this issue and to forward its recommendations to the Commission in March 1993. After the Commission considers the indemnity issue, the staff will promptly process the Yankee submittal in accordance with the Commission decision.

Sincerely,

Ivan Selin

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Handwritten initials/signature